ASIA STRATEGIC HOLDINGS

ANNUAL REPORT 2023/2024

Empowering Communities in Emerging Asia















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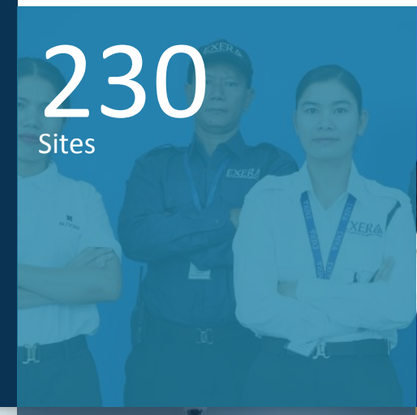
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RESILIENCE AND EXCELLENCE,
SUSTAINING DOUBLE-DIGIT GROWTH AND EMPOWERING COMMUNITIES IN EMERGING ASIA

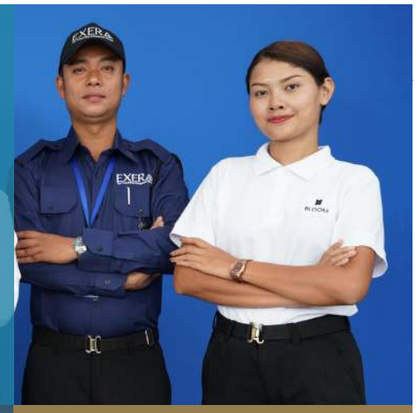


5
Cities

67%
Female Workforce Participation[1]



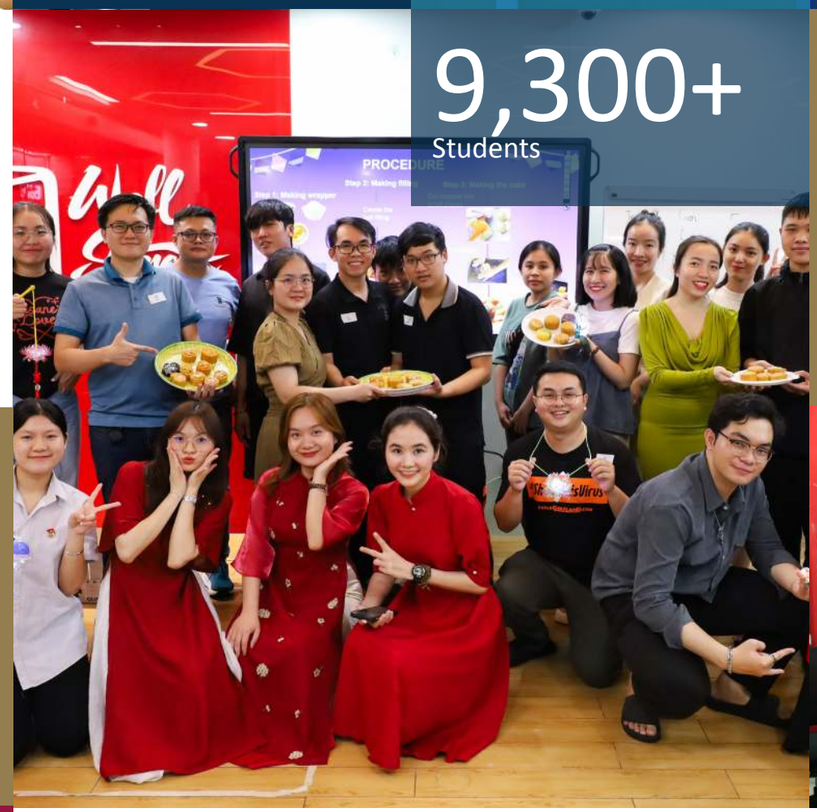
230
Sites





$29.7m
Revenue

$0.6m
Adjusted Cash Flow From Operations



9,300+
Students

1,700+
Security Officers

23%
YOY Revenue Growth



33
Schools

2,600+
Employees



$14.4m
Deferred Revenue



97%
Local Workforce Participation

LEADING DEVELOPER AND OPERATOR OF GLOBAL BRANDS

EDUCATION

Adults English language learning	Kids English language learning	Coding	International school K-12	Tertiary education
Wall Street English	KIDS&US my English	logiscool	YANGON AMERICAN	AUSTON

SERVICES

Protection of assets	Risk management	People safety	Secure logistics	Facilities management	Hospitality
EXERA Your Trusted Risk Management Partner					OSTELLO BELLO

[1] *Excluding EXERA's security officers.*

STRATEGIC REPORT

FINANCIAL HIGHLIGHTS

All dates for the reporting period refer to the financial year ended 30 September 2024 ("FY24") and the comparative period refers to financial year ended 30 September 2023 ("FY23"), unless otherwise stated.

The year-on-year ("YOY") growth or decline refers to any change that occurred between FY24 and FY23, or equivalent periods of one year, as applicable.

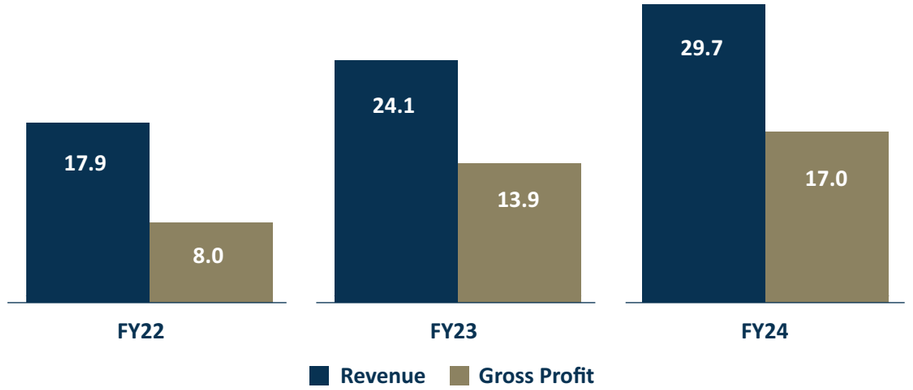
All figures are reported in United States Dollars ("$"), unless otherwise specified.

- Group revenue increased by 23% YOY to $29.7 million in FY24 (FY23: $24.1 million). The Education division accounted for 76% of revenue (FY23: 78%), while the Services division contributed 24% (FY23: 22%). Key drivers of this robust revenue growth include:
  - 42% revenue increase in Myanmar's Education division (FY23: increase of 116%) driven by contributions from new businesses and continued scaling of existing operations; and
  - 31% revenue growth in Myanmar's Services division (FY23: down 8%) driven by improved commercial positioning and the introduction of high-value services.
- Group gross profit increased 22% YOY to $17.0 million in FY24 (FY23: $13.9 million), with the Education division contributing 91% (FY23: 90%) and the Services division 9% (FY23: 10%). The growth was driven by the increase in revenue as the Group's gross profit margin slipped 1% to 57%. A slight improvement in the Education division gross margin at 68% (FY23: 67%) was offset by deterioration in the Services division gross margin at 23% (FY23: 26%).
- The Group recorded a net loss of $11.0 million in FY24 (FY23: $5.3 million loss), primarily driven by $4.6 million impairment of goodwill at Wall Street English Vietnam.
- Adjusted net losses, excluding the impairment of goodwill and results from businesses launched in the past two years, were $3.2 million (FY23: $3.9 million). Other contributing factors included: i) a $1.5 million foreign exchange loss (FY23: $1.1 million loss) due to currency volatility in key markets, and ii) an increase in marketing expenses to $3.5 million (FY23: $2.6 million) as the Group expanded its efforts to scale newer businesses and establish new brands. Wall Street English Vietnam faced persistent commercial underperformance and shifting market preferences, prompting the decision to close two legacy schools in FY25 as part of a broader Education strategy to reallocate resources towards higher-performing opportunities.
- Group adjusted EBITDA loss amounted to $0.7 million in FY24 (FY23: $0.5 million loss). Continued losses at businesses launched in the last two years coupled with worse results at Wall Street English Vietnam outweighed gains made at the other businesses.
- At 30 September 2024, deferred revenue, representing cash received in advance of service delivery, was $14.4 million, of which current $12.4 million (FY23: $11.0 million), and non-current $2.0 million (FY23: $1.1 million).
- The Group reported a positive operating cash flow of $3.9 million (FY23: $3.7 million) as a result of further increases in advance payments in the Education division. If repayment of lease liabilities (including principal and interest) were considered, the Group would have recorded a positive cash flow of $0.6 million (FY23: positive $1.0 million). Strategic adjustments for FY25 include a more conservative approach to school expansion and making the required changes at Wall Street English Vietnam to reduce the cost base and improve commercial performance to turn the business profitable.
- The Group invested $2.5 million in FY24 (FY23: $1.7 million) primarily to establish thirteen new schools and to relocate Auston to a state-of-the-art campus in Mandalay. The Group is refining its expansion strategy to fit smaller spaces requiring lower capital investment while maintaining the same economics.
- The Group maintained a $4.5 million loan facility with MACAN, the Group's largest shareholder, drawing $2.0 million during FY24. As of the report date, $0.8 million remains available for drawn down by the Group.
- Diversification of the Group's operations across multiple countries continues to play an important role in mitigating single-country risk. Management has determined that there are sufficient mitigating actions within the Group's control to ensure liquidity for at least the next twelve months from the date of this report. These include controlled business expansion, disciplined financial management, access to the unused Loan Facility, diversification of the capital structure through potential bank loans, and vendor financing.

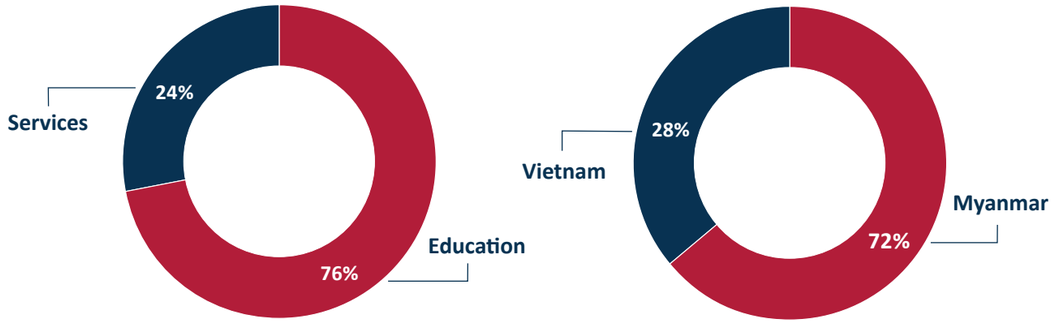
STRATEGIC REPORT

FINANCIAL HIGHLIGHTS

Group Financial Performance ($ in millions)

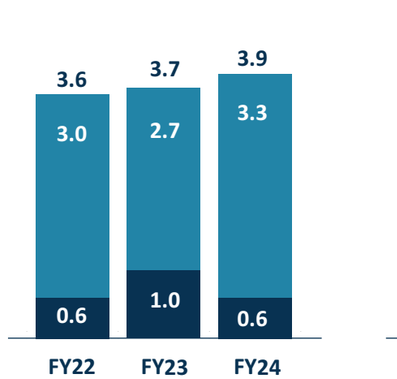


Group FY24 Revenue Breakdown by Division and Geography



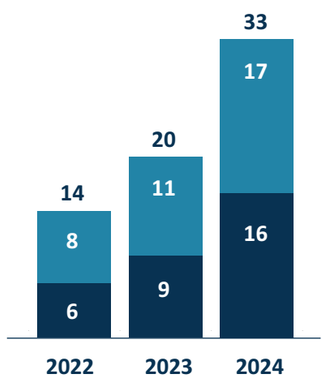
Operating Cash Flow

$ in millions



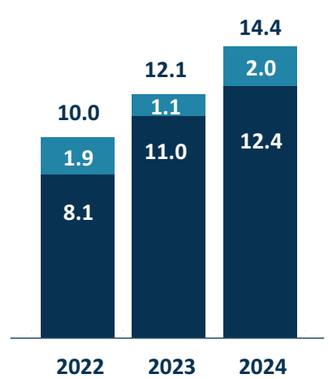
Number of Schools

At 30 September



Deferred Revenue

At 30 September



[1]Adjusted Cash Flow from Operating Activities is Cash Flow from Operating Activities less the Repayment of Lease Liabilities and the Interest Paid on Lease Liabilities.

STRATEGIC REPORT

OPERATIONAL HIGHLIGHTS

EDUCATION DIVISION

- Revenue from the Education division increased 21% YOY to $22.7 million in FY24 (FY23: $18.7 million).
- At 30 September 2024, deferred revenue from the Education division, representing cash received in advance of service delivery, comprised:
  - Current: $12.1 million (FY23: $10.3 million)
  - Non-Current: $2.0 million (FY23: $1.1 million)
- The Education division operates across Vietnam and Myanmar with the following products:

VIETNAM

i. Wall Street English – English language education for adults.
ii. Kids&Us – English language education for children and teens.
iii. Logiscool – Coding education for children and teens.

MYANMAR

i. Wall Street English – English language education for adults.
ii. Kids&Us – English language education for children and teens.
iii. Logiscool – Coding education for children and teens.
iv. Yangon American International School ("Yangon American") – K-12 international school.
v. Auston – Tertiary education.

The number of schools and students at the end of each financial year were:

	Number of schools			Number of students		
	2024	2023	2022	2024	2023	2022
Vietnam	**17**	**11**	**8**	**4,294**	**4,039**	**3,850**
- Wall Street English	9[1]	7	7	3,446	3,681	3,800
- Kids&Us	6	4	1	767	358	50
- Logiscool	2	–	–	81	–	–
Myanmar	**16**	**9**	**6**	**5,021**	**4,647**	**3,655**
- Wall Street English	6	5	4	3,262	3,696	3,100
- Kids&Us	3	1	–	475	98	–
- Logiscool	3	–	–	317	–	–
- Yangon American	2	1	1	145	101	55
- Auston	2[2]	2	1	822	752	500
Group	**33**	**20**	**14**	**9,315**	**8,686**	**7,505**

[1] The planned closure of two (2) legacy schools during FY25 will reduce the total number of schools to seven (7).

[2] Auston relocated to a state-of-the-art campus in Mandalay in FY24. In Yangon, Auston secured a second location to meet growing demand. Plans for renovation and opening are being confirmed.

VIETNAM

The number of students increased by 6% compared to 30 September 2023 driven by growth at Kids&Us Vietnam.

- **Wall Street English Vietnam:** The number of students decreased marginally as commercial performance lagged. A shift in preference for online has prompted the Group to adjust staffing levels, downsize space, and recalibrate the commercial strategy to adapt.
- **Kids&Us Vietnam:** Growth continues with financial and operational metrics largely meeting expectations. The number of students is increasing with greater operational efficiency and improving unit economics.
- **Logiscool Vietnam:** Subdued growth in the team and the number of schools at Logiscool Vietnam. Expansion locations closer to the heart of Ho Chi Minh City have been secured and provide better commercial prospects for Logiscool Vietnam going forward.

STRATEGIC REPORT

OPERATIONAL HIGHLIGHTS

MYANMAR

The number of students increased by 8% compared to 30 September 2023 driven by growth across all brands except Wall Street English Myanmar. Market risks and foreign exchange volatility pose potential challenges to margins going forward.

- **Wall Street English Myanmar:** Price increases more than compensated for the decline in the number of students; however, also presented affordability concerns, which played a role in the lower number of students. The team adjusted to market pressures by reducing dollar-based costs and offering more competitive pricing positioning the brand for strong FY25.
- **Kids&Us Myanmar:** Strong commercial leadership developed within the Group and a world-leading English language programme for children supported a strong launch of the brand in Yangon in FY24.
- **Logiscool Myanmar:** Similar to Kids&Us Myanmar, Logiscool Myanmar leveraged an experienced commercial team and introduced a new product into a market with limited competition driving strong student acquisition in FY24.
- **Yangon American:** A stronger commercial team, improved facilities and stable faculty allowed the school to stabilise. Expansion to Eighth Grade, improved student retention and higher student acquisition resulted in a higher number of students.
- **Auston:** The school navigated a challenging period in FY24 with the announcement of a military conscription law in February and heightened tensions surrounding military conflict in Mandalay in June and July. This resulted in subdued student acquisition resulting in lower growth than in previous years; however, the relocation to a new state-of-the-art campus in Mandalay puts Auston in a position for a strong FY25.

SERVICES

- Revenue from the Services division increased 31% YOY to $7.0 million in FY24 (FY23: $5.3 million). The managed the Services division contributed $10k in FY24 (FY23: nil), primarily from Ostello Bello.
- At 30 September 2024, current deferred revenue from the Services division, representing cash received in advance of service delivery, was $0.3 million (FY23: $0.7 million). The decrease is the result of a large one-off integrated security project with revenue recognised in FY24.
- The Services division consists of the following products:

VIETNAM

i. EXERA Vietnam – Integrated facility management.

- **EXERA Vietnam**: In FY24, the Group established EXERA Vietnam as an integrated facility management company to service internal and external customers. Modest revenue was recorded from its first external customer in September 2024.

MYANMAR

i. EXERA Myanmar – Integrated risk management services.
ii. Ostello Bello – Boutique hostels.

- **EXERA Myanmar:** Employed ca. 1,700 security officers as of 30 September 2024 (30 September 2023: ca. 1,400) across ca. 230 sites in Myanmar (30 September 2023: ca. 200 sites). This growth was driven by new customer acquisition and expanding services to United Nations and embassy clients.
- **Ostello Bello**: Operates boutique hostels with ca. 130 beds and ca. 40 rooms across two locations in Bagan and Mandalay. Occupancy rates improved slightly, mainly driven by locals, although the sector remains largely subdued due to a low number of inbound international tourists.

STRATEGIC REPORT

SIGNIFICANT AND SUBSEQUENT EVENTS

In October 2021, the Group launched a Convertible Note Programme to raise up to $10 million for working capital and future investments. The convertible note ("CN") holders have an option to subscribe to either (i) a 10% coupon option (the "10% Coupon"); or (ii) a zero-coupon option (the "Zero Coupon"). The CNs are mandatorily convertible at the earlier of the maturity date (30 October 2024) or when the qualifying event is satisfied (the "Conversion Date").

The Convertible Note Programme was implemented to provide the Group with financial flexibility, in particular to:

- increase the pace at which the Group can scale operations in Education and Services; and
- take advantage of investment opportunities.

As announced on 25 November 2024, the Group and existing CN holders agreed to the following updates to the Convertible Note Programme:

- an extension to the maturity of the Zero-Coupon option of the Company's Convertible Note Programme from 30 October 2024 to 30 October 2026;
- an increase in the subscription amount of the Zero-Coupon Convertible Notes from $5,230,000 to $7,255,000 (including the subscription by MACAN Pte. Ltd. ("MACAN") detailed below); and
- the termination of the 10% Coupon option of the Convertible Note Programme.

The increased Zero-Coupon Convertible Notes subscription amount was achieved through:

- settlement of $0.5 million owed to an existing CN holder from the maturity of the 10% Coupon;
- settlement of $0.8 million owed to MACAN under an existing loan facility; and
- cash payment of $0.7 million (including $0.2 million from MACAN).

The revised key terms of the Zero-Coupon Convertible Notes are as follows:

Maturity	30 October 2026
Coupon	Zero-Coupon
Conversion discount	Up to 33.1%, depending on the qualifying event
Qualifying event	Share issuance in excess of $5.0 million
Floor conversion price	$11.53 per share
Use of proceeds	Development of business and working capital
Limited use of proceeds	Maximum of 50% of the proceeds to be used for activities in Myanmar
Rank	Pari passu to all present and future unsecured obligations

MACAN, the Group's largest shareholder, subscribed for $3.5 million Zero-Coupon Convertible Notes in November 2021 and recently subscribed for an additional amount of $1.0 million of the Zero-Coupon Convertible Notes. The additional subscription amount has been satisfied through: (i) $0.8 million of monies already drawn down pursuant to MACAN's existing loan facility to the Group (as detailed in the Company's recent financial statements) in lieu of repayment; and (ii) the payment of an additional $0.2 million in cash.

Immediately following MACAN's convertible note subscription, MACAN has lent the following amounts to the Group:

- $4.5 million in Zero-Coupon Convertible Notes; and
- $4.5 million in a 6% loan facility expiring on 31 December 2027, of which $3.7 million has been drawn.



STRATEGIC REPORT

COUNTRY ECONOMIC UPDATES: VIETNAM

The most recent forecast by the Asian Development Bank (the "ADB") is for developing Asia GDP growth of 5.0% in 2024 and 4.9% in 2025.

Inflation in developing Asia is expected to be 2.8% in 2024 and 2.9% in 2025, as supply disruptions persist driving food and fuel prices growth in the region.

VIETNAM

- According to the General Statistics Office of Vietnam (the "GSO"), GDP growth for the first half of 2024 was 6.4% YOY, exhibiting strong economic fundamentals and a long-term positive outlook. According to GSO, full-year 2023 GDP growth was 5.1%, while ADB forecasts 6.0% growth in 2024. Average CPI for the first half of 2024 increased by 4.1% YOY, while core CPI rose by 2.8%. Key inflation drivers included rising costs in education, pharmaceuticals, healthcare, F&B, electricity, housing, and construction materials.
- The Vietnamese Dong has faced downward pressure since early 2024. The State Bank of Vietnam (the "SBV") implemented stabilising measures, including i) reactivating T-bill issuance in March, ii) withdrawing approximately $6.9 billion from the economy, and iii) increasing bond yields. However, in April 2024, the SBV injected $0.4 billion into circulation and affirmed its readiness to intervene, backed with foreign exchange reserves exceeding $100 billion.
- Vietnam's exports in the first half of 2024 are estimated to have grown by 16% YOY to $190.1 billion, while imports were estimated to have increased by 17% YOY to $178.5 billion. This led to a trade surplus of $11.6 billion, according to the GSO. In 2024, Vietnam's trade surplus with the United States exceeded $110 billion, raising concerns about potential U.S. tariffs on Vietnamese exports, which could affect their competitiveness in the critical U.S. market.
- Vietnam is increasingly attractive to global manufacturers as they look to diversify production away from China. S&P Global expects industrial production to continue expanding, bolstered by improving exports. GSO estimates that Vietnam's Index of Industrial Production ("IIP") for July 2024 increased 11% YOY.
- Foreign Direct Investment (the "FDI") attraction and disbursement have shined amidst contraction in global trade and investment. The total registered FDI in the first half of 2024 reached $15.2 billion, reflecting a 13% increase YOY. FDI disbursement reached $10.8 billion, up 8% YOY, representing the highest level in the past five years and highlighting Vietnam's attractiveness to foreign investors.
- Over the recent decades, Vietnam has transitioned from a low-income to a lower-upper-income country, increasing its prominence in the global economic value chain. According to the International Monetary Fund ("IMF"), Vietnam's GDP per capita in 2024 is estimated at $4,650, while the World Bank estimates GNI (Atlas method, current prices) per capita at $4,180—approaching the higher-upper-income threshold of $4,466.
- With a population of 100.8 million in 2024 and a median age of 33.2 years old, Vietnam is the third most populous country in Southeast Asia, after Indonesia (281.6 million) and the Philippines (113.2 million) according to the International Monetary Fund (IMF). The population is projected to grow steadily, reaching 104.5 million by 2030. Vietnam's Human Development Index (HDI) rose from 0.493 in 1990 to 0.726 in 2022, ranking 4th in ASEAN and 107th globally among 193 countries and territories. According to the EF English Proficiency Index ("EF EPI") in 2023, Vietnam was classified as having "moderate proficiency" and ranked 58th globally.
- World Bank estimated that Vietnam's workforce grew to 52.5 million people in the first quarter of 2024. The large and low-cost labour force, coupled with a stable and favorable macro environment, has made Vietnam an attractive hub for foreign investment. It is particularly appealing to global manufacturers looking to diversify and de-risk their value chain.



STRATEGIC REPORT

COUNTRY ECONOMIC UPDATES: MYANMAR

MYANMAR

- Myanmar's economy remains stagnant with the World Bank forecasting 1.0% GDP growth in 2024. Industrial and service sector growth is expected to remain modest at 1.5% and 2.5%, respectively.
- Inflationary pressure persisted due to the damage caused by Typhoon Yagi and flooding, which have reduced agricultural output in some regions and are likely to drive up food prices. The IMF projects inflation to have reached 20% at the end of 2024.
- According to the World Bank's "State of Education in Myanmar" report, household spending on private tutoring rose significantly in 2023 to support children's education.
- According to the International Labor Organization's report on the Myanmar Labor market, the unemployment rate was 46% in 2022, one of the highest in the region. Labor productivity fell by 10% in 2022 as skilled workers struggled to find employment.
- Myanmar faces fundamental infrastructure challenges exacerbated by the recent slowdown in FDI, lack of international assistance, and severe power cuts during the dry season due to heavy reliance on hydropower for electricity. Moreover, approximately 80% of natural gas production is committed through long-term contracts to neighbouring nations.
- Political uncertainty, including the introduction of a conscription law, continues to dampen economic recovery.
- The Central Bank of Myanmar announced sales of $152 million, THB 165 million, and CNY 30 million to fuel and edible oil importers from September to December 2024, which helped stabilise local currency in Q4 2024. However, market volatility is expected to persist into the next year.
- Myanmar's imports dropped by 14% YOY in the first half of 2024, while exports rose by 8%, resulting in a trade surplus. The decline in imports is due to government restrictions, conflict-related trade disruptions, and the Kyat's depreciation. All of which raised import prices and shifted consumer demand toward local products.







STRATEGIC REPORT

COMPANY OVERVIEW: VIETNAM

$8.2 million
Revenue

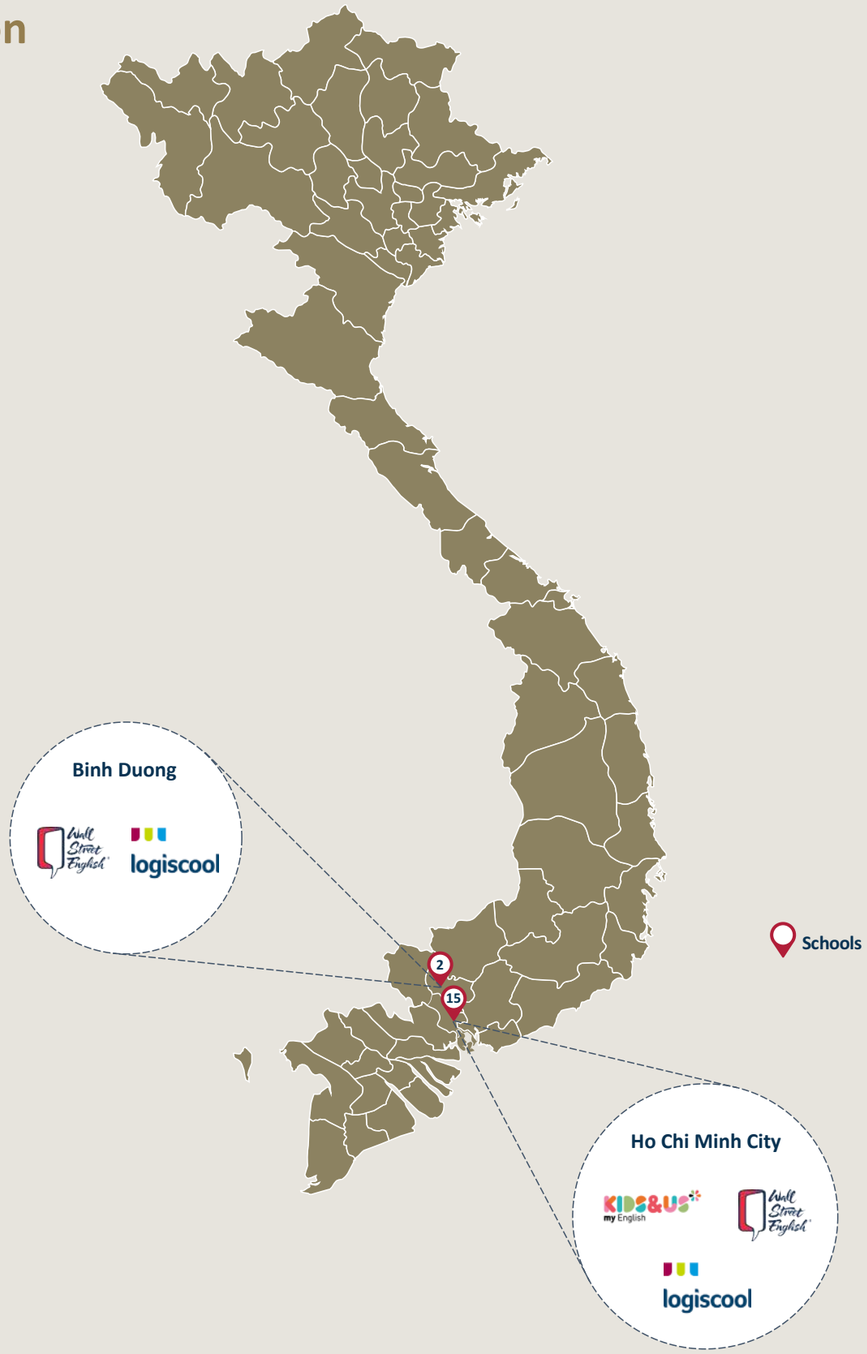
17
Schools

4,294
Students

340+
Employees

69%
Female[1]

90%
Local



[1] *Female workforce participation, excluding EXERA's Security Officers.*

STRATEGIC REPORT

COMPANY OVERVIEW: MYANMAR

$21.4 million
Revenue

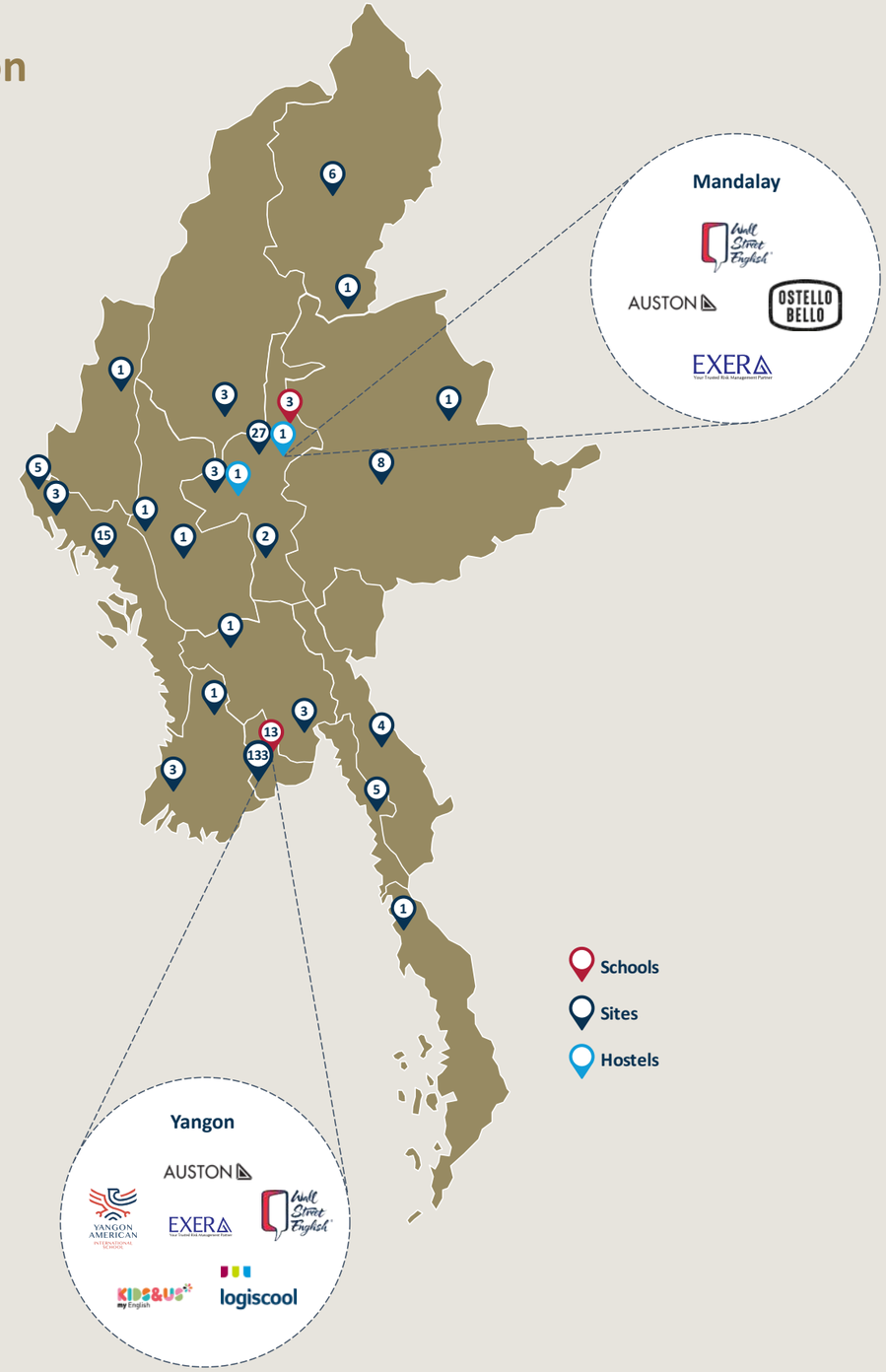
16
Schools

5,021
Students

2,260+
Employees

67%
Female[1]

98%
Local



[1] *Female workforce participation, excluding EXERA's Security Officers.*

STRATEGIC REPORT

CHAIRMAN'S STATEMENT



Dear Shareholders,

The past financial year was marked by meaningful achievements and sustained challenges. As we continued our journey of empowering communities in Emerging Asia, we achieved strong revenue growth and significant expansion across key areas of our portfolio. At the same time, scaling in competitive markets and regional operational difficulties in a complex geopolitical environment underscored the need for focused attention and decisive action.

ACHIEVEMENTS AND GROWTH POTENTIAL

We are pleased to report a 23% YOY increase in Group revenue, reaching $29.7 million. This growth was driven by the Education division, contributing 76% of total revenue, and the Services division contributed 24% to the total revenue. Key highlights include:

- Myanmar Education growth: revenue in Myanmar's Education division surged by 42%, supported by the scaling of new operations and the growing popularity of Kids&Us Myanmar and Logiscool Myanmar programmes.
- Strong Services momentum: the Services division demonstrated its potential with growth from high-value services, solidifying its role as a key revenue driver.
- Operational expansion: we opened 13 new schools and relocated Auston to a state-of-the-art campus in Mandalay, enhancing our ability to serve growing student and community needs.

These achievements reaffirm the potential of our businesses to create value over the long term. Our strategy of diversification across Myanmar and Vietnam has continued to mitigate risks and position us for resilience.

CHALLENGES AND STRATEGIC RESPONSE

Growth has not come without its challenges. Our adjusted EBITDA showed a loss of $0.7 million, underscoring the need to improve operational efficiency and strengthen cost control. To address this, we are implementing a leaner expansion strategy, prioritising smaller-scale, cost-effective school formats that maintain robust economics.

Net losses increased to $11.0 million, driven largely by the $4.6 million impairment of the goodwill associated with the acquisition of Wall Street English Vietnam in 2020. Wall Street English Vietnam faced difficulties adapting to shifting market preferences and rising operational costs, leading to a slower-than-expected recovery post-COVID-19. These challenges have informed our decision to close two underperforming schools in FY25.

ECONOMIC, ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Aligned with our vision to empower communities, our management's commitment to Economic, Environmental, Social, and Governance ("EESG") principles has delivered tangible results, including:

- Over 2,500 jobs for local employees across Vietnam and Myanmar, with 97% local workforce participation.
- 67% female workforce participation (excluding EXERA security officers).
- Obtained ICoCA certification, reinforcing our commitment to ethical security, human rights, and governance excellence.

PLANS FOR FY25

Looking ahead, our priorities are clear:

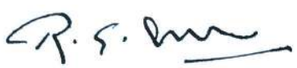
- Optimising Wall Street English Vietnam: reduce costs while refining our market strategy to regain momentum.
- Strategic scaling: focus on high-margin opportunities and efficient capital allocation in both Vietnam and Myanmar.
- Strengthened foundations: enhance operational efficiency through centralised support functions and disciplined financial management.

WORDS OF APPRECIATION

As we embark on FY25, we are confident in our ability to overcome these challenges and harness growth opportunities. The resilience of our teams, the strength of our diversified portfolio, and the trust of our stakeholders inspire us to deliver sustainable value.

We thank our employees, customers, and partners for their steadfast support, and we remain committed to driving progress and creating lasting impact in the years to come.

Sincerely,

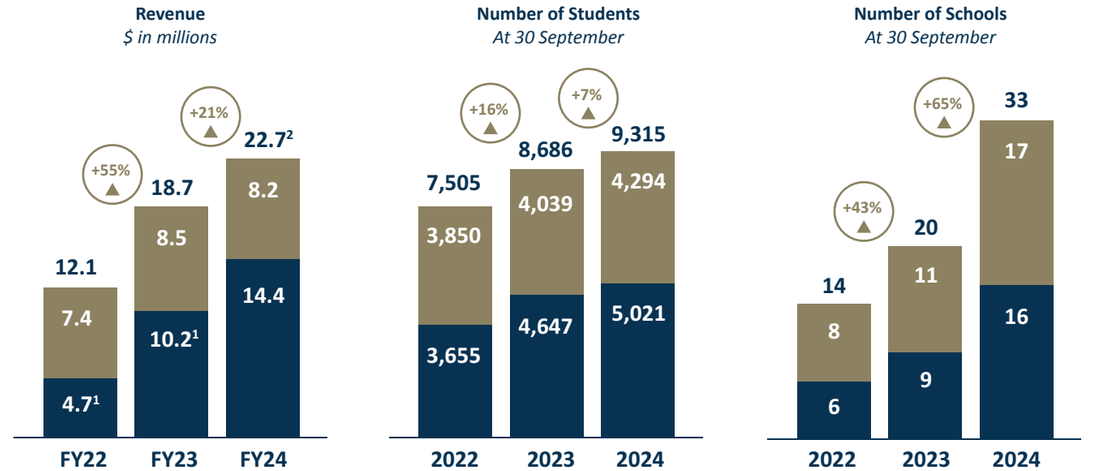


RICHARD GREER
Independent Non-Executive Chairman
27 January 2025

STRATEGIC REPORT I REVIEW OF OPERATIONS

FOCUS ON **EDUCATION**

9,300+ STUDENTS ACROSS TWO COUNTRIES



[1]Includes managed businesses.
[2]Rounding difference.

The Group's objective for its Education division is to become a leading operator and retailer of tech-enabled education services in Emerging Asia.

Revenue from Education businesses increased 21% YOY to $22.7 million in FY24 (FY23: $18.7 million).

At 30 September 2024, deferred revenue from Education businesses, representing cash received in advance of service delivery, was:

- Current: $12.1 million (FY23: $10.3 million)
- Non-Current: $2.0 million (FY23: $1.1 million)

Within its Education division, the Group provides educational products for children, teens, and adults through five brands across Vietnam and Myanmar.

FRANCHISED BRANDS

Wall Street English is a leading English language education provider for adults with over 120,000 students in more than 30 countries. The flexible and integrated blended learning solution is offered online or through a hybrid online/in-centre approach.

Kids&Us is a leading English language education provider for children starting at age one and operates in ten countries with over 180,000 students educated across 600 schools. The unique teaching method focuses on natural language acquisition, personalised for each student's age and experiences.

Logiscool is an enrichment programme that teaches children coding and digital literacy. Logiscool operates in 30 countries across more than 360 locations with over 260,000 students educated. Logiscool's unique educational platform is developed so users can easily transition from visual coding to text-based programming languages.

OWN BRANDS

Yangon American offers an international K-12 education, is an authorised International Baccalaureate ("IB") Primary Years Programme ("PYP") school and is a candidate to be authorised as an IB Middle Years Programme ("MYP") school and a Western Association of Schools and Colleges ("WASC") school.

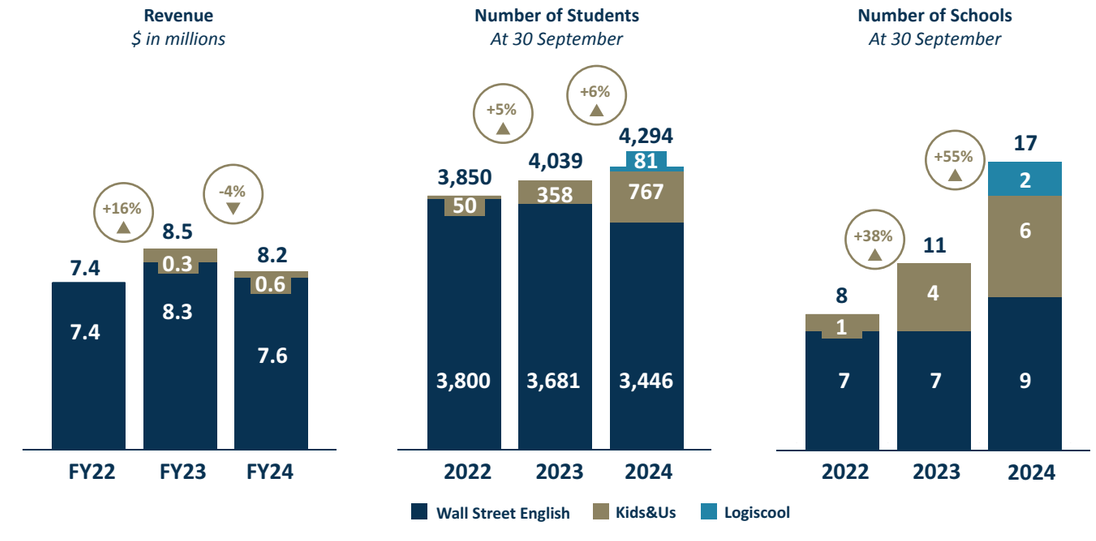
Auston is a private higher education school operator in Myanmar that offers internationally recognised engineering and IT diplomas and degrees through partnerships with Liverpool John Moores University in the UK and the Auston Institute of Management in Singapore.

While each brand has its own unique characteristics and customer base, economies of scope, experience and scale are achieved through common management. One example is the creation of learning centres where multiple brands occupy the same building or are closely located reducing construction and operating costs, while creating one-stop educational experiences for families.

STRATEGIC REPORT I REVIEW OF OPERATIONS

FOCUS ON **EDUCATION:** VIETNAM

VIETNAM



Revenue from Education businesses in Vietnam declined 4% YOY to $8.2 million in FY24 (FY23: $8.5 million).

At 30 September 2024, deferred revenue from Education businesses in Vietnam, representing cash received in advance of service delivery, was:

- Current: $4.1 million (FY23: $4.2 million)
- Non-Current: $0.7 million (FY23: $0.1 million)

Wall Street English Vietnam remains the largest revenue contributor for both Vietnam and the Group and is focused on achieving profitability.

Revenue from Kids&Us Vietnam is expected to continue to grow as existing schools mature and new schools open. Students generally sign for longer periods and a substantial portion of the non-current deferred revenue is attributed to Kids&Us Vietnam.

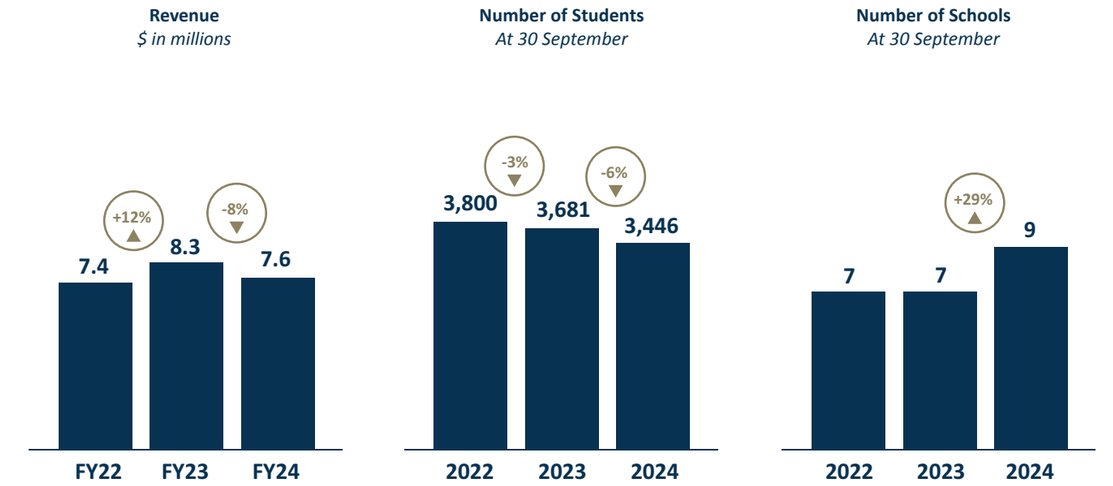
After facing challenges in FY24, Logiscool Vietnam is set to rebound in FY25 with a renewed focus on brand repositioning and strategic expansion.



STRATEGIC REPORT I REVIEW OF OPERATIONS

FOCUS ON **EDUCATION:** VIETNAM

WALL STREET ENGLISH VIETNAM



Revenue from Wall Street English Vietnam decreased 8% YOY to $7.6 million in FY24 (FY23: $8.3 million).

The successful launch of nationwide sales team shifted the product mix online and away from in-centre. This is a critical development for Wall Street English Vietnam as it adapts to changing customers preferences.

The number of students decreased marginally as commercial performance lagged and had a compound negative impact on revenue as the shift to the online offering resulted in a lower average price.

At 30 September 2024, Wall Street English Vietnam operated eight schools in Ho Chi Minh City and one school in Binh Duong.

Wall Street English Vietnam opened two new schools in Ho Chi Minh City in October 2023 and June 2024. The eighth school shares a location with Kids&Us and Logiscool, while the ninth shares with Kids&Us, creating learning hubs and reducing administrative expenses and rent.

In line with the Group's cost structure optimisation initiative, two underperforming legacy schools have been closed in FY25 reducing the number of operating schools to seven.

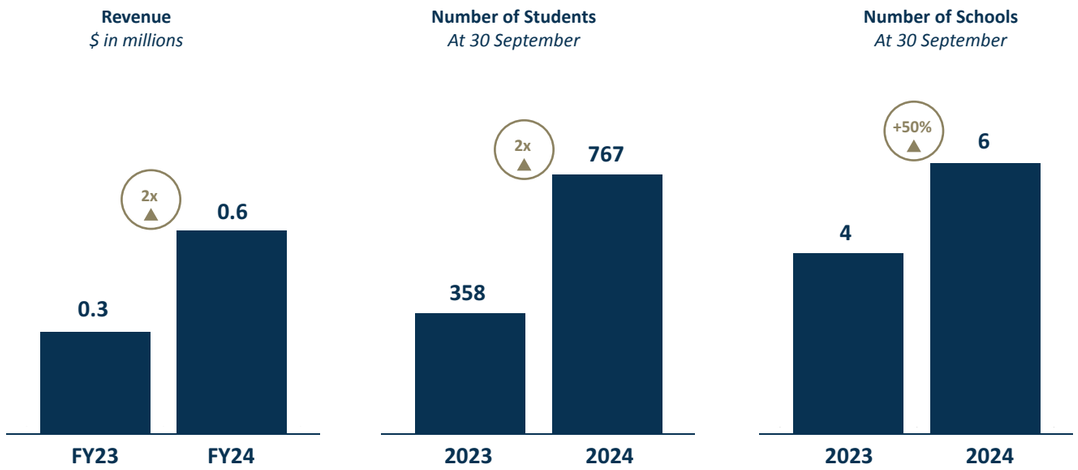
Total investment in facilities in FY24 was $0.4 million reflecting the establishment of the two new schools.



STRATEGIC REPORT I REVIEW OF OPERATIONS

FOCUS ON **EDUCATION:** VIETNAM

KIDS&US VIETNAM



Revenue from Kids&Us Vietnam doubled YOY to $0.6 million in FY24 (FY23: $0.3 million).

Student enrolment grew 114% YOY reaching 767 students at 30 September 2024. Stronger brand recognition and stable management resulted in improved retention rates and student acquisition. Opening new schools also drove student enrolment.

This growth highlights a strong product-market fit despite a competitive landscape. As existing schools mature, the Group will be well-positioned to strategically expand its footprint in Vietnam.

At 30 September 2024, Kids&Us Vietnam operated six schools in Ho Chi Minh City.

Two new schools were opened in October 2023 and June 2024. The fifth school shares a location with Wall Street English and Logiscool, while the sixth shares with Wall Street English, creating learning hubs that reduce administrative costs and rent.

Total investment in facilities in FY24 was $0.1 million reflecting the two new school openings.

LOGISCOOL VIETNAM

Revenue from Logiscool Vietnam was $23k in FY24 (FY23: nil).

Logiscool Vietnam's initial growth was slower than anticipated. Logiscool Vietnam is a focal point in FY25 and management believes it can follow the trajectory of Kids&Us Vietnam.

In FY25, the Group plans to accelerate Logiscool Vietnam's growth with a targeted expansion strategy focusing on high-potential catchment areas in Ho Chi Minh City. Strengthening the management team will also be a key priority to improve operational efficiency and drive sustainable growth.

At 30 September 2024, Logiscool Vietnam operated two schools with one in Ho Chi Minh City and one in Binh Duong.

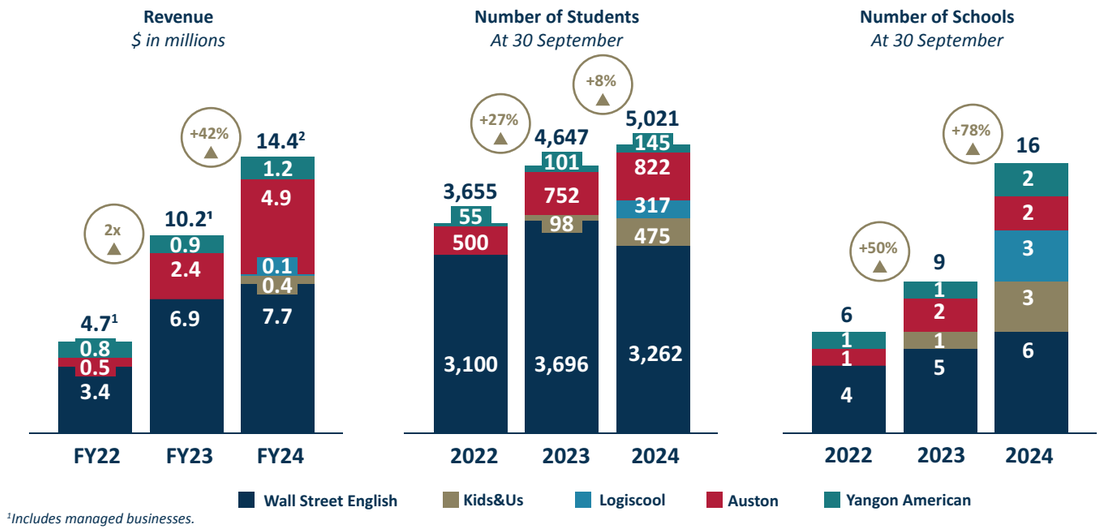
Logiscool Vietnam opened its maiden school in Ho Chi Minh City in October 2023 and a second school in Binh Duong in December 2023. The first school shares a location with Wall Street English and Kids&Us, and the second with Wall Street English. This creates learning hubs and reduces administrative expenses and rent.

Total investment in facilities in FY24 was $0.1 million reflecting the opening of two new school openings in Ho Chi Minh City and Binh Duong.

STRATEGIC REPORT I REVIEW OF OPERATIONS

FOCUS ON **EDUCATION:** MYANMAR

MYANMAR



[1]*Includes managed businesses.*
[2]*Rounding difference*

Revenue from Education businesses in Myanmar increased 42% YOY to $14.4 million in FY24 (FY23: $10.2 million).

At 30 September 2024, deferred revenue from Education businesses in Myanmar, representing cash received in advance of service delivery, was:

- Current: $8.0 million (FY23: $6.1 million)
- Non-Current: $1.3 million (FY23: $1.0 million)

Wall Street English Myanmar is the largest English language education provider and the top revenue contributor to the Group in Myanmar.

Kids&Us Myanmar launched in June 2023 and quickly established itself as the market leader.

Logiscool Myanmar launched in November 2023 and mirrored Kids&Us Myanmar's success, showcasing the Group's ability to set up market-leading businesses quickly and efficiently in Myanmar.

Auston experienced the fastest revenue growth among the Group's education businesses in Myanmar. The growth is expected to continue as it is responsible for the majority of the deferred revenues and sees robust demand for international tertiary education with a scarcity of quality local options.

Yangon American experienced a marginal revenue increase, with student numbers growing organically amid difficult macro and socio-economic conditions. Yangon American has reached 145 students and continues to grow steadily.

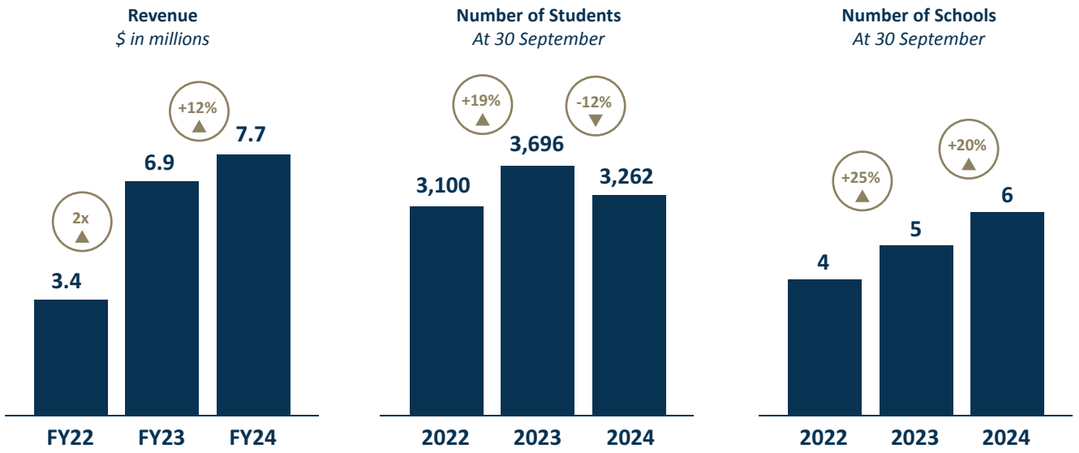




STRATEGIC REPORT I REVIEW OF OPERATIONS

FOCUS ON **EDUCATION:** MYANMAR

WALL STREET ENGLISH MYANMAR



Revenue from Wall Street English Myanmar grew 12% YOY to $7.7 million in FY24 (FY23: $6.9 million).

Price increases more than compensated for the decline in the number of students; however, also raised presented affordability concerns, which played a role in the lower number of students.

To adjust to market pressures, reduce dollar-based costs, and offer more competitive pricing, the team made the following changes:

- Local teachers were incorporated into the service delivery reducing the reliance on expat teachers.
- Online class scheduling was streamlined and a local online classroom was established to reduce dependency on the high-cost Global Online Classroom provided by Wall Street English International.
- New products are provided to cater to more cost conscious consumers.

At 30 September 2024, Wall Street English Myanmar operated six schools with four in Yangon and two in Mandalay.

In December 2024, Wall Street English Myanmar opened its second school in Mandalay (sixth in Myanmar) to meet growing demand fuelled by an influx of migrants from nearby cities.

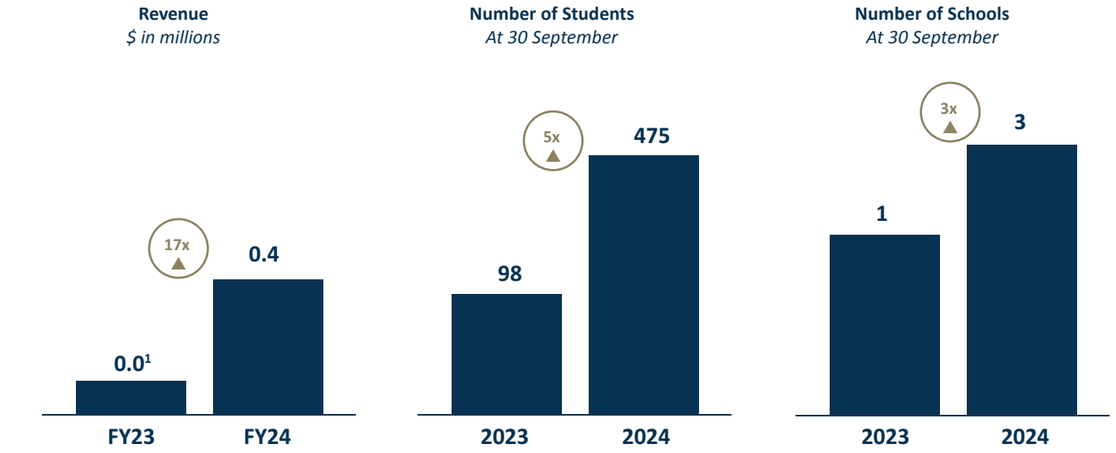
Total investment in facilities in FY24 was $0.2 million for the renovation of existing schools and the new school in Mandalay.



STRATEGIC REPORT I REVIEW OF OPERATIONS

FOCUS ON **EDUCATION:** MYANMAR

KIDS&US MYANMAR



[1]*Kids&Us's revenue was $25k in FY23*

Revenue from Kids&Us Myanmar was $0.4 million in FY24 (FY23: $25k).

Strong commercial leadership developed within the Group and a world-leading English language programme for children saw a strong launch of the brand in Yangon in FY24 with 475 students at 30 September 2024.

Kids&Us Myanmar is the premium operator in the market and quickly earned consumer trust being affiliated with Asia Strategic. Financial and operational metrics are in line with expectations, and Kids&Us Myanmar is well-positioned for continued growth with ample opportunities in Yangon and Mandalay.

At 30 September 2024, Kids&Us Myanmar operated three schools in Yangon.

In October 2023 and November 2023, Kids&Us Myanmar opened its second and third schools in prime locations near existing Wall Street English schools.

Total investment in facilities in FY24 was $0.3 million reflecting the opening of two schools in Yangon in FY24.

LOGISCOOL MYANMAR

Revenue from Logiscool Myanmar was $0.1 million in FY24.

Similar to Kids&Us Myanmar, Logiscool Myanmar leveraged an experienced commercial team and introduced a new product into a market with limited competition. The number of students reached 317 at 30 September 2024.

The business model has a low-cost base and strong operating leverage offering promising economics as it expands in Myanmar. With a successful launch in Yangon in FY24, Logiscool Myanmar will expand to Mandalay in FY25 co-locating with a successful Wall Street English Myanmar school.

At 30 September 2024, Logiscool Myanmar operated three schools in Yangon.

Logiscool Myanmar opened its maiden school in October 2023, the second in July 2024 and the third in August 2024, across prime areas in Yangon co-locating with Kids&Us, Wall Street English and Yangon American schools. In December 2024, Logiscool Myanmar opened its maiden school in Mandalay.

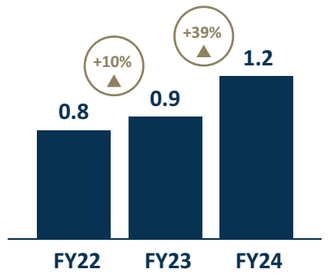
Total investment in facilities in FY24 was $0.2 million reflecting the opening of three schools in Yangon during FY24.

STRATEGIC REPORT I REVIEW OF OPERATIONS

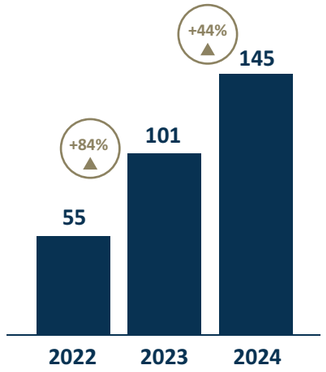
FOCUS ON **EDUCATION:** MYANMAR

YANGON AMERICAN INTERNATIONAL SCHOOL

Revenue
$ in millions



Number of Students
At 30 September





Revenue from Yangon American increased 39% YOY to $1.2 million in FY24 (FY23: $0.9 million).

The number of students increased 44% to 145 at 30 September 2024. In August 2024, the school opened Eighth Grade and it plans to add a new grade annually until it reaches Twelfth Grade.

Revenue in FY25 will largely be driven by the 145 students enrolled at 30 September 2024. Coupled with a price increase in FY24, Yangon American should experience strong revenue growth.

Yangon American has established itself as the leading International Baccalaureate (“IB”) school in the market, with Primary Years Programme (“PYP”) authorisation and Middle Years Programme (“MYP”) candidacy. It is also a candidate for the Western Association of Schools and Colleges (“WASC”) accreditation.

A standalone Early Years Village, adjacent to the existing campus, was opened in April 2024 and provides an age-appropriate atmosphere for preschool children. The ground floor of the existing campus was renovated in FY24 introducing a design studio, computer lab and a bespoke library with more reading space.

Yangon American is exploring options to open a new campus that will serve secondary students (Grades Six to Twelve). This would provide the required facilities to offer a best-in-class education for the Junior High and High School students.

Total investment in facilities in FY24 was $0.4 million reflecting capital expenditures for the Early Years Village and existing campus’s ground floor renovations.

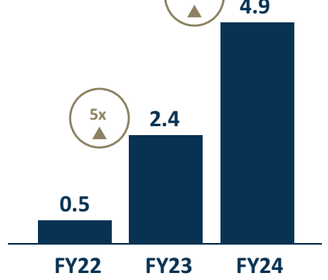


STRATEGIC REPORT I REVIEW OF OPERATIONS

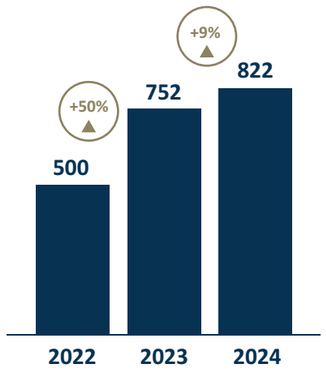
FOCUS ON **EDUCATION:** MYANMAR

AUSTON

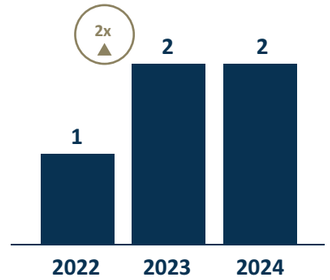
Revenue
$ in millions



Number of Students
At 30 September



Number of Schools
At 30 September



Revenue from Auston increased 105% YOY to $4.9 million in FY24 (FY23: $2.4 million).

The school navigated a challenging period in FY24 with the announcement of a military conscription law in February and heightened tensions surrounding military conflict in Mandalay in June and July. This resulted in subdued student acquisition resulting in lower growth in the number of students than in previous years; however, the relocation to a new state-of-the-art campus in Mandalay puts Auston in a position for a strong FY25.

A higher total number of students and more students in higher priced programmes, such as the bachelors degree, drove strong revenue growth.

Auston already has a strong pipeline of deferred revenue to recognise in FY25. In addition, the state-of-the-art campus in Mandalay opened in FY24 and its market leading position in Yangon presents the Auston team with a great opportunity to have its best commercial year yet.

In August 2024, Auston relocated to a start-of-the-art campus in Mandalay and secured a second campus in Yangon. These expansions increase capacity to accommodate the growing student population and enable the school to offer a broader range of subjects.

Total investment in facilities in FY24 was $0.6 million reflecting the development of the new campus in Mandalay.



STRATEGIC REPORT I REVIEW OF OPERATIONS

FOCUS ON **SERVICES**

1,700+ SECURITY OFFICERS AND 230 SITES

The Group's objective is to leverage our security expertise and facility management services to become the trusted regional partner for corporates.

Revenue from Services businesses increased 31% YOY to $7.0 million in FY24 (FY23: $5.3 million). The managed Services business contributed $10k in FY24 (FY23: nil), mainly from Ostello Bello.

At 30 September 2024, deferred revenue from Services businesses, representing cash received in advance of service delivery, was:

- Current: $0.3 million (FY23: $0.7 million)
- Non-Current: nil (FY23: nil)

Within its Services division, the Group operates two brands across Myanmar and Vietnam:

EXERA is the leading provider of risk management, consulting, integrated security, manned guarding, secure logistics, facility management, and cash-in-transit services in Myanmar. It serves a wide range of international and local clients across Myanmar and holds ISO 18788, ISO 9001, ANSI/ASIS PSC.1, and ICoCA certifications.

In Vietnam, it is a start-up focused on integrated facility management services.

Ostello Bello is a boutique Italian hostel brand known for its vibrant social atmosphere and exceptional hospitality. Ostello Bello operates in some of the most popular tourist destinations across Italy and Myanmar.







STRATEGIC REPORT I REVIEW OF OPERATIONS

FOCUS ON **SERVICES**

VIETNAM

EXERA Vietnam

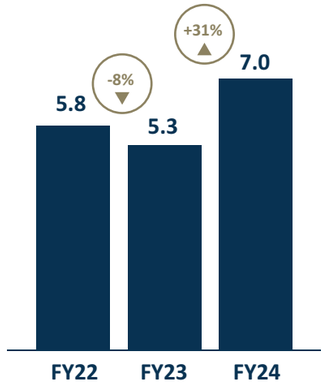
EXERA Vietnam launched in FY24 offering integrated facility management ("IFM") services. The company secured its first customer with operations starting in September 2024. Revenue of $4k was generated in FY24.

Exera Myanmar's General Manager, who has extensive experience having run an established IFM operator in Vietnam, is responsible for the business. His extensive market and industry expertise coupled with well-established Exera Myanmar relationships strategically positions EXERA Vietnam for strong growth in the coming years.

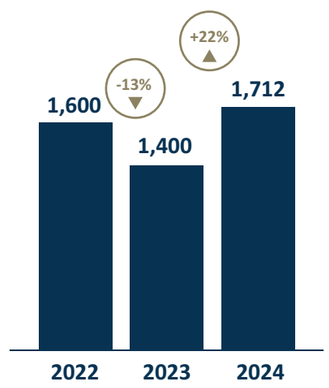
MYANMAR

EXERA Myanmar

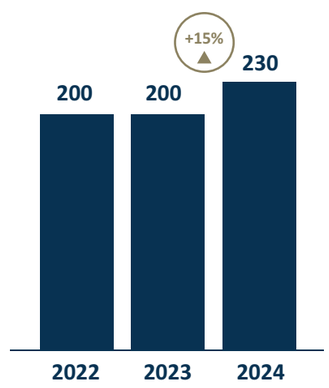
Revenue
$ in millions



Number of Security Officers
At 30 September



Number of Sites
At 30 September



Revenue from EXERA Myanmar increased 31% YOY to $7.0 million in FY24 (FY23: $5.3 million).

Revenue growth was driven by (i) repricing during contract renewals, (ii) expansion within existing client portfolios, (iii) acquisition of large clients, particularly financial institutions and banks, (iv) the introduction of high-value projects, such as CCTV installations, and (iv) increased sales of risk reporting packages.

EXERA employed ca. 1,700 security officers as of 30 September 2024 across ca. 230 sites in Myanmar in line with the revenue growth.

In FY24, EXERA Myanmar opened an office in Mandalay at Ostello Bello to target businesses and organisations operating in upper Myanmar.

OSTELLO BELLO

Ostello Bello, a managed business in the Services division, operates two boutique hostels in Mandalay and Bagan, Myanmar, with ca. 130 beds and ca. 40 rooms. Hotel-related services of $10k were generated in FY24 by Ostello Bello's managed operations (FY23: nil).

Ostello Bello Mandalay accommodates Group teachers and security personnel, offering a safe environment and a base for the Group's Education division and EXERA Myanmar to operate in Mandalay.

Despite the near absence of inbound tourism in Myanmar since 2020, Ostello Bello remains steadfast in its commitment to supporting local communities, particularly in Bagan.

STRATEGIC REPORT

SUMMARY



FY24 was a year of growth and reflection for Asia Strategic Holdings. The Group achieved revenue of $29.7 million, marking a 23% YOY increase. This growth was driven by a 21% increase in the Education division, supported by sustained demand in Myanmar and steady contributions from Vietnam. The Services division also rebounded strongly, with a 31% increase due to an expanding customer base and higher-margin services.

Gross profit increased to $17.0 million, representing a 57% margin, supported by maturing operations and improved utilisation across our school portfolio. This reflects the strength of our core business and our focus on operational efficiency. However, the continued underperformance of Wall Street English Vietnam constrained the Group's ability to fully capitalise on these gains.

The Group reported a net loss of $11.0 million, primarily due to an impairment of the goodwill from the acquisition of Wall Street English Vietnam, which faced challenges from weaker commercial performance and shifting market preferences. Excluding this impairment, the adjusted net loss was $6.4 million, reflecting higher marketing costs to scale newer businesses and a $1.5 million foreign exchange loss. These results underscore the need for disciplined cost management and targeted operational adjustments. Closing two legacy Wall Street English schools in Vietnam in FY25 is part of a broader strategy to reallocate resources towards higher-performing opportunities and ensure sustained profitability.

On a more positive note, in FY24, we invested $2.5 million to open thirteen new schools and relocate Auston to a modern campus in Mandalay. These investments reaffirm our confidence in the potential of Emerging Asia while positioning us for sustainable growth in the years ahead.

Looking to FY25, our focus is clear: i) expand the Education division's network in a cost-effective manner, ii) enhance the Services division's capabilities to improve margin, and iii) advance operational efficiencies across the Group. These priorities will enable us to address challenges, strengthen profitability, and deliver on our mission to "empower communities in Emerging Asia."

I extend my heartfelt gratitude to our shareholders for their trust and support, and to the Asia Strategic team for their unwavering dedication. Together, we will navigate challenges and continue to create lasting value for the communities we serve.



Enrico Cesenni, OSI

Chief Executive Officer

27 January 2025

STRATEGIC REPORT

FINANCIAL REVIEW

RESULTS OF OPERATIONS

Revenue grew by 23% YOY to $29.7 million in FY24 (FY23: $24.1 million). The double-digit revenue growth was a result of strong improvement in Myanmar across the Education businesses (FY24: 42% YOY) and Services businesses (FY24: 31% YOY). Revenues decreased in Vietnam (FY24: 4% YOY) as the drop at Wall Street English Vietnam was not fully covered by Kids&Us Vietnam and Logiscool Vietnam.

$	Brand	FY24 Audited	FY23 Audited	FY22 Audited
Owned businesses				
Education – Vietnam		**8,229,656**	**8,539,813**	**7,391,025**
- English language learning	Wall Street English	7,631,372	8,254,131	7,391,025
- English language learning	Kids&Us	575,519	285,682	–
- Coding education	Logiscool	22,765	–	–
Education – Myanmar		**14,441,789**	**10,162,576**	**4,485,240**
- English language learning	Wall Street English	7,744,204	6,860,636	3,204,937
- English language learning	Kids&Us	416,064	24,632	–
- Coding education	Logiscool	148,726	–	–
- International school (K-12)	Yangon American	1,230,966	887,196	804,396
- Tertiary education	Auston	4,901,829	2,390,112	475,907
Education		**22,671,445**	**18,702,389**	**11,876,265**
Services				
- Services in Vietnam	EXERA	3,576	–	–
- Services in Myanmar	EXERA	6,988,643	5,327,189	5,794,603
Services		**6,992,219**	**5,327,189**	**5,794,603**
Total owned businesses		**29,663,664**	**24,029,578**	**17,670,868**
Managed businesses				
Education (Legacy) – Myanmar		–	24,969	236,006
- English language learning	Wall Street English	–	24,969	235,363
- Tertiary education	Auston	–	–	643
Services	Ostello Bello	**10,351**	**–**	**–**
Total managed businesses		**10,351**	**24,969**	**236,006**
Revenue		**29,674,015**	**24,054,547**	**17,906,874**

All Education businesses except Wall Street English Vietnam recorded strong revenue growth. Auston is quickly becoming a key contributor to Group revenue and investments in Yangon American as well as the Kids&Us and Logiscool brands will start to have a more meaningful impact in the years ahead.

The Services division saw a return to growth as EXERA Myanmar stabilised the business and completed a large one-off CCTV installation project. EXERA Vietnam has started to record income and has the opportunity to become a meaningful contributor to Group performance in FY25.

Group gross profit rose by 22% YOY to $17.0 million in FY24 (FY23: $13.9 million), with the Education division contributing 91% (FY23: 90%) and the Services division 9% (FY23: 10%). The growth was driven by increased revenue growth while margins lost 1%. A slight improvement in the Education division gross margin at 68% (FY23: 67%) was offset by a deterioration in the Services division gross margin at 23% (FY23: 26%).

STRATEGIC REPORT

FINANCIAL REVIEW

$	FY24 Audited	FY23 Audited	FY22 Audited
Revenue	29,674,015	24,054,547	17,906,874
Cost of services	(12,689,487)	(10,184,215)	(9,924,470)
Gross profit	**16,984,528**	**13,870,332**	**7,982,404**
Gross profit margin	*57%*	*58%*	*45%*
Other income	16,495	90,018	80,711
Foreign exchange loss	(1,455,135)	(1,134,441)	(972,259)
Impairment loss on intangible assets	(4,561,645)	–	–
Administrative and other operating expenses	(20,350,864)	(17,098,388)	(12,176,613)
Loss from operations	**(9,366,621)**	**(4,272,479)**	**(5,085,757)**
Finance cost	(1,341,391)	(979,791)	(862,678)
Loss before income tax	**(10,708,012)**	**(5,252,270)**	**(5,948,435)**
Income tax expense	(245,674)	(67,414)	(33,646)
Loss for after income tax	**(10,953,686)**	**(5,319,684)**	**(5,982,081)**
Selected non-cash items:			
Total depreciation of plant and equipment	1,207,028	826,953	436,363
Total amortisation of right-of-use asset	2,786,093	2,858,275	2,694,870
Total amortisation of intangible assets	100,718	80,498	74,342
(Reversal of)/impairment on trade and other receivables	–	(9,514)	15,453
Loss on/(Reversal of) impairment of intangible assets	4,561,645	–	(30,000)
Finance costs (excluding interest on lease liabilities)	220,416	105,748	115,890
Total interest on lease liabilities	1,120,975	875,405	754,370
	9,996,875	4,737,365	4,061,288
Adjusted EBITDA[1]	**(711,137)**	**(514,905)**	**(1,887,147)**
Adjusted EBITDA after impact of ROUs[1]	**(4,618,205)**	**(4,248,585)**	**(5,336,387)**

[1] Key performance indicators for the Group, based on earnings before interest, income tax, depreciation and amortisation ("EBITDA"), are (i) Adjusted EBITDA (as presented above) and (ii) Adjusted EBITDA less amortisation of right-of-use assets and interest on lease liabilities ("Adjusted EBITDA after impact of ROUs").

The Group recorded a net loss of $11.0 million in FY24 (FY23: $5.3 million loss) and the increase in net losses was primarily driven by a $4.6 million impairment of goodwill at Wall Street English Vietnam. Adjusted net losses, excluding the impairment and results from businesses launched in the past two years, were $3.2 million (FY23: $3.9 million). Other contributing factors included: i) a $1.5 million foreign exchange loss (FY23: $1.1 million loss) due to currency volatility in key markets, and ii) an increase in marketing expenses to $3.5 million (FY23: $2.6 million) as the Group expanded its efforts to scale newer businesses and establish new brands. Wall Street English Vietnam faced persistent commercial underperformance and shifting market preferences, prompting the decision to close two legacy schools in FY25 as part of a broader strategy to reallocate resources towards higher-performing opportunities.

Group adjusted EBITDA loss amounted to $0.7 million in FY24 (FY23: $0.5 million loss). Continued losses at businesses launched in the last two years coupled with worse results at Wall Street English Vietnam outweighed gains made at the other businesses.

Direct and indirect Full Time Employees ("FTEs") increased to ca. 2,600 at 30 September 2024 (30 September 2023: ca. 2,200). The increase in headcount is directly linked to the school portfolio expansion in both countries and the acquisition of additional sites under EXERA Myanmar.

STRATEGIC REPORT

FINANCIAL REVIEW

CASH FLOW EVOLUTION

At 30 September 2024, the Group's cash and cash equivalents position was $0.8 million (30 September 2023: $1.5 million). The negative change resulted from the combination of (i) a $3.9 million inflow from operating activities, (ii) a $3.3 million outflow from investing activities, and (iii) a $1.4 million outflow from financing activities.

The Group generated cash inflow from operating activities of $3.9 million in FY24 (FY23: inflow $3.7 million). Operating cash flow before working capital changes in FY24 was negative $0.5 million (FY23: positive $0.0004 million). If repayment of lease liabilities $3.3 million (FY23: $2.7 million) were considered, adjusted cash inflow from operating activities would be positive $0.6 million (FY23: positive $1.0 million).

The Group incurred cash outflow from investing activities of $3.3 million in FY24 (FY23: outflow $2.4 million), of which $2.5 million (FY23: $1.7 million) was spent on leasehold improvements for the opening of (i) six schools in Vietnam (Wall Street English 2 / Kids&Us 2 / Logiscool 2), (ii) six schools in Myanmar (Wall Street English 1 / Kids&Us 2 / Logiscool 3), (iii) the opening of the Early Years Village campus and ground floor renovation at Yangon American, and (iv) the relocation of Auston to a state-of-the-art campus in Mandalay. These openings increased capacity and reaffirmed the Group's commitment to growth at the respective businesses.

Cash outflow from financing amounted to $1.4 million in FY24 (FY23: outflow $1.8 million), of which repayment of lease liabilities totalled $3.3 million (FY23: $2.7 million). Cash inflow from financing, before repayment of lease liabilities, was $2.0 million in FY24 (FY23: inflow $0.9 million), which comprised of proceeds from shareholder's loan $2.0 million (FY23: $1.3 million) utilised primarily to open new schools and support the operating losses for new ventures (Kids&Us and Logiscool) in Vietnam.

DIVIDENDS

The Board of Directors does not recommend paying dividends for FY24 as the Group needs to conserve cash for working capital and future expansion.

LIQUIDITY MANAGEMENT AND GOING CONCERN

The Board of Directors has reviewed in detail the Group cash flow forecast for the next 24 months. This forecast considered the time needed for new and non-performing businesses to turn profitable. The Group conducted extensive stress testing on various scenarios calibrating the duration it might take for these businesses to improve as well as other items impacting future performance, such as the general macroeconomic environment and initiatives within the management's control.

The Board of Directors determined management has control over sufficient mitigating actions to manage cash outflow, such as prioritising capital expenditures, reducing operational activities of non–performing business divisions and pausing discretionary spending. Other key considerations included:

a. The Group meticulously plans its business expansion and continuously monitors how changes to the political and economic environment may potentially impact its business operations, particularly in Myanmar. Since FY23, the overall Myanmar businesses have been self-sustaining requiring no financial support;

b. Negative cash conversion cycle for many businesses as tuition fees and certain risk management services are generally collected up to twelve months in advance of service delivery. Refer to Note 4 of the financial statements for further details;

c. Flexible discretionary capital spending as any capital expenditures in Myanmar would be funded through excess capital earned locally; and

d. Access to unutilised Loan Facility as disclosed in Note 18 of the financial statements.

Established businesses within the Education and Services divisions in Myanmar generate sufficient cash flow to support the existing operations and their expansion as well as the establishment of new brands in Myanmar. Management expects this trend to continue for the foreseeable future.

In Vietnam the macroeconomic outlook has improved in 2024 and we anticipate further growth from businesses as new schools continue to open and new brands gain traction.

Therefore, at the date of this report, the Directors have concluded that the Group has adequate financial resources to cover its working capital needs for the next twelve months.

STRATEGIC REPORT

FINANCIAL REVIEW

OUTLOOK

Asia Strategic Holdings is steadfast in leveraging its integrated operating model and in-house shared service functions to deliver sustainable returns to shareholders. Significant financial and human capital investments over the past years have established a competitive portfolio of businesses. This portfolio balances mature, profitable anchors with greenfield projects poised to drive the next phase of growth.

Capital Allocation and Strategic Focus

The Group employs a disciplined capital allocation strategy to support its long-term vision:

- Portfolio and balance sheet strength: balancing time and resources in the organic growth of existing brands to drive sustainable expansion while maintaining a resilient financial position.
- Geographic and sectoral expansion: leveraging shared service functions and a regional management approach to unlock synergies, particularly in new markets.
- Investment prioritisation: minimal and prudent capital expenditures focused on utilising existing locations and adopting a strategic real estate framework to enable brands to achieve their potential.

Continued Development of Existing Brands

Partnerships with international market leaders, such as Kids&Us, Logiscool and Wall Street English, provide a strong foundation for organic revenue growth. Turning around Wall Street English Vietnam remains a top priority, with efforts focused on operational maturity to deliver meaningful cash flow contributions and support future expansion.

The Group is also actively enhancing the programmes at Auston and Yangon American, ensuring students benefit from best-in-class education that equips them for academic and professional success. These improvements aim to strengthen the institutions' competitive edge and reinforce their reputations as leading providers of high-quality education.

Navigating Macroeconomic Conditions and Demographic Shifts

The Group expects a favourable macroeconomic environment, supported by foreign exchange stability, broader economic growth, and demographic trends such as a growing middle class and a young, urbanising population. Rising foreign direct investment and the region's emergence as a tech hub are driving demand for education, skilled labour, and services. These dynamics align with the Group's strategy to address skills gaps through tech-enabled education and complementary offerings while positioning itself as a key regional partner to corporates.

Commitment to Strategic Growth

Asia Strategic Holdings remains committed to expanding its footprint in emerging markets through targeted investments that align with its core strategy. While focusing on current operations, the Group will evaluate new opportunities, particularly those in high-impact sectors such as education, which complement its existing businesses and align with regional development trends.

With an eye on long-term opportunities and a prudent approach to immediate challenges, the Group is well-positioned to navigate the year ahead with resilience, delivering value for shareholders while supporting sustainable economic and social development in the markets it serves.

SUSTAINABILITY REPORT

BOARD STATEMENT

BOARD STATEMENT

Dear Stakeholders,

The Board of Directors of Asia Strategic Holdings remains steadfast in its mission to create sustainable value for the Group's stakeholders by integrating commitments to people, planet, and profit into our strategic and risk management practices.

We recognise that our success is deeply connected to the well-being of our employees, the health of our environment, and our financial performance. Our focus on governance, ethics, sustainability, and responsibility underpins our dedication to stakeholders across the regions where we operate.

OUR COMMITMENTS



PEOPLE

- **Employee Well-Being**: We prioritise the health, safety, and professional growth of our employees, fostering an inclusive and supportive workplace.
- **Community Engagement**: We actively contribute to the communities where we operate, focusing on social welfare, education, and economic development.

PLANET

- **Environmental Stewardship**: We are committed to sustainable practices and resource conservation to minimise our environmental impact.
- **Climate Action**: We continue to reduce greenhouse gas emissions, aligning with global efforts to combat climate change.

PROFIT

- **Responsible Growth**: Long-term profitability is built on sustainable business practices, operational efficiency, and innovation, ensuring economic value alongside social and environmental responsibility.
- **Ethical Practices**: We uphold the highest standards of governance and ethics, fostering transparency and accountability in all our operations.

By embedding these principles into our core strategy, we aim to drive lasting positive impacts for our employees, communities, environment, and shareholders. We are committed to continuous improvement and welcome our stakeholders to join us on this essential journey.

SUSTAINABILITY REPORT

SUSTAINABILITY OVERVIEW

SUSTAINABILITY OVERVIEW

This report offers an insight into Asia Strategic's sustainability efforts, management strategies, and achievements in addressing material Economic, Environmental, Social, and Governance ("EESG") impact. While EESG risks associated with our activities remain low and regulations are still developing, we recognise our responsibility to minimise our environmental impact and enhance our contributions to the communities we serve. The report outlines our sustainability policies, targets, and progress based on material topics.

REPORTING SCOPE AND FRAMEWORKS

- Scope: The Group adopts an equity consolidation approach for sustainability reporting, covering operations in Singapore, Vietnam, and Myanmar. This approach aligns with the financial statements and applies consistently across material topics. All information, statistics and targets presented in this report aligns to the Group's financial reporting period from 1 October 2023 to 30 September 2024 ("FY24").
- The report adheres to GRI's principles for defining content (stakeholder inclusiveness, materiality, sustainability context, completeness) and quality (accuracy, balance, clarity, comparability, reliability, timeliness).
- Climate reporting remains vital to our organisation, supporting accountability, transparency, and strategic decision-making. Since FY23, we have adopted the Task Force on Climate-related Financial Disclosures ("TCFD") framework, with a phased approach towards full compliance in future reporting periods and will become progressively more compliant with the climate-related disclosures over the ensuing reporting periods.
- Frameworks: Reporting references the Global Reporting Initiative ("GRI") Universal Standards 2021, aligning with international benchmarks and ensuring comparability with peers in Emerging Asia. The United Nations Sustainable Development Goals further reinforce our commitment to sustainable development.
- Transition to ISSB Standards: On June 2023, the International Sustainability Standards Board ("ISSB") released the International Financial Reporting Sustainability Disclosure Standards: IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1) and IFRS S2 Climate-related Disclosures (IFRS S2).
- The core content requirements in IFRS S1 and IFRS S2 were integrated and are substantially consistent with the TCFD recommendations. The Group is in the process of performing a detailed gap analysis to transition towards alignment with the ISSB Standards and full compliance when these standards become effective.
- Additional Standards: Selected guidance from the Sustainability Accounting Standards Board ("SASB") specific to education are in consideration for inclusion in the near future.

Assurance and Feedback

No external assurance has been sought; internal procedures ensure the accuracy and reliability of disclosed performance data. We value stakeholder feedback to guide our sustainability journey and invite comments via ir@asia-strategic.com.

GOVERNANCE STRUCTURE

At Asia Strategic, the Board oversees the Sustainability Committee ("SC"), which is chaired by the Chief Executive Officer and includes the Chief Financial Officer, Chief Operating Officer, and Chief Human Resources Officer, with support from the Investor Relations department.

The SC's primary role is to define the Group's sustainability objectives and strategy while monitoring progress and compliance, particularly regarding the Task Force on Climate-related Financial Disclosures. It also selects systems to assess and manage climate-related risks, referencing TCFD and other frameworks.

To ensure comprehensive oversight, the SC may delegate specific responsibilities to the Sustainability Task Force ("STF"). Established in FY24, the STF initially includes C-level executives and will progressively incorporate heads of larger business units and shared service functions. This approach ensures that climate-related risks and opportunities are thoroughly assessed, effectively managed, and integrated into the Group's risk management framework.

GRI 2-9

BOARD	■ Oversees the Group's overall sustainability efforts ■ Approves the identified material EESG factors ■ Approves the issuance of the Sustainability Report
SUSTAINABILITY STEERING COMMITTEE	■ Develops sustainability objectives and strategy ■ Manages and monitors overall sustainability performance and reports to the Board
SUSTAINABILITY TASKFORCE	■ Executes sustainability initiatives across the organisation ■ Drives stakeholder engagement efforts throughout the year
ALL STAFF	■ Abide by the core values ■ Participate proactively to the Group's sustainability efforts

SUSTAINABILITY REPORT

SUSTAINABILITY OVERVIEW

OUR APPROACH

Asia Strategic embraces a stakeholder-centric approach to ensure long-term business success and reinforce our social licence to operate in Emerging Asia. We define stakeholders as individuals or groups whose interests are affected by our operations. Understanding these impacts enables us to anticipate and address stakeholder needs effectively, fostering trust and accountability.

KEY STAKEHOLDERS AND ENGAGEMENT PLATFORMS

We engage with a broad range of stakeholders through tailored platforms and initiatives, ensuring meaningful dialogue and collaboration.

[GRI 2-29]

STAKEHOLDERS	ENGAGEMENT PLATFORMS	KEY ACTIVITIES
Employees	■ Regular and ad-hoc team meetings ■ Annual reviews and feedback ■ Events, retreats, and intranet	■ Sharing of best practices and policies ■ Learning and development initiatives ■ Improvement programmes ■ Health, safety, and wellness programmes ■ Employee engagement surveys ■ Team building activities ■ Team performance based celebrations
Customers	■ Customer service channels ■ Satisfaction surveys	■ Quality control ■ Reporting and counselling for students and parents
Business Partners & Suppliers	■ Meetings and site visits ■ Tender submissions	■ Monitoring performance and sustainability ■ Sharing of best practices
Investors	■ Annual General Meeting, reports, and results announcements ■ Corporate website and social media platforms	■ Direct shareholder communications
Business Chambers	■ Meetings and site visits ■ Events and conferences ■ EXERA providing latest security updates	■ Charitable initiatives ■ Security reporting
Government & Regulators	■ Briefings, newsletters, site inspections	■ Sharing of best practices, including TCFD, ICoCA, and ISO standards
Communities	■ Partnerships, volunteering, and sponsorships	■ Training, charitable activities, and community grants

MATERIALITY ASSESSMENT

[GRI 3-1]

Our materiality assessment process identifies and prioritises topics based on their significance to stakeholders and the Group's strategic objectives. The process aligns with the Global Reporting Initiative standards and comprises:

1. Identification: Evaluating risks, opportunities, and stakeholder feedback to compile a list of potential material topics.
2. Prioritisation: Ranking topics based on stakeholder importance and alignment with organisational goals, policies, and operational management systems.
3. Validation: Validating priority topics with the Board of Directors to ensure alignment with strategic objectives.
4. Review: Reviewing periodically the relevance of material topics, reflecting evolving stakeholder expectations and business priorities.

MATERIAL TOPICS

[GRI 3-2]

The following material topics have been identified as critical for FY24 based on stakeholder feedback and strategic alignment:

Critical Material Topics:

- Customer health and safety
- Occupational health and safety
- Training and education
- Labour/management relations
- Economic performance and indirect economic impacts

Moderate Material Topics:

- Employment, diversity, and equal opportunities
- Energy and emissions

LOOKING AHEAD

We remain committed to enhancing our stakeholder engagement practices and refining our materiality assessment to address emerging risks and opportunities. By fostering robust relationships and focusing on material issues, we aim to deliver shared value and achieve sustainable growth.

SUSTAINABILITY REPORT

CERTIFICATIONS AND ACCREDITATIONS

CERTIFICATIONS AND ACCREDITATIONS

OUR COMMITMENT TO EXCELLENCE

Asia Strategic prioritises the adoption and maintenance of internationally recognised certifications and accreditations to reinforce operational excellence, ethical conduct, and sustainability. These certifications, achieved through our business operations, reflect our unwavering commitment to global best practices, transparency, and accountability.

KEY CERTIFICATIONS LINKED TO OUR BUSINESSES

[GRI 2-28]

Wall Street English

ISO 9001:2015	
Description:	The method of Wall Street English International is independently certified with ISO 9001:2015 by Det Norske Veritas (DNV), recognising its commitment to rigorous quality standards.
Significance:	These certifications underscore a dedication to excellence in education delivery and secure digital operations, building trust and credibility with learners and global stakeholders.

ISO 27001:2015	
Description:	Wall Street English International Technology Team in Chennai, India, has been certified as ISO 27001 compliant, highlighting its commitment to implementing and maintaining robust information security management systems.
Significance:	This certification affirms Wall Street English's dedication to securing its technological platforms and online services, fostering trust among learners and stakeholders while aligning with global standards in information security.









SUSTAINABILITY REPORT

CERTIFICATIONS AND ACCREDITATIONS

EXERA Myanmar

ISO 18788:2015	
Description:	The first private security operations certification awarded in Myanmar, setting a benchmark for managing and improving Security Operations Management Systems.
Significance:	Ensures the delivery of secure, ethical, and human rights-compliant services.

ISO 9001:2015	
Description:	An internationally recognised framework for establishing and maintaining a Quality Management System ("QMS").
Significance:	Enhances consistent quality and continuous improvement in delivering products and services.

ANSI/ASIS PSC.1	
Description:	A standard for private security company operations focused on quality, accountability, and transparency.
Significance:	Strengthens risk management and safeguards organisational integrity.

ICoCA (International Code of Conduct Association)	
Description:	Membership certification recognising adherence to the ICoCA Code of Conduct.
Significance:	Demonstrates compliance with human rights, humanitarian law, and ethical business practices, enhancing trust with international clients and stakeholders.

Yangon American International School

International Baccalaureate (IB)	
Description:	Recognised as IB school, currently authorised for the Primary Years Programme ("PYP") and pursuing an authorisation for the Middle Years Programme ("MYP") as a candidate school.
Significance:	Demonstrates adherence to globally recognised educational practices and a commitment to high-quality teaching standards. It reflects compliance with ethical principles, including respect for diverse cultures, fostering holistic development, and building trust with international stakeholders and communities.

Western Association of Schools and Colleges (WASC)	
Description:	A candidate school for WASC accreditation, reflecting its commitment to meeting internationally recognised standards of institutional quality and educational excellence. Candidate status signifies that the school is actively engaged in the accreditation process, adhering to WASC's framework of continuous improvement and accountability.
Significance:	Demonstrates dedication to academic excellence, ethical values, and cultural respect, fostering trust with international stakeholders.

CERTIFICATION PROCESS AND ASSURANCE

To achieve and maintain these certifications, Asia Strategic implements rigorous processes:

- **Independent Audits:** MSS Global, a recognised certifying body, conducts annual on-site audits on EXERA to validate ISO compliances and facilitate renewals and other relevant operations.
- **Internal Governance:** Regular internal reviews and monitoring systems are embedded within business units to ensure alignment with international standards and continuous improvement.

Through these achievements, Asia Strategic enhances its credibility, supports stakeholder trust, and positions itself as a leader in Emerging Asia.

SUSTAINABILITY REPORT

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Asia Strategic Holdings recognises the importance of aligning its business strategies with global frameworks such as the United Nations Sustainable Development Goals ("SDG"). These goals provide a universal call to action to tackle the world's most pressing social, economic, and environmental challenges by 2030. Our alignment with the SDG reflects a commitment to advancing sustainable development in the communities where we operate, particularly in Myanmar and Vietnam.

By integrating the SDG into our business operations, we seek to create long-term value for stakeholders while addressing regional and global priorities. This section highlights the specific SDG where Asia Strategic has made significant contributions, demonstrating the positive impacts of our educational and service-focused initiatives.



Driving Job Creation and Financial Inclusion in Emerging Asia

The Group employs a local workforce of over 2,500 (FY23: 2,100) in Vietnam and Myanmar, exceeding regulatory requirements by offering competitive salaries well above SDG 1 targets, along with welfare and health benefits. Lower-income employees receive cost-of-living allowances or support during inflationary spikes or disasters like Cyclone Mocha.

To promote financial inclusion, all employees are required to open bank accounts for salary remittance, with favourable financial products negotiated with banks.

Beyond direct employment, the Group supports local businesses, spending $36.3 million locally in FY24 (FY23: $29.5 million), fostering economic growth and job creation. Its Education division serves over 9,300 students (FY23: 8,700), enhancing academic and professional opportunities. Through its Services division, EXERA operates across 230 sites (FY23: 200), supporting embassies, UN organisations, and NGOs.



Educating Students on Food Sustainability

At Yangon American International School, students engage in sustainability initiatives, including field trip to Kokkoya Organics, a farm promoting organic fruit and vegetables.

Last year, students created community awareness initiatives, including a food box programme where individuals could donate non-perishable items for those in need. Another group developed a digital platform promoting sustainable living practices, offering tips, guides, and real-life examples to inspire eco-friendly habits.

Emergency support

The Group actively supports communities during catastrophic events, such as Cyclone Mocha and recent floods in Myanmar. EXERA provided humanitarian aid, including food, shelter, and additional support to employees and stakeholders in affected areas. Monetary donations were also made through foreign business chambers to assist recovery efforts and help rebuild communities.

SUSTAINABILITY REPORT

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



Promoting Mental Well-being and Welfare

Through its partnership with Pun Hlaing HEAL, the Group provides comprehensive mental health support and consultation services in both English and Burmese. Leadership training sessions are regularly conducted to address key employee concerns.

In Myanmar, corporate wellness benefits include:

- Free General Practitioner consultations, discounted medicines, and mental health programmes.
- 24/7 telehealth services and unlimited GP visits at Pun Hlaing Clinics in Yangon, Mandalay, and Taunggyi.
- Emergency ambulance services within a 25 km radius of Pun Hlaing Hospital.

In Vietnam, employees receive free annual medical exams, personal accident and healthcare insurance, with dependents covered at significantly reduced rates.

Implementing Best-in-Class Policies

The Group offers welfare policies, including maternity, paternity, and bereavement leave. At certain sites, employees also receive health/life insurance and English language training. The Group strives to maintain a zero-accident workplace through stringent checks on substance abuse and regular safety training.

Supporting a Healthy Lifestyle

With support from EXERA's training team, employees can participate in free self-defence classes. These sessions teach essential moves such as blocking and hand-to-hand control, promoting personal safety and confidence.



Empowering Communities and Expanding Scholarships to Developing Countries

Through its Education division, the Group ensures inclusive and equitable education while promoting lifelong learning opportunities. Leveraging integrated learning technologies, the Group delivers educational products to approximately 9,300 students at affordable prices, both on-site and remotely. Partial and full scholarships are offered at Wall Street English, Auston, and Yangon American International School.

At Logiscool, students receive coding and digital literacy training that are age appropriate. The curriculum is designed to ensure academic excellence while preparing students to embrace innovation and contribute meaningfully to their chosen fields.

Auston graduates earn globally recognised qualifications, enhancing their access to educational and professional opportunities locally and abroad. Top-performing Auston students are offered academic and financial support to participate in international events such as the Asia Pacific ITC Alliance and ASEAN Data Science Explorers competitions. The Group also facilitates internships and employment opportunities for Auston students, often partnering with leading employers.

At EXERA, all new security officers are given the opportunity to enhance their personal development through mandatory certified courses in firefighting and first aid before their first job assignment.

Enhancing Our Talent and Promoting Lifelong Learning

The Group values its people as its greatest asset and is committed to enhancing their skills. In addition to role-specific training, full-time employees can enrol in Wall Street English courses to improve their English proficiency.

Aligned with its sustainability goals, the Group incorporates sustainability topics into its training programmes, fostering awareness and accountability across the workforce.

SUSTAINABILITY REPORT

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



Promoting gender equality

The Group is committed to local employment, gender equality, and diversity. As of 30 September 2024, 97% of the total workforce (FY23: 96%) are local employees. Approximately 67% (FY23: 63%) of the workforce are female, excluding EXERA's security officers ("SO").

While female participation in the security services sector is typically lower, the number of female security officers and facility management staff has risen to 96 (FY23: 59), supported by customer collaboration, targeted hiring initiatives, and partnerships with NGOs like Step-In Step-Up (SISU).

The Group maintains pay equity and has identified no significant gaps between the salaries of male and female employees.



Improving Productive Employment

Asia Strategic is one of the largest foreign employers in Myanmar, with full-time employees increasing to over 2,600 (FY23: 2,200), driven by school portfolio expansion and additional EXERA sites. As the Group continues to grow and gain market share, it anticipates creating more employment opportunities in both Vietnam and Myanmar.

Promoting Safe and Secure Working Environments

The Group ensures fair working conditions for all employees by adhering to the principles of the UK Modern Anti-Slavery Act of 2015 and prohibiting child labour across all operations. Since its founding, the Group has reported no incidents of child labour.

EXERA regularly conducts risk assessments for customers to promote safe and secure workplaces for stakeholders. Complementing this, Yangon American and Kids&Us schools maintain robust Health & Safety policies to protect children under their care.

Reducing the Proportion of Youth Not in Employment

In partnership with Step-In-Step-Up ("SISU"), a vocational training centre in Yangon, EXERA provides disadvantaged youths with practical skills to enhance their employability. The initiative includes a free two-month security training programme targeting at least 30% female trainees.

The first cohort of 10 participants successfully completed the programme, with plans for future cohorts to drive sustainable change. EXERA also provides monthly financial support to assist trainees with disabilities in covering transportation costs.

Promoting Sustainable Tourism

Despite challenges in Myanmar's tourism sector over the past three years, the Group has continued to promote sustainable tourism in Bagan and Mandalay through boutique hostels operated under the Ostello Bello brand. Ostello Bello actively engages with local communities by promoting environmental clean-up initiatives involving staff and customers alike.

SUSTAINABILITY REPORT

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



Implementing and Promoting Good Corporate Governance

The Group upholds the highest standards of corporate governance, opposing bribery and all forms of corruption. To reinforce its Code of Conduct, all employees undergo training on Anti-Bribery and Anti-Corruption, Conflicts of Interest, and Whistleblowing policies, which also apply to dealings with third-party service providers and vendors.

The Group prohibits discrimination based on race, colour, gender, religion, or political opinion to ensure equal opportunities and fair treatment. By leading by example, the Group fosters internationally recognised best practices in Emerging Asia's rapidly developing regions.

As a responsible community operator, EXERA actively participates in business communities and organisations, including the European Chamber of Commerce and the American Chamber of Commerce. It provides security briefings, trainings, and operational support to embassies, UN agencies, and NGOs in Myanmar.

As a responsible corporate entity, reporting on SDG demonstrates our dedication to sustainability and transparency. It enables stakeholders to assess our contributions to global and local sustainable development priorities. By aligning our initiatives, we showcase how our actions create positive, measurable impacts in the regions we serve. This practice not only strengthens accountability but also aligns with international reporting standards, fostering trust and long-term value creation for all stakeholders.



SUSTAINABILITY REPORT

PEOPLE: WORKFORCE, DIVERSITY AND WELL-BEING

PEOPLE: WORKFORCE, DIVERSITY AND WELL-BEING

EMPLOYMENT

Our Approach

Asia Strategic emphasises sustainable employment by nurturing talent, fostering individual growth, and upholding the highest standards of human rights and economic contribution. This commitment underpins our efforts to create jobs, support professional development, and bolster local economies.

- **Workforce Impact:** We employ approximately 2,600 individuals across Vietnam and Myanmar, actively supporting the local economy and encouraging skill development.
- **Community Support:** Our educational programs reach over 9,300 students, offering globally recognised qualifications and supporting the aspirations of young learners. Despite several operational and security challenges, our Group has maintained operations throughout Myanmar, including certain conflict zones.
- **Policy Alignment:** Tailored employment policies, including Employment Contracts and Internal Labour Regulations in Vietnam and an Employee Handbook in Myanmar, ensure compliance with respective labour laws.

Our Performance

We strive to meet and exceed employee expectations through comprehensive benefits and ongoing improvement initiatives:

- **Employee Benefits:** Full-time employees in Myanmar benefit from the Pun Hlaing Employee Wellness Program, while Vietnamese employees enjoy tailored healthcare benefits.
- **Health and Welfare:** Key management and directors across all regions are consistently provided health benefits.
- **Stock Ownership:** Stock options are offered to full-time employees in key management positions, aligning their interests with the company's long-term success.
- **Challenges Identified:** Life insurance, disability, and retirement benefits are currently under review to better align with employee needs.

Our Targets

Asia Strategic aims to further enhance its employment practices with a focus on health, diversity, and development:

Short-Term Goals:

- Improve employment and healthcare benefits across all operational locations.
- Strengthen employee feedback mechanisms to better address needs.

Medium-Term Goals:

- Build a diverse workforce enriched by varied experiences and perspectives.
- Develop and monitor KPIs for employment-related initiatives to measure effectiveness.

Long-Term Goals:

- Expand job creation initiatives in underserved regions.
- Align employment practices with evolving international sustainability standards

LABOUR/MANAGEMENT RELATIONS

Our Approach

Asia Strategic is committed to fostering collaborative and constructive relationships between labour and management, recognising their critical role in ensuring stability and sustainable growth. Our approach prioritises:

- **Ethical Standards:** Adhering to human rights principles in all business dealings to prevent any adverse operational impacts.
- **Policy Frameworks:** Comprehensive Internal Labour Regulations in Vietnam and an Employee Handbook in Myanmar guide decision-making, ensuring equity, transparency, and legal compliance.
- **Addressing Potential Impact:** Established guidelines clarify roles, set expectations, and provide mechanisms to resolve any labour-related issues swiftly and effectively.

Through these efforts, we aim to foster a respectful workplace culture while aligning with international best practices.

Our Performance

Our initiatives have positively influenced our workforce, the communities we serve, and the overall business ecosystem:

- **Bonuses and Cost-of-Living Adjustments:** Distributed to employees to drive and reward performance and address economic challenges, ensuring their job satisfaction, well-being and engagement
- **Disaster Relief Contributions:** Support extended to employees and affected communities during natural disasters, such as in Myanmar, showcasing our commitment to social responsibility.
- **Community Involvement:** Organised initiatives like a blood donation campaign in Vietnam, further demonstrating our dedication to broader societal welfare. Monetary donations were also made during catastrophic events in Myanmar through foreign business chambers to assist recovery efforts and help rebuild communities.

Policies in Action:

- Human Rights Compliance: All labour management processes are structured to uphold human rights principles.
- Operational Guidelines: Adherence to the Internal Labour Regulations and Employee Handbook ensures fair treatment of employees, regardless of location.

SUSTAINABILITY REPORT

PEOPLE: WORKFORCE, DIVERSITY AND WELL-BEING

Our Targets

Asia Strategic seeks to strengthen its labour-management relations as follows:

Short-Term Goals:

- Reinforce mechanisms for resolving labour-management issues efficiently.
- Promote awareness of ethical standards among employees and management.

Medium-Term Goals:

- Expand workforce engagement programs, encouraging more collaborative initiatives.
- Regularly review and update policies to adapt to changing workforce dynamics.

Long-Term Goals:

- Establish comprehensive labour-management KPIs to measure progress and success.
- Develop partnerships with stakeholders to ensure industry-leading labour practices.

TRAINING, DEVELOPMENT, AND TALENT RETENTION (GRI 404-1)

Our Approach

Asia Strategic places a strong emphasis on fostering a competent and dynamic workforce through comprehensive training initiatives and robust talent retention strategies. Our approach includes:

- **Comprehensive Training Programmes**: Tailored opportunities are provided to employees across all roles to develop skills and improve performance.
- **Focus on Educators**: Teachers at Yangon American undergo annual International Baccalaureate (IB) certification training and participate in weekly professional development sessions.
- **English Language Proficiency**: Employees at operational sites and head offices (excluding security officers) complete English language courses at Wall Street English, equipping them with essential communication skills to excel in customer-facing roles and cross-border collaborations.
- **Basic Security Officer Training ("BSOT")**: At EXERA, new security officers undergo rigorous five-day programme aligns with the UK Security Industry Association training standards. It equips new recruits with foundational knowledge and practical skills for security operations.

These training programs comply with ISO standards and meet client expectations, underscoring our commitment to excellence and professionalism. Additionally, these trainings are available to our customers, providing them with the same high standards of safety and preparedness that we maintain within our organisation.

The BSOT programme covers a range of critical topics, including:

- Firefighting techniques and emergency response.
- First aid and basic life-saving skills.
- Combat tactics, including situational awareness and threat response.
- Ethical practices in security operations, such as conflict resolution and the use of force continuum.
- Surveillance and reporting procedures.

In addition to the initial training, EXERA mandates a two-day annual refresher course for all security officers to reinforce skills and address evolving challenges.

Our Performance

[404-1]



Training Metrics:

- Wall Street English: Employees at the head office and operations team are required to complete complimentary English language courses at Wall Street English, tailored to the competency levels set for each role. These competency levels also serve as benchmarks in our recruitment and appraisal processes.

  In FY24, 369 Group employees (FY23: 443) participated in English language courses, completing an average of 10 hours of training per employee (FY23: 5 hours).
- Yangon American: Sponsored 12 teachers for IB certification, contributing a total of 192 training hours, averaging 16 hours per participant.

SUSTAINABILITY REPORT

PEOPLE: WORKFORCE, DIVERSITY AND WELL-BEING

- EXERA Training:
  - New security officers completed ca. 41,700 hours of BSOT.
  - Existing security officers participated in refresher courses, completing a total of over 7,600 hours.
  - New and existing security officers, attended an average of 29 hours of training during the year.
  - Training Content for Security Personnel: The BSOT programme and refresher training sessions include the following modules:
    - Protective Measures: Access control, visitor and vehicle searches, and patrol procedures.
    - Safety and Emergency Preparedness: Fire safety, extinguisher use, and emergency response planning.
    - Ethics and Compliance: Adherence to voluntary principles on human rights and security.
    - Communication Skills: Effective reporting, response mechanisms, and incident documentation.
- Leadership Development: In FY24, we engaged a consultant to deliver a two-month leadership development programme for all managers in Myanmar, aimed at empowering and cultivate the leadership skills within high-potential team members. Key management personnel participate in externally sponsored workshops and courses to fulfil professional training requirements, strengthening leadership capabilities and alignment with organisational goals.

Our Targets

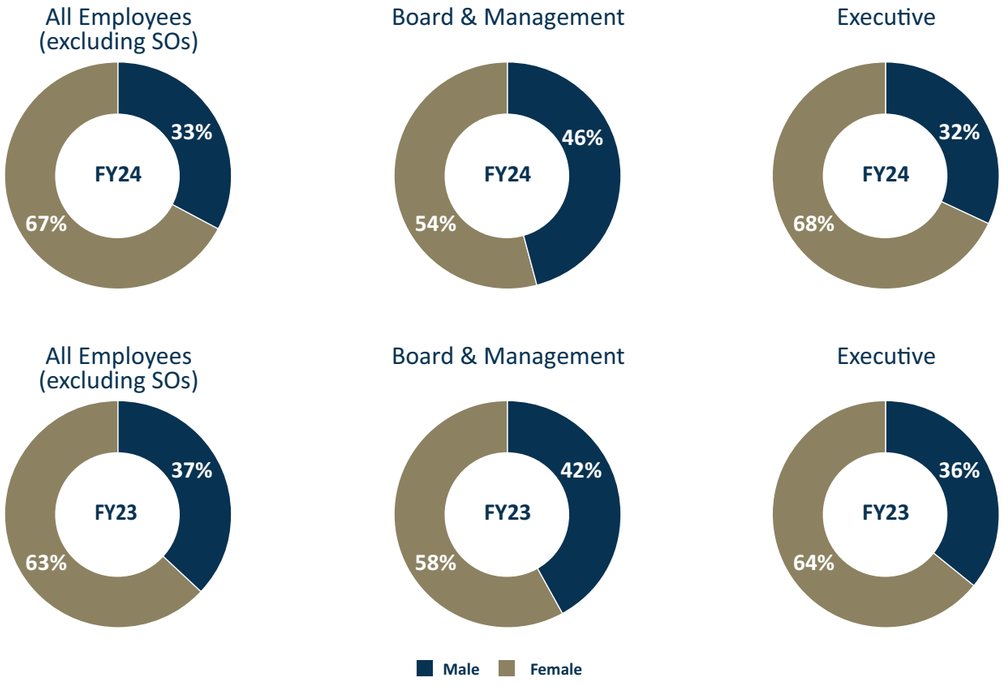
Asia Strategic is committed to enhancing training and development to ensure long-term success and employee satisfaction:

Short-Term Goals:

- Expand participation in training programmes, focusing on middle management and leadership roles.
- Enhance content to include job-specific, cross-functional, and sustainability-focused training modules.
- In FY24, we have not provided complete average training hours per employee by gender or comparative data due to the lack of comprehensive data collection systems in previous periods. We are working to enhance our data compilation processes for greater transparency and accuracy in our sustainability reporting. Future reports will include year-over-year comparative data to better reflect our progress and commitments.

Medium-Term Goals:

- Increase diversity-focused training, particularly targeting leadership development opportunities for female employees.
- Integrate advanced security protocols into BSOT and refresher courses to align with evolving industry standards.



SUSTAINABILITY REPORT

PEOPLE: WORKFORCE, DIVERSITY AND WELL-BEING

Long-Term Goals:

- Develop a robust framework for measuring training outcomes by role and gender.
- Cultivate a pipeline of skilled professionals capable of supporting the organisation's strategic growth objectives.

DIVERSITY AND EQUAL OPPORTUNITIES (GRI 405-1)

Our Approach

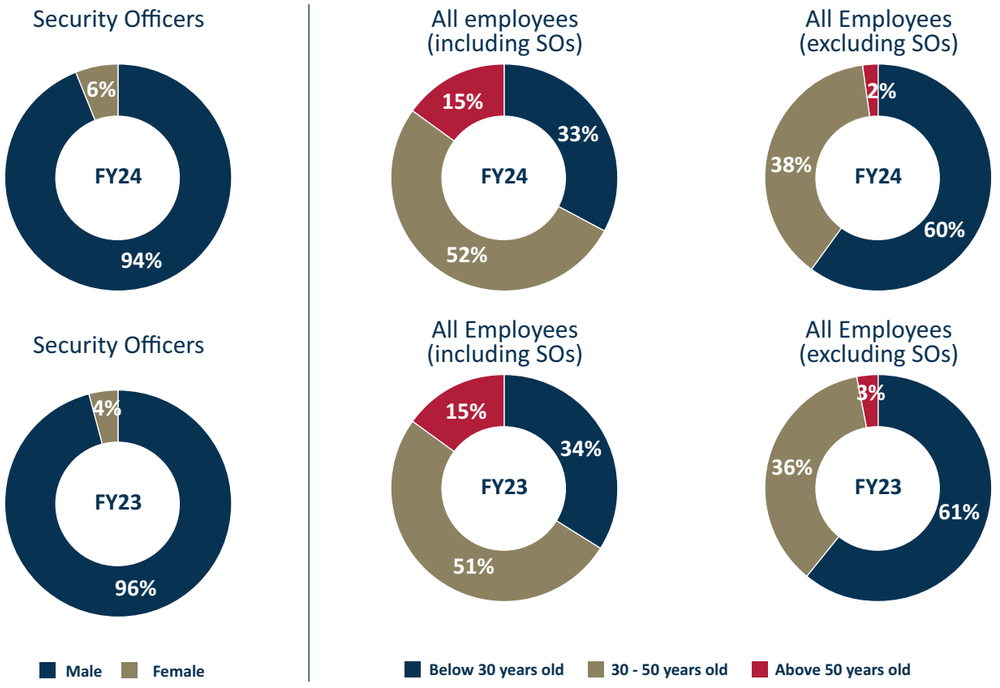
Asia Strategic is deeply committed to fostering diversity and equal opportunities, recognising the value of a workforce that reflects the communities we serve. By embracing inclusivity and representation, we aim to cultivate an environment that respects varied perspectives, enhances innovation, and supports organisational growth.

- **Gender Diversity Initiatives:** Addressing gender imbalances, particularly in traditionally male-dominated sectors such as security services, by recruiting female security officers for specialised roles like body searches and indoor assignments. This approach aligns with both client requirements and international human rights standards.
- **Local Employment:** Our hiring strategy prioritises local talent, with 97% of employees being local hires, strengthening our engagement with and contribution to local economies.
- **Commitment to Global Goals**: We align our efforts with the SDG, embedding principles of justice, diversity, inclusivity, and equity ("JEDI") into our policies and practices. These initiatives contribute to gender equality, poverty eradication, and equitable access to quality education.

Our Performance

Workforce Composition:

- **Female Representation:** Women account for 67% of the total workforce (excluding EXERA security officers). This includes leadership positions, reflecting our dedication to advancing gender equality within our organisation.
- **Growth in Female Security Officers:** At EXERA, the number of female security officers increased to 96 in FY24, compared to 59 in FY23. This improvement is attributed to strategic recruitment efforts and partnerships with NGOs like Step-In Step-Up ("SISU"), aimed at promoting employment for women.
- **Age Diverse Workforce :** We value age diversity through succession planning and an open workspace, encouraging collaboration across generations. Employees over 50 are supported in roles like training, administration, and facility management, enriching our inclusive and dynamic work environment.

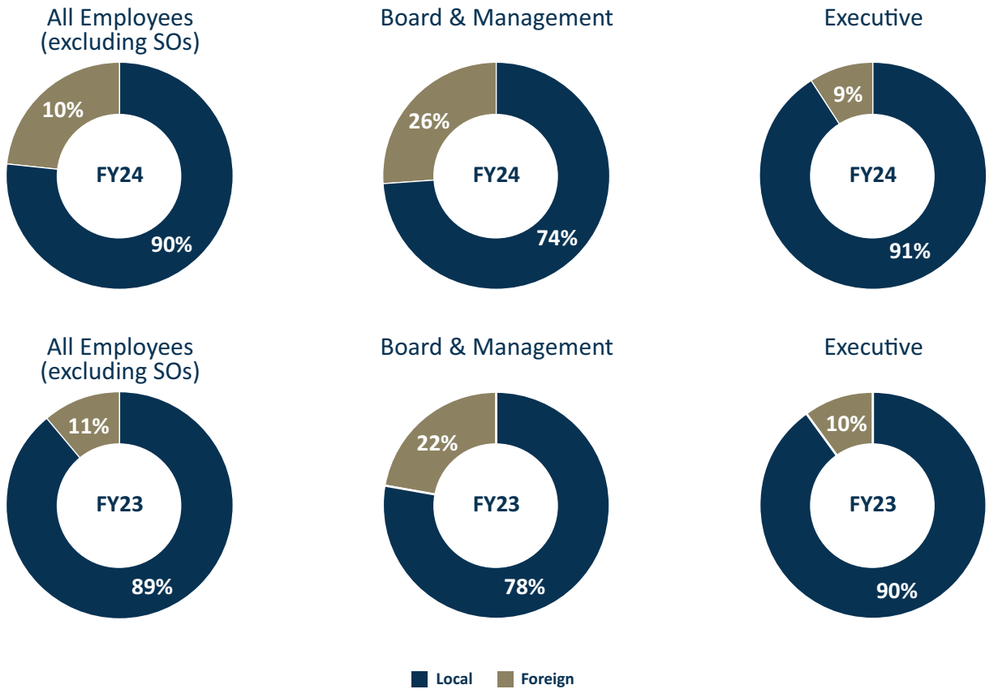


SUSTAINABILITY REPORT

PEOPLE: WORKFORCE, DIVERSITY AND WELL-BEING

Local Talent Empowerment:

- **Employment Metrics:** Over 97% of our workforce is composed of local employees, reinforcing our focus on empowering communities and providing opportunities for local talent.
- **Equitable Pay Practices:** Our pay equity analysis indicates no significant gender disparities, affirming our commitment to fair remuneration practices.



Educational Contributions

At Yangon American, the adoption of Justice, Equity, Diversity, and Inclusivity ("JEDI") principles within the curriculum promotes awareness and inclusivity among students. The school's initiatives aim to empower the next generation to embrace equity and diversity.

Our Targets

Asia Strategic's diversity and inclusion roadmap outlines short, medium, and long-term objectives to enhance representation and equal opportunities:

Short-Term Goals:

- Sustain female workforce participation above 50%, excluding security personnel, and strive for a more balanced gender representation.
- Expand the recruitment of female security officers for gender-specific responsibilities, aligning with client policies and industry standards.

Medium-Term Goals:

- Enhance female representation in mid-to-senior management roles, supported by targeted leadership training programmes.
- Develop partnerships with grassroots organisations to provide training and employment opportunities for women.

Long-Term Goals:

- Strengthen local representation in leadership roles, targeting an increase in the proportion of local employees at C-suite and board levels.
- Continue aligning workforce diversity initiatives with global frameworks, such as the UN SDG, to foster a more inclusive organisational culture.

SUSTAINABILITY REPORT

PEOPLE: WORKFORCE, DIVERSITY AND WELL-BEING

OCCUPATIONAL HEALTH AND SAFETY

(GRI 403, 403-1)

Our Approach

Asia Strategic is committed to safeguarding the health, safety, and well-being of its employees, their families, and the communities it serves. Our approach is grounded in robust policies, proactive risk management, and comprehensive health and safety initiatives. Key aspects include:

- **Comprehensive Safety Framework:** Policies such as the Workplace Safety Policy and adherence to ISO 9001:2015 and ISO 18788:2015 standards underpin our commitment to operational safety and efficiency.
- **Health Management Initiatives:** In partnership with Pun Hlaing HEAL, our Employee Wellness Programme provides health benefits to employees and up to three family members, ensuring holistic care. In Vietnam, employees receive free medical examinations and access to affordable healthcare packages for their dependants.
- **Emergency Preparedness:** Collaboration with EXERA ensures frequent risk assessments, emergency notifications, and preparedness training across sites.

Our Performance

Key Safety Metrics for FY24:

Fatalities and Injuries:

- Zero workplace fatalities recorded.
- One recordable work-related injury, consistent with FY23.

WORK-RELATED INJURIES	FY24	FY23
Work-related fatalities	Nil	Nil
Fatal Incident Rate (FAR)	Nil	Nil
High-consequence work-related injuries (excluding fatalities)	Nil	Nil
Recordable work-related injuries	1	1

Work related fatality: Fatality is an employee death resulting from an injury or an illness caused by/or related to a workplace hazard.

High-consequence work related injury and rate: Work related injury that results in a fatality or in an injury from which the employee cannot, does not, or is not expected to recover fully to pre-injury health status within a short period of time.

- Work-related injuries: Injury incidents that are non-fatal injuries or health-related illnesses requiring medical treatment beyond first aid arising out of, or in the course of work.
- Health Benefits Utilisation:
  - Expanded Employee Wellness Programme benefits in Myanmar and enhanced insurance options in Vietnam.
- Training Hours:
  - Over 7,020 hours of refresher training for EXERA security officers.
  - Regular safety drills conducted at all education and operational sites.
- Self-Defence Training: Practical workshops conducted by EXERA focused on blocks, counter strikes, and threat handling, particularly supporting female staff.

Programme Highlights:

- Health and Wellness:
  - Free GP consultations, discounted medicines, and telehealth services offered in Myanmar.
  - Comprehensive safety training for Yangon American staff, including first aid and child protection, with no serious incidents reported in FY24.
- Emergency Readiness:
  - Routine fire drills and emergency exercises for scenarios such as earthquakes and political risks. These include parent participation to promote a community-wide culture of safety.
  - Quality Assurance: EXERA adheres to strict guidelines outlined in its Quality, Safety, and Security ("QSS") Manual, , which aligns with ISO 9001:2015 and ISO 18788:2015.

Our Targets

Asia Strategic remains dedicated to continuous improvement in health and safety. Key objectives include:

Short-Term Goals:

- Maintain zero workplace fatalities.
- Expand self-defence training sessions across operational sites.

Medium-Term Goals:

- Introduce advanced emergency simulations, addressing specific risks like natural disasters and security threats.
- Expand health services to include mental health counselling and chronic disease management.

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

PLANET: ENVIRONMENTAL STEWARDSHIP

TCFD STATEMENT

Asia Strategic fully supports the recommendations of the Task Force on Climate-related Financial Disclosures and is committed to transparent reporting of climate-related risks and opportunities. By aligning our governance and strategy frameworks with TCFD guidelines, we aim to enhance transparency, accountability, and strategic resilience while effectively addressing climate impacts.

ABOUT THE TCFD FRAMEWORK

The TCFD framework categorises disclosures under four pillars:

1. Governance: Oversight of climate-related risks and opportunities.

2. Strategy: Impact on business strategy and financial planning.

3. Risk Management: Processes for identifying and managing climate-related risks.

4. Metrics and Targets: Measuring and tracking progress through key indicators.

TCFD Compliance Statement

In accordance with UK Listing Rule 6.6.6R(8), we have disclosed in the tables below climate-related disclosures aligned to the four pillars listed above and the eleven recommended disclosures contained within the TCFD additional guidance (Implementing the Recommendations of the Taskforce on Climate-Related Financial Disclosures 2021 TCFD Annex. For each of the recommended disclosures, we have confirmed the Group's compliance (fully, partially, or non-compliant) with the TCFD recommendations as well as future actions and relevant time frames to improve compliance.

Compliance Status

As of 30 September 2024:

- Four of the eleven TCFD disclosures are fully compliant.
- Three are partially compliant, with ongoing actions to improve.

We are still in the early stage of our TCFD implementation roadmap. Regulatory guidance in the countries where the Group operates continues to evolve and emerge. More time is required to allow a full consideration of the issues and outcomes.

A key focus for the Sustainability Committee is to monitor and review the implementation of these disclosures ensuring that our reporting will be compliant with all eleven disclosures. We expect full implementation of the TCFD recommendations within the next five years (except for the measurement of Scope 3 emissions where we will disclose progressively based on relevance and no timeframe can be determined until full assessment is complete).



SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

TCFD Implementation Roadmap

Incorporating TCFD highlights Asia Strategics' commitment to addressing climate-related challenges and detailing strategies for navigating associated risks and opportunities. The Group plans to assess climate targets and transition planning soon. Asia Strategic acknowledges the significant risks and opportunities posed by climate change and is dedicated to addressing them through a TCFD-aligned implementation roadmap.

Our implementation roadmap for climate reporting, aligned with the four primary pillars of the TCFD, detailed below.

FRAMEWORK	PHASE 1	PHASE 2	PHASE 3
Governance	Integrate climate risks into existing governance structures.	Review climate change management processes.	Regularly assess progress and compliance.
Strategy	Identify key climate-related risks and opportunities, assess their impact, and formulate appropriate action plans.	Continually re-evaluate key risks and opportunities and conduct scenario analysis to determine materiality levels.	Assess the resilience of the Group's climate strategy aligning with desired climate outcomes.
Risk Management	Define the process for identifying, prioritising, and managing climate-related risks.	Develop policies for managing climate-related risks and opportunities.	Effectively embed climate considerations into relevant business processes.
Metrics and Targets	Compute and disclose operational carbon footprint (Scope 1 and Scope 2 emissions) for the Group's larger business units	Include the remaining business units in the computation and disclosure of its carbon footprint, and define metrics to assess the impact of climate-related risks on the Group's activities	Improve data systems and consider appropriate science-based emissions reduction targets



SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

THEME	SUMMARY OF PROGRESS	TCFD DISCLOSURE AND COMPLIANCE STATUS AS OF FY24
GOVERNANCE		
Describe the Board's oversight of climate-related risks and opportunities	The Board plays a crucial role in overseeing the organisation's approach to climate-related risks and opportunities. This oversight encompasses setting the overall strategy, reviewing policies, and monitoring performance. The Board and its committees are typically informed about climate-related issues through several channels: ■ **Regular Reporting:** Management provides regular reports to the Board and relevant committees on the organisation's climate-related performance, risks, and opportunities. These reports may include updates on greenhouse gas emissions, climate-related initiatives, and any significant climate-related regulatory local/regional developments. ■ **Stakeholder Engagement:** The Board may engage directly with stakeholders such as investors, customers, employees, and community groups to gather their perspectives on climate-related issues and understand their expectations for the organisation's response. This engagement can inform the Board's decision-making and governance processes related to climate change. ■ **Regulatory and Disclosure Requirements:** The Group CFO, supported by the Group Sustainability Reporting Director, provides updates on regulatory requirements and disclosure frameworks to ensure the Board stays well-informed. **Frequency of Board Updates on Climate-related issues** The frequency of updates given to the Board and Audit Committee is dependent on several factors, including the business unit's industry, size, geographical location and significance of climate-related risks and opportunities. At Asia Strategic, the Board shall receive semi-annual updates from the SC, which includes an updated risk register and progress updates. The Board shall provide the SC with additional guidance on risks and opportunities. The Board plans to fully integrate climate governance into the Group's risk management framework to ensure compliance with the TCFD recommendations. Climate / EESG topics shall be included as a standing agenda item. The Audit Committee shall receive semi-annual updates from the SC and shall provide the SC with feedback, particularly in relation to regulatory risks and the impact on key audit matters.	Compliant.
Describe management's role in assessing and managing climate-related risks and opportunities	The Group CFO supported by the Group Sustainability Officer Reporting Director shall conduct a comprehensive operational risk review, engaging with the head of larger business units and shared service functions to identify current and emerging risks, including environmental and climate-related concerns. This consultation process shall lead to an improvement in the risk register and the risks and opportunities listed in this report on pages 52 to 56. Monitoring and Reporting: Management monitors the effectiveness of its climate-related strategies and initiatives and reports regularly to the Board, investors, and other stakeholders on progress, performance, and outcomes. This includes tracking key performance indicators ("KPIs"), targets, milestones, and metrics related to climate change mitigation, adaptation, and sustainability. EESG criteria shall also be formally incorporated by the corporate strategy and development department when assessing expansion and / or acquisition opportunities, among other strategic considerations. No headcount is currently dedicated to monitor climate and EESG related issues, although the Group intends to upskill existing employees within the investor relations and financial reporting departments.	Partially compliant. Management structure for monitoring climate-related issues under development.

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

THEME	SUMMARY OF PROGRESS	TCFD DISCLOSURE AND COMPLIANCE STATUS AS OF FY24
STRATEGY		
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	The actual and potential impacts on the business from climate change are listed on page 52 under "Climate-Related Opportunities" and pages 52 to 56 under "Climate-Related Risks". The Company has defined short term as being between zero and three years from the balance sheet date, medium term as being within three and five years, and long term as being more than five years.	Compliant.
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	The actual and potential impact on the business from climate change is listed on page 52 under "Climate-Related Opportunities" and pages 52 to 56 under "Climate-Related Risks". Management has undertaken an analysis of the transition and physical risks that could impact the Group's business and conducted scenario analysis when relevant. The Group considers the existing and emerging regulatory requirements where the Group's operations are located. Currently, regulations in the countries where the Group operates are limited, and the impact to the Group is estimated to be minimal. However, the determination of material financial impact involves a comprehensive consideration of various factors, including the application of specific scenarios and timeframes. These findings are presented and discussed with the SC and the Board. Management assessments over the short, medium, and long term focus on chronic changes, such as rising temperatures and precipitation, acute risks, like extreme weather events, and regulatory and technological challenges.	Compliant.
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	We have undertaken climate scenario analysis of the transition and physical risks and opportunities that could impact our business. The findings were presented to and discussed within the SC and the Board. This is listed on page 52 under "Climate-Related Opportunities" and pages 52 to 56 under "Climate-Related Risks". However, we are still in progress of evaluating the resilience of our strategy under a 2°C or lower scenario.	Non-compliant. This is expected to be completed within the next two years.
Describe the organisation's processes for identifying and assessing climate-related risks	Climate-related risks are identified and assessed using a bottom-up review process. Senior management determines the potential risks that could affect their areas of responsibility, including physical, transitional, and reputational risks, as well as the likelihood and size of an impact. This information is used to create the Group's primary risk register and capture principal risks, which are subsequently considered by the Board and the Audit Committee.	Compliant.

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

THEME	SUMMARY OF PROGRESS	TCFD DISCLOSURE AND COMPLIANCE STATUS AS OF FY23
RISK MANAGEMENT		
Describe the organisation's processes for managing climate-related risks	The Group has recently established an Enterprise Risk Management ("ERM") framework that integrates financial and climate-related risk management. This framework ensures that climate-related risks are systematically identified alongside operational risks through a comprehensive risk identification process. For each identified risk, the Group assigns a risk appetite and risk tolerance, which serve as guiding principles in strategic planning, business processes, and key decision-making for resource allocations. These risks are regularly monitored and reported as part of the Group's overall risk reporting framework. This includes tracking key risk indicators and assessing the effectiveness of mitigating measures and opportunities and managing these risks is recognised as a critical focal point for the future. The Group is committed to developing strategies that align with its sustainability goals and regulatory obligations. Clearly defined roles and responsibilities will be established for environmental management to ensure accountability and effectiveness in addressing climate-related challenges.	Non-compliant. Plans to develop policies for managing climate-related risks and opportunities in the next phase of our climate implementation roadmap.
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Mitigation strategies to manage the financial impact of risks and align with the commitment to environmental stewardship are currently under development by the Board and the SC. Management intends to fully integrate the process of identifying, assessing, and managing climate-related risks into our existing risk assessment frameworks, which would allow us to manage our risks efficiently and effectively as an enterprise. The Group acknowledges that integrating climate-related risks into the overall risk management process is an ongoing effort that will require continuous monitoring, adaptation, and collaboration.	Non-compliant. Plans to develop policies for managing climate-related risks and opportunities in the next phase of our climate implementation roadmap.
METRICS AND TARGETS		
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	The SC, in discussion with senior managers across the different business units and shared service functions, have identified certain metrics that will guide the Group in assessing climate-related risks. These metrics encompass measurements related to water, energy, land use, waste, and emissions, and where available, they refer to and align with the Global Reporting Initiative Standards used for our other metrics. Further work is required over the phased approach to ensure that reported metrics are refined and relevant to our business operations and consistently applied, thus promoting a standardised approach to assessing climate-related risks and enhancing comparability.	Partially compliant. This is expected to be completed within the next two years.
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions and the related risks	The Group has disclosed our Scope 1 and Scope 2 emissions in tables below on "Energy Consumption and GHG Emissions". Currently, the Group has computed and disclosed emissions based for all its business units. We presently do not disclose our Scope 3 emissions, which encompasses other indirect emissions from purchased materials and fuels not owned or controlled by the Group. This stems from the need for additional clarity on which emissions are relevant to the Company and the practical means of obtaining such data, which is particularly difficult in the emerging markets in which the Group operates.	Partially compliant. Data from Scope 3 emissions to be tracked and reported within the next two years.

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

THEME	SUMMARY OF PROGRESS	TCFD DISCLOSURE AND COMPLIANCE STATUS AS OF FY23
METRICS AND TARGETS		
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	To establish performance targets for climate-related risks and opportunities, we plan to undertake the following steps: 1. In the previous and the current financial year, management has mapped, calculated, and reported the Group's emissions footprint. Using this baseline, management will then formulate targets and pathways for reducing emissions. 2. In the next two years, management will evaluate and implement energy efficient improvements progressively to minimise the Group's emissions footprint. 3. Further analysis will be conducted to assess and monitor Scope 1 and Scope 2 emissions to set achievable targets. 4. Gradually, the Group will report the relevant metrics and monitor the progress against the relevant targets.	Non-compliant. This is expected to be completed within the next two years.

ADDRESSING CLIMATE-RELATED RISKS

At Asia Strategic, we acknowledge the profound impact of climate-related risks on our operations, assets, and long-term growth. Our strategic approach to managing these risks is designed to be both comprehensive and adaptive, ensuring alignment with the Group's broader business and sustainability goals.

TIME HORIZONS FOR RISK ASSESSMENT

We categorise climate-related risks into three time frames to tailor our response strategies:

- **Short-Term (0–3 years):** Immediate actions to address operational vulnerabilities.
- **Medium-Term (3–5 years):** Strategic adjustments to mitigate emerging risks.
- **Long-Term (5+ years):** Long-term investments and frameworks to enhance resilience and sustainability.

KEY INITIATIVES

To navigate these risks effectively, we focus on:

- **Energy Monitoring:** Tracking energy usage across operations in Vietnam (VN) and Myanmar (MM) to optimise consumption.
- **Digital Transformation:** Reducing paper usage through digital contracts and online educational products.
- **Energy Efficiency:** Implementing energy-saving practices and collaborating with local authorities on resource optimisation.

This approach not only ensures agility in the short term but also supports strategic planning to mitigate longer-term risks, contributing to the economic sustainability of our business.

SCENARIO ANALYSIS AND RISK MITIGATION

Our climate risk assessments include scenario analyses, focusing on:

- **Chronic Risks:** Rising temperatures, sea levels, and changing precipitation patterns, which could impact operations, health, and safety.
- **Acute Risks:** Severe weather events, such as cyclones and floods, posing immediate threats to assets and continuity.
- **Regulatory and Technological Challenges:** Evolving compliance requirements and technological shifts that may necessitate significant investments.

The findings are presented to the Sustainability Committee and Board for review and integration into governance frameworks.

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

FUTURE ACTIONS

Our strategy involves:

- Strengthening our risk management framework to incorporate climate considerations at all operational levels.
- Developing contingency plans and adaptive measures to address identified risks.
- Pursuing energy-efficient solutions and renewable energy collaborations to mitigate environmental impacts.

TYPE OF OPPORTUNITY AND TIMEFRAME	POTENTIAL IMPACTS	OPPORTUNITIES	MANAGEMENT APPROACH
Physical – Chronic Rising mean temperatures and sea level	■ Emergence of a new set of risks for organisations operating in Vietnam and Myanmar ■ Need to enhance skills and capabilities to build a mobile global workforce ■ Need to develop specific skills linked to the assessment and management of environmental risks	■ Reduced footprint through new developing practices that contribute to mitigate the impact of climate change ■ Attract customers with strong preference for contracting with vendors applying sustainable practices ■ Shift delivery of educational products online or hybrid ■ Price increases with customers to mitigate higher operating costs ■ Use of remote surveillance technology enhancing manpower	■ Ongoing consultation with B2B customers to develop a deeper understanding of the risks they face and how to mitigate them ■ Development and / or sourcing of educational and training products addressing sustainability issues

TYPE OF RISK		NAME AND SCOPE OF RISK (BY GEOGRAPHY)	TIME-FRAME	POTENTIAL IMPACTS	RISK MANAGEMENT AND MITIGATION
Physical	**Chronic**	**Rising Sea Level** *VN, MM, Singapore ("SG")* **Schools** – increase in cost of operations **Security** – health and safety hazard risk to security officers	Long-term	■ Increase in cost of operations and insurance ■ Decrease in value of assets ■ Affected mobility for students and staff ■ Absenteeism, health, and safety issues ■ Additional costs to implement preventive measures ■ Rise in operating costs for security business to protect the safety of customers	■ Proactive assessment of risks and development of mitigation strategies / contingency plans for the Group and its customers ■ Ability to shift the delivery of educational products online within 24 hours ■ Ongoing optimisation and reduction of the physical footprint of each school, together with a nationwide diversification strategy ■ Negotiated price increases with customers to mitigate higher operating costs

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

TYPE OF RISK		NAME AND SCOPE OF RISK (BY GEOGRAPHY)	TIME-FRAME	POTENTIAL IMPACTS	RISK MANAGEMENT AND MITIGATION
Physical	**Chronic**	**Rising Mean Temperatures** *VN, MM, SG* *(Scenario applied: 4 deg. Celsius)* **Schools** – conducted in-centre and online. More energy may be required **Security** – health and safety hazard risk to security officers	Medium-term	■ Increase in facility management costs due to higher usage of electricity and water for air conditioning ■ Reduction in asset utilisation and possibly enrolments as students are unable to attend classes (absenteeism, health, and safety) ■ Additional protection required for security officers and possibly difficulties to attract staff	■ Monitor closely the consumption of electricity and usage of water and gradually equip appliances with energy saving solutions ■ Leverage the online delivery capabilities of the Group's schools ■ Gradually optimise the size of schools and facilities operated by the Group ■ Continuously monitor and enhance the health and wellness solutions provided to the Group's employees ■ Introduce advanced monitoring technologies (e.g. AI-powered CCTVs, security robots) and robots for facility management to enhance our staff productivity
Physical	**Acute**	**Increased severity of extreme weather events such as cyclones or floods** *VN, MM* **Schools** – increase in cost of operations and assets **Security** – health and safety hazard risk to security officers	Medium-term	■ Disruption in operations and increase in cost of doing business ■ Damage to the Group's property/ assets ■ Potential loss of clients in the long-term as they decide to relocate their productive assets	■ Proactive assessment of risks and development of mitigation strategies / contingency plans for the Group and its customers ■ Development of emergency solutions to mitigate the short-term impact of catastrophic events ■ Ongoing support to staff and local communities as demonstrated during the cyclone Mocha in FY23

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

TYPE OF RISK		NAME AND SCOPE OF RISK (BY GEOGRAPHY)	TIME-FRAME	POTENTIAL IMPACTS	RISK MANAGEMENT AND MITIGATION
Transition	**Policy and Legal**	**Increased pricing of GHG emissions** *VN, SG* *(Scenario applied: 2 deg. Celsius*)	Long-term	■ Increase in cost of operations ■ Increase in compliance costs ■ Difficulties to source equipment for compliance and to reduce emissions	■ Leverage the online delivery capabilities of the Group's schools ■ Gradually optimise the size of the schools and facilities operated by the Group ■ Monitor closely the consumption of electricity and usage of water and gradually equip appliances with energy saving solutions
Transition	**Policy and Legal**	**Enhanced emission – reporting obligations** *VN, SG* *(Scenario applied: 2 deg. Celsius*)	Long-term	■ Increase in cost of operations ■ Increase in compliance costs ■ Affect Group's growth rate	■ Develop monitoring and reporting policies and procedures
Transition	**Policy and Legal**	**Mandates on regulation of existing products and services** *VN, SG* *(Scenario applied: 2 deg. Celsius)*	Long-term	■ Difficulties to source equipment for compliance and reduce emissions	■ Source key equipment locally, when possible ■ Conduct extensive trainings for all our employees
Transition	**Technology**	**Substitution of existing products and services with lower emission options** *VN, MM, SG* Technological risks exist as competitors may have an advantage if they use more advanced technology or alternative products	Medium-term	■ Unplanned capital expenditures ■ Difficulties to comply with the required standards due to supply chain disruptions ■ Difficulties to access renewable energy sources, particularly in Myanmar	■ Gradual replacement of petrol / diesel vehicles with electric vehicles ■ Optimisation of the supply chain ■ Reduced usage of consumables ■ Increased usage of online / digital resources ■ Replace use of security patrol vehicles through advance remote surveillance technology (e.g. AI-powered CCTVs)
		Costs to transition to lower emission technology *VN, MM* Technological risk exist as competitors may have an advantage if they use more advanced technology or alternative products			■ Introduction of sustainability criteria into the location selection process for Group offices and schools

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

TYPE OF RISK		NAME AND SCOPE OF RISK (BY GEOGRAPHY)	TIME-FRAME	POTENTIAL IMPACTS	RISK MANAGEMENT AND MITIGATION
Transition	**Market**	**Changing consumer behaviour** *VN, MM*	Short term for security business Medium-term for others	■ Potentially reduced consumption from local customers due to lower discretionary income ■ Inability to meet higher expectations from international organisations, while remaining competitive due to limited availability of or access to clean alternatives in certain markets ■ Increased consumer interest in upfront investment in products as local currency weakens ■ Increase in costs related to training security officers, changes in ISO compliance, re-skilling, and re-tooling	■ Ongoing engagement with customers through surveys, among other tools ■ Gradual price increases testing price elasticity ■ Privileged access to high quality trainings
		Increased cost of raw materials *VN, MM, SG*	Short-term	■ Difficulties to source proper equipment due to lack of vendors and local capabilities ■ Increase in prices of traditional energy sources due to an accelerated transition to clean energy	■ Planned reduction of consumables ■ Transition to modular energy sources, such as solar
Transition	**Market**	**Uncertainty in market signals** *MM*	Medium-term	■ Substantial migration of skilled labour ■ Inability to impose long-term agreements ■ Frequent regulatory changes and additional requirements ■ Increased reputational concerns by key customers	■ Ensure workforce is trained to adhere to ISO Quality standards ■ Foreign talent orchestrated training to upskill workforce ■ Basic training to all employees ■ Appoint a quality control manager ■ Establish a learning and development department to ensure sufficient competencies for relevant departments and monitor training statuses

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

TYPE OF RISK		NAME AND SCOPE OF RISK (BY GEOGRAPHY)	TIME-FRAME	POTENTIAL IMPACTS	RISK MANAGEMENT AND MITIGATION
Transition	**Reputation**	**Shifts in consumer preferences** *MM, SG*	Short to medium term	▪ Relocation of certain customers to jurisdictions that better meet their needs with regards to operational sustainability and overall compliance ▪ Excessive price increase ▪ Lack of clean grid electricity	▪ Ongoing multilateral engagement with several public and private organisations including chambers of commerce, among others ▪ Implementation of EESG criteria to drive the expansion and / or development of existing and new business ▪ Regular customer feedback and engagement ▪ Increased support from international organisations to tackle climate risks ▪ Regular feedback from across our Group and external shareholders
		Stigmatisation of sector *VN, MM*	Long-term	▪ Increased cost of capital as banks limit financing to certain sectors and / or companies ▪ High usage of diesel and power, primarily caused by lack of alternatives available in the market creates misperception by overseas customers / stakeholders ▪ Difficulties in meeting environmental compliance/ expectations of financier and private equity	
		Increased stakeholder concern or negative stakeholder feedback *SG, VN, MM*	Short term for Security business Medium-term for others	▪ Difficulties to secure capital to finance the Group's growth ▪ Difficulties to meet more stringent regulatory requirements	

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

ENVIRONMENT REPORTING

Our Approach

Asia Strategic addresses environmental sustainability through innovation and responsible business practices. Key elements include:

- **Carbon Footprint Tracking:** Scope 1 and Scope 2 emissions are monitored for all operations, while Scope 3 tracking is planned in the upcoming years.
- **Energy Efficiency:** Advanced software and QR-based tools track facility maintenance and optimise energy consumption.
- **Paperless Culture:** Digital document management and restricted print use reduce paper reliance.

Our Performance

Scope 1 Emissions:

- Derived from diesel generators (backup for power outages in Myanmar) and vehicle fuel consumption by EXERA. Power generators as backup in Myanmar for various schools and offices to avoid business disruption due to nationwide intermittent power outages. Meanwhile for mobile combustion, EXERA whose transportation and patrol vehicles consume petrol and diesel.
- FY24: 4,346 tCO_2 (FY23: 4,620 tCO_2), reflecting efforts to optimise generator usage and fleet efficiency.
- Fugitive emissions from refrigerants are found in our schools and offices in both our Vietnam and Myanmar operations.

Scope 2 Emissions:

- From electricity consumption from the national grids across schools and offices, sourced from coal in Vietnam and hydroelectric in Myanmar.
- FY24: 671 tCO_2 (FY23: 562 tCO_2), reflecting higher energy use as operations expanded.

Energy Intensity:

- Measured at 0.11 kWh per $ of revenue, improving from 0.12 in FY23 due to better energy practices.

Energy Consumption

[TCFD, GRI 302-1]

	FY24			FY23		
By Business Segment	**Vietnam**	**Myanmar**	**Total**	**Vietnam**	**Myanmar**	**Total**
Scope 1: Fuel Consumption from Non-Renewable Sources (Diesel in Litres)						
Vehicles – Services[1]	**–**	**65,893**	**65,893**	**–**	**57,338**	**57,338**
Generators for schools & offices	**–**	**102,038**	**102,038**	**–**	**70,664**	**70,664**
- Education	–	86,970	86,970	–	65,668	65,668
- Services	–	15,068	15,068	–	4,996[2]	4,996[2]
Fugitive emissions for schools & offices	**1,450**	**2,446**	**3,896**	**1,152**	**3,125**	**4,277**
Scope 2: Electricity Consumption from Grid (kWh)						
Hydroelectric	**–**	**795,025**	**795,025**	**–**	**781,236**	**781,236**
- Education	–	599,289	599,289	–	656,755	656,755
- Services	–	107,514	107,514	–	59,101	59,101
- Corporate office	–	88,222	88,222		65,380	65,380
Coal	**795,020**	**–**	**795,020**	**662,761**	**–**	**662,761**
- Education	670,034	–	670,034	546,664	–	546,664
- Corporate office	124,986	–	124,986	116,097	–	116,097

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

GHG Emissions (TCFD, GRI 305-1, GRI 305-2)

	FY24			FY23		
By Business Segment	**Vietnam**	**Myanmar**	**Total**	**Vietnam**	**Myanmar**	**Total**
Scope 1: Fuel Consumption from Non-Renewable Sources (CO_2 Emissions tCO_2)						
Diesel for Vehicles – Services	**–**	**177**	**177**	**–**	**154**	**154**
Diesel Generators for schools & offices	**–**	**273**	**273**	**–**	**189**	**189**
- Education	–	233	233	–	176	176
- Services	–	40	40	–	13	13
Fugitive Emissions (in tonnes)	**1,450**	**2,446**	**3,896**	**1 ,152**	**3,125**	**4,277**
Total scope 1 Emissions	**1,450**	**2,896**	**4,346**	**1,152**	**3,468**	**4,620**
Scope 2: Electricity Consumption from Grid (tCO_2)[3]						
Hydroelectric	**–**	**19**	**19**	**–**	**19**	**19**
- Education	–	14	14	–	16	16
- Services	–	3	3	–	1[2]	1[2]
- Corporate office	–	2	2	–	2	2
Coal	**652**	**–**	**652**	**543**	**–**	**543**
- Education	549	–	549	423	–	423
- Corporate office	103	–	103	120	–	120
Total scope 2 Emissions	**652**	**19**	**671**	**543**	**19**	**562**

[1] Fuel usage is from mobile combustion (i.e., vehicles that are owned or leased by EXERA). The total fuel usage comes from vehicles owned or leased by EXERA's operations in Myanmar. Vietnam operations do not include company-owned or leased vehicles. Diesel emissions are calculated using an emission factor (EF) of 2.68 kg CO_2 per litre as per GHG Protocol guidelines.

[2] In the previous year, EXERA was in a temporary business office for six months which uses electricity from grid and backup power generator. Due to the limitation of data available, the energy consumption and fuel usage for power generator were not included. The available data for this office is expressed solely in terms of operational hours (43 hours), without corresponding fuel consumption figures or power usage details.

[3] While coal-based electricity generation is associated with higher greenhouse gas emissions, with the EF being 0.82 kg CO_2/kWh, hydroelectric power has a lower EF of 0.024 kg CO_2/kWh.

SUSTAINABILITY REPORT

PLANET: ENVIRONMENTAL STEWARDSHIP

Energy Consumption and Intensity

We are aware that monitoring and managing our energy consumption is of key concern for the Group and its stakeholders. Our energy usage derives from total fuel usage and purchased electricity consumed within the organisation, and no form of energy is sold.

Our energy consumption is monitored using the energy intensity metric, which stands at 0.11 kWh per $revenue (FY23: 0.12) and this measurement is integral to the targets we will set for future energy use.

Energy Consumption within the Organisation

Energy Intensity

[GRI 305-4]

	FY24	FY23
Total Energy Consumption (kWh)	3,386,910	2,813,618
Revenue ($)	29,674,015	24,054,547
Energy Intensity (kWh per $)	0.11	0.12

	FY24	FY23
Total Scope 2 Emissions (tonnes CO_2)	671	562
Total GHG intensity (metric tonnes CO_2 / revenue $'000)	0.023	0.023

Key Sustainability Initiatives

- **Renewable Energy Partnerships:** Partnering with malls in Vietnam powered by renewable sources.
- **Digitalisation:** Transitioning to online education delivery and digital contracts.
- **Facility Management:** Preventive maintenance to optimise equipment efficiency and reduce energy use.

Targets and Future Goals

- **Short-Term:** Include all business units in Scope 1 and 2 emissions reporting.
- **Medium-Term:** Implement science-based emission reduction targets for Scope 1 and 2.
- **Long-Term:** Develop a comprehensive carbon reduction roadmap, gradually incorporating Scope 3 emissions.

SUSTAINABILITY REPORT

PROFIT: PERFORMANCE AND GOVERNANCE

PROFIT: PERFORMANCE AND GOVERNANCE (GRI 3-3)

ECONOMIC PERFORMANCE (GRI 201-1)

Our Approach

Asia Strategic is committed to fostering economic development and upward social mobility for communities in Emerging Asia. By creating long-term investment opportunities, we aim to drive sustainable growth while delivering value to our shareholders and stakeholders.

- **Core Focus:** Our operations are centred on Education and Services, which provide high-quality offerings and empower local communities.
- **Geographic Diversification:** By expanding from Myanmar into Vietnam, we have reduced single-country exposure and mitigated economic risks.

Our Performance

Despite challenges in Myanmar's political and economic landscape, the Group demonstrated resilience and adaptability. Key highlights for FY24 include:

- **Revenue Growth:** Increased by $5.6 million to $29.7 million due to growth of new franchises and sustained demand for quality Education in Myanmar.
- **Student Base:** Expanded to 9,300 (FY23: 8,700), reflecting improved utilisation of education facilities.
- **Economic Value Distributed:** Total distribution reached $36.3 million (FY23: $29.5 million), covering:
  - Material and Service Costs: $5.0 million.
  - Employee Wages and Benefits: $17.0 million.
  - Administrative Costs: $12.5 million.
  - Capital Providers: $1.3 million.

Economic Value Breakdown (FY24):

ECONOMIC PERFORMANCE ($'000)	FY24	FY23	NOTES
Direct Economic Value Generated	29,674	24,055	Revenue and other income, net
Economic Value Distributed	36,083	29,465	–
Material and service cost	5,017	3,833	Cost of services excluding employee compensation
Administrative and other operating expenses	12,518	9,780	Administrative and other operating costs excluding employee compensation
Employee wages and benefits	16,961	14,805	Wages, salaries, and benefits classified under cost of services and administrative expenses (incl. non-cash)
Government	246	67	Income tax expense
Capital providers	1,341	980	Includes interest expense on borrowings, interest expense on lease liabilities and other finance costs.
Total Economic Value Retained	(6,409)	(5,410)	

Our Targets

To sustain and improve our economic performance, Asia Strategic aims to:

Short-Term:

- Enhance profitability through operational excellence in both Education and Services segments.
- Expand the student base further while maintaining high-quality standards.

Medium-Term:

- Deepen geographic diversification to minimise risk and drive stability.
- Strengthen partnerships with leading educational franchises.

Long-Term:

- Achieve a balance between growth and economic value distribution, ensuring long-term stakeholder returns.

SUSTAINABILITY REPORT

PROFIT: PERFORMANCE AND GOVERNANCE

ETHICAL BUSINESS

Our Approach

Asia Strategic upholds the highest standards of ethical conduct, ensuring compliance with all applicable laws, regulations, and corporate governance frameworks. By fostering a culture of integrity and transparency, we build lasting trust with stakeholders, including shareholders, employees, clients, and the communities we serve.

- **Commitment to Best Practices:** Policies on anti-corruption, share dealing, whistleblowing, and social media form the foundation of our ethical business practices.
- **Continuous Improvement:** Governance policies are regularly reviewed and enhanced to align with our growing size, stature, and stakeholder expectations.
- **Core Principles:** Transparency, fairness, and accountability guide decision-making and operations.

Our Performance

Policy Frameworks:

- Policies are distributed across the organisation and made accessible to all employees, contractors, suppliers, and business partners.
- Specific guidelines address compliance with anti-corruption and anti-bribery standards to mitigate risks and maintain operational integrity.

Governance Mechanisms:

- Internal control systems are reviewed periodically, encompassing financial, operational, and compliance controls, along with risk management practices.
- Management supports the Board in monitoring the application of ethical standards across all business activities.

Adherence to Regulations:

- Compliance with local and international regulations, including corporate disclosures, ensures transparency and adherence to legal obligations.
- Regular ethics training strengthens employee understanding of governance frameworks and their role in maintaining ethical practices.

Impact and Benefits

- **Stakeholder Trust:** Building confidence in operations through demonstrated integrity and ethical conduct.
- **Resilience:** Strong governance frameworks enable the Group to navigate complex regulatory environments effectively.
- **Reputation:** Reinforcing a reputation for fairness and transparency enhances partnerships and attracts long-term investments.

Our Targets

Asia Strategic remains committed to advancing ethical business practices:

Short-Term:

- Increase the frequency of ethics training programmes, ensuring 100% employee participation.
- Conduct annual reviews of corporate governance policies to address emerging risks.

Medium-Term:

- Implement advanced reporting mechanisms for compliance monitoring.
- Strengthen collaboration with external stakeholders to align governance practices with global standards.

Long-Term:

- Maintain zero significant fines and penalties through proactive compliance measures.
- Foster a culture of integrity across all operations, ensuring sustained organisational success.

ANTI-CORRUPTION POLICY AND PRACTICES (GRI 205-2)

Our Approach

Asia Strategic enforces a zero-tolerance policy towards corruption, fraud, bribery, and improper share dealings, underpinned by a robust governance framework. By embedding ethical practices across all operations, we ensure transparency and maintain the trust of our stakeholders.

Key Principles:

- **Integrity:** All employees, contractors, suppliers, and business partners are held accountable for upholding ethical standards.
- **Preventative Measures:** Enhanced due diligence checks cover sanctions, anti-money laundering, and politically exposed persons to identify and mitigate risks.
- **Policy Accessibility:** Anti-corruption and anti-bribery policies are communicated across the organisation and made readily accessible to all relevant parties.

Our Performance

Policy Enforcement:

- No financial or in-kind political contributions are permitted, directly or indirectly, to prevent undue influence on decision-making processes.
- Continuous monitoring of business practices ensures compliance with local and international regulations.

SUSTAINABILITY REPORT

PROFIT: PERFORMANCE AND GOVERNANCE

Governance Oversight:

- The management team assists the Board in applying and monitoring anti-corruption policies.
- Regular reviews are conducted to identify potential risks and areas for improvement.

Training and Awareness:

- Employees at undergo training to understand anti-corruption policies and their roles in maintaining compliance.
- A culture of accountability is reinforced through ongoing communication and awareness initiatives.

Impact and Outcomes

- **Improved Due Diligence:** Comprehensive checks enhance the organisation's ability to identify and address potential risks.
- **Stakeholder Confidence:** Transparent anti-corruption practices reinforce trust with investors, clients, and partners.
- **Reputation for Integrity:** Ethical business operations position Asia Strategic as a trusted partner in the markets we serve.

Our Targets

Asia Strategic aims to strengthen its anti-corruption measures to address evolving challenges:

Short-Term:

- Conduct regular risk assessments across all operations to identify vulnerabilities.
- Enhance the scope and delivery of anti-corruption training to include scenario-based learning.

Medium-Term:

- Develop advanced tools for monitoring and detecting suspicious activities.
- Establish formal partnerships with external auditors and compliance bodies to validate anti-corruption efforts.

Long-Term:

- Achieve zero incidents of corruption and bribery through proactive governance measures.
- Maintain alignment with global standards to support sustainable and ethical growth.

HUMAN RIGHTS

Our Approach

Asia Strategic recognises its corporate responsibility to respect and uphold human rights in all its operations. Guided by international frameworks, we integrate high standards of values, professionalism, and integrity into our business practices to ensure the safety, dignity, and well-being of our employees, contractors, and the communities we serve.

Guiding Principles:

- **Global Standards:** Alignment with the United Nations Declaration of Human Rights, the European Convention on Human Rights, and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.
- **Zero Tolerance:** Prohibition of sexual exploitation, abuse, and gender-based violence across all operations.
- **Voluntary Principles:** Adoption of the Voluntary Principles on Security and Human Rights to minimise operational impacts on local communities.

Our Performance

Respect for Human Rights:

- All employees and contractors are expected to operate with respect for local environments and communities, regardless of personal or religious beliefs.
- The Group maintains strict internal reporting mechanisms to address any potential abuse of authority or human rights violations.

Training and Guidance:

- Employees are educated on human rights risks and mitigation strategies.
- The Group shares experiences and best practices with partners and contractors to align efforts in minimising reputational and operational risks.

Security Operations:

- EXERA operates in compliance with the International Code of Conduct for Private Security Providers.
- Certification from the International Code of Conduct Association (ICoCA) underscores adherence to international human rights and humanitarian law.

Impact and Outcomes

- **Certification:** EXERA's ICoCA certification demonstrates the Group's commitment to accountability and transparency in security operations.
- **Enhanced Governance:** Internal mechanisms and external collaborations have strengthened compliance and reduced human rights risks.
- **Community Trust:** Proactive measures and transparent reporting foster trust with local communities and stakeholders.

Our Targets

Asia Strategic aims to build on its human rights commitments through targeted actions:

Short-Term:

- Conduct periodic training sessions for employees and contractors on human rights principles.

SUSTAINABILITY REPORT

PROFIT: PERFORMANCE AND GOVERNANCE

- Strengthen internal reporting frameworks to ensure timely resolution of issues.

Medium-Term:

- Collaborate with external stakeholders to address systemic human rights challenges.
- Expand the scope of human rights policies to align with evolving international best practices.

Long-Term:

- Achieve zero reported incidents of human rights violations across all operations.
- Foster a culture where human rights are integral to every aspect of the organisation's operations.

WHISTLEBLOWING

Our Approach

Asia Strategic's whistleblowing policy ensures that all employees, contractors, and stakeholders have access to a secure and confidential platform for reporting misconduct or unethical behaviour. By fostering a culture of openness and accountability, the Group encourages the proactive identification and resolution of issues to maintain the integrity of its operations.

Key Features:

- Policy Coverage: Applies to employees at all levels, former employees, agency workers, contractors, and senior management, including directors.
- Scope of Concerns: Encourages the reporting of concerns about:
  - Fraud or corruption.
  - Malpractice, including financial irregularities or dishonesty.
  - Criminal offences.
  - Health and safety dangers.
  - Environmental hazards.
  - Ethical misconduct or violations of legal obligations.

Our Performance

Reporting Framework:

- Reports can be made to the Chief Executive Officer or directly to the Chairman of the Audit Committee if confidentiality is required.
- Concerns can be raised verbally or in writing, with follow-up meetings held to discuss details.

Protection for Whistleblowers:

- Confidentiality is guaranteed, and whistleblowers are safeguarded against victimisation or retaliation.
- Procedures are in place to ensure that allegations are addressed fairly, independently, and without bias.

Examples of Matters to Raise:

- **Fraud and Bribery:** Misappropriation of company funds or offering bribes to secure contracts.
- **Health and Safety Risks:** Failure to comply with workplace safety standards that endanger employees or the public.
- **Environmental Concerns:** Improper disposal of hazardous materials or practices that harm local ecosystems.
- **Unethical Behaviour:** Harassment, discrimination, or abuse of authority within the organisation.

Impact and Outcomes

- **Operational Gains:** Proactive issue resolution has strengthened governance frameworks and reduced risk exposure.
- **Enhanced Accountability:** Transparent handling of reports reinforces the Group's commitment to ethical operations.
- **Stakeholder Confidence:** A robust whistleblowing policy fosters trust and engagement with employees and partners.

Our Targets

Short-Term:

- Expand training programmes to educate employees on whistleblowing mechanisms and examples of reportable concerns.
- Develop clear metrics for tracking whistleblower cases and ensuring timely resolution.

Medium-Term:

- Implement anonymous reporting systems for enhanced whistleblower protection.
- Establish partnerships with independent ethics advisory bodies to strengthen investigative frameworks.

Long-Term:

- Cultivate a culture where employees feel empowered to raise concerns without fear of reprisal.
- Ensure 100% compliance with whistleblowing policies across all operations.

SUSTAINABILITY REPORT

APPENDICES

Total Number of Employees by Gender (excluding SOs and facility management personnel) (GRI 405-1)

By Gender	FY24			FY23		
Personnel	Board & Management	Executive	Total	Board & Management	Executive	Total
Male	18	271	**289**	20	297	**317**
Female	21	579	**600**	26	512	**538**
Total	**39**	**850**	**889**	**46**	**809**	**855**

Total Number of SOs and Facility Management personnel by Gender (GRI 405-1)

By Gender	FY24	FY23
Male	1,616	1,317
Female	96	59
Total	**1,712**	**1,376**

* All SOs and facility management personnel are fully represented by local individuals.

Total Number of Employees by Age Group (GRI 405-1)

	FY24		FY23	
Personnel	Non-Security Officers	Security Officers	Non-Security Officers	Security Officers
Below 30 years old	532	563	522	473
30 – 50 years old	337	884	308	699
Above 50 years old	20	265	25	204
Total	**889**	**1,712**	**855**	**1,376**

Representation of Locals vs Foreigners (GRI 405)

	FY24			FY23		
Personnel (excl. SOs)	Board & Management	Executive	Total	Board & Management	Executive	Total
Local	29	775	804	36	736	772
Foreign	10	75	85	10	73	83
Total	**39**	**850**	**889**	**46**	**809**	**855**

SUSTAINABILITY REPORT

APPENDICES

Statement of Use: Asia Strategic Holdings Ltd. has reported the information cited in this GRI content index for the period 1 October 2023 to 30 September 2024 with reference to the GRI Standards.

RI 1 Used: GRI 1: Foundation 2021

GRI STANDARDS	DISCLOSURE TITLE	LOCATION
GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021	2-1 Organisational details	**SR: About This Report**
	2-2 Entities included in the organisation's sustainability reporting	
	2-3 Reporting period, frequency and contact point	
	2-4 Restatements of information	
	2-5 External assurance	
	2-6 Activities, value chain and other business relationships	**AR: Review of Operations**
	2-7 Employees	**SR: People: Workforce, diversity and well-being**
	2-8 Workers who are not employees	
	2-9 Governance structure and composition	**SR: Governance Structure**
	2-10 Nomination and selection of the highest governance body	
	2-11 Chair of the highest governance body	
	2-12 Role of the highest governance body in overseeing the management of impacts	
	2-13 Delegation of responsibility for managing impacts	
	2-14 Role of the highest governance body in sustainability reporting	
	2-15 Conflicts of Interest	**AR: Corporate Governance**
	2-16 Communication of critical concerns	
	2-17 Collective knowledge of the highest governance body	
	2-18 Evaluation of the performance of the highest governance body	
	2-19 Remuneration policies	
	2-20 Process to determine remuneration	
	2-21 Annual total compensation ratio	**This information has not been disclosed as it has been deemed private and confidential**
	2-22 Statement on sustainable development strategy	**SR: Board Statement**
	2-23 Policy commitments	**Sustainability Report**
	2-24 Embedding policy commitments	
	2-25 Process to remediate negative impacts	
	2-26 Mechanisms for seeking advice and raising concerns	**SR: Key stakeholders and engagement platforms**
	2-27 Compliance with laws and regulations	**SR: Profit: Performance and governance**
	2-28 Membership associations	**SR: Certifications and Accreditations**
	2-29 Approach to stakeholder engagement	**SR: Key stakeholders and engagement platforms**

SUSTAINABILITY REPORT

APPENDICES

GRI STANDARDS	DISCLOSURE TITLE	LOCATION
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	**SR: Materiality Assessment**
	3-2 List of material topics	
	3-3 Management of material topics	
OUR BUSINESS		
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	**SR: Profit: Performance and governance**
	201-2 Financial implications and other risks and opportunities due to climate changes	
	201-3 Defined benefit plan obligations and other retirement plans	**The Group complies with statutory social contributions of the respective countries.**
OUR PLANET		
GRI 302: Energy	302-1 Energy consumption within the organisation	**SR: Planet: Environmental stewardship**
	302-3 Energy intensity	
	302-4 Reduction of energy consumption	**The Group is presently in the process of compiling data on its supply chain activities**
	302-5 Reductions in energy requirements of products and services	
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	**SR: Planet: Environmental stewardship**
	305-2 Energy indirect (Scope 2) GHG emissions	
	305-3 Other indirect (Scope 3) GHG emissions	**The Group is currently assessing and developing process of collating data for Scope 3**
	305-4 GHG emissions intensity	**SR: Planet: Environmental stewardship**
	305-5 Reduction of GHG emissions	**The Group is presently in the process of compiling data on its supply chain activities to identify areas where energy consumption can be reduced.**
	305-6 Emission of ozone-depleting substance	**The Group is not in the manufacturing business that uses substances contributing to ozone depletion.**
	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	

SUSTAINABILITY REPORT

APPENDICES

GRI STANDARDS	DISCLOSURE TITLE	LOCATION
OUR PEOPLE		
GRI 401: Employment	401-1 New employees hires and employee turnover	**This information has not been disclosed. Data compilation in progress.**
	401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	**Group ensures that employees receive benefits in accordance with statutory requirements**
GRI 404: Training and Education	404-1 Average hours of training per year per employee	**SR: People: Workforce, diversity and well-being**
	404-2 Programs for upgrading employee skills and transition assistance programs	
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management systems	
	403-2 Hazard identification, risk assessment, and incident investigation	
	403-5 Worker training on occupational health and safety	
	403-6 Work-related injuries	
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	
	405-2 The ratio of basic salary and remuneration of women to men	**This information has not been disclosed as it has been deemed private and confidential**
LOCAL COMMUNITIES		
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programmes	**SR: UNSDG**
CUSTOMER HEALTH AND SAFETY		
GRI 416: Customer Health and Safety	3-3 Management of material topics	**SR Our commitment to workplace safety and policy implementation**
	416-1 Assessment of health and safety impacts of product and service categories	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	

GOVERNANCE REPORT

BOARD OF DIRECTORS AND SENIOR MANAGEMENT



RICHARD GREER

Independent Non-Executive Director and Chairman

Richard has over 40 years of experience working in investment banking, of which 17 years were spent in Asian and cross-border investments.

He is a General Partner of the MENA Technology Fund, which invests in early stage technology companies in the Middle East and Israel. The management company, MENA Investment Partners LLP is an appointed representative of Midmar Capital LLP, which is authorised and regulated by the Financial Conduct Authority. He is also a non-executive director of The Global Value Investment Portfolio Management.

From 1978 to 1993, Richard worked in Japan, initially for Jardine Matheson and later as branch manager for Baring Securities Limited (Japan). He has extensive research experience and was appointed to head the Japanese Ministry of Finance's group to represent EU investment banks and brokerages. Since returning to London, Richard has served as global head of research at Barings, Caspian Limited and Commerzbank AG, before becoming a partner at WMG Limited, a wealth management group.

Richard earned a bachelor's degree in History from Corpus Christi College, Cambridge.



CHRISTOPHER CLARKE

Independent Non-Executive Director

Christopher has practiced law for over 40 years, of which over 30 years were spent in Asia, including the People's Republic of China.

Christopher currently serves as a nonexecutive director at London Power Networks, Eastern Power Networks and South Eastern Power Networks.

He previously served as an independent non-executive director at Gama Aviation, which is listed on the London Stock Exchange, and Baltrans Holdings and Arnhold Holdings, both of which were quoted on the Hong Kong Stock Exchange.

Christopher started his career in Hong Kong, eventually becoming partner and managing partner of Denton Hall (Asia), CMS Cameron McKenna (Asia) and DLA Piper (Hong Kong).

Christopher attended Fettes College and then The College of Law and qualified as solicitor of the Supreme Court of England and Wales in 1974 and as a Solicitor in Hong Kong in 1975.



ENRICO CESENNI, OSI

Chief Executive Officer and Executive Director

Before founding the Group in 2013, Enrico spent almost a decade in investment banking, specifically mergers and acquisitions based in London.

He initially covered financial institutions at Lehman Brothers and Nomura before focusing on the consumer and retail sectors at Goldman Sachs. With a longstanding interest in entrepreneurial opportunities in Asia, Enrico founded MACAN in 2012, a company to hold a growing portfolio of operating assets and investments in Europe and the Far East, including Asia Strategic Holdings.

Enrico earned a MBA from INSEAD and an undergraduate degree in Institutions and Financial Markets Management from Università Commerciale Luigi Bocconi.

Enrico is a member of the Young Presidents' Organisation, a Council Member of the National University of Singapore Yong Loo Lin School of Medicine, and a Senior Accredited Director with the Singapore Institute of Directors. He has also been conferred the honorific title of Knight of the Order of the Star of Italy ("OSI") by the President of the Italian Republic.

GOVERNANCE REPORT

BOARD OF DIRECTORS AND SENIOR MANAGEMENT



JONATHAN KOLB

Chief Financial Officer and Executive Director

Jonathan serves as the Group CFO and Investment Director. He joined Asia Strategic in 2015 based in Myanmar and led the Group's early efforts to establish its operations in the country. In 2021, he relocated to Vietnam and is now spearheading efforts to expand the Group's portfolio into new sectors and geographies.

Prior to joining Asia Strategic, he spent over eight years in finance, of which the last five were with Center Square Investment Management, a listed real estate fund manager, first in Philadelphia and then in Singapore to establish the Asian operations. Prior to attending business school, he worked as a commercial lending underwriter at Bank of America in Chicago.

Jonathan has a MBA from INSEAD and bachelor's degrees in Finance and Accountancy from the University of Illinois –Urbana/Champaign. He is a CFA charter holder and a registered CPA in the state of Illinois. He has also earned a certificate from IMD for completing the High Performance Leadership course.



ALAIN THIBAULT

Chief Operating Officer

Before joining Asia Strategic in August 2018 as CEO of Wall Street English and Auston, Alain built an expertise over 15 years in building and transforming operational capabilities across multiple industries with a focus on enabling scale, efficiency, insights and transparency.

In 2020, his responsibilities expanded to include the CEO of Wall Street English Vietnam role as well as to build operational capabilities such as Technology and Marketing at the Group level.

Based in Asia since 2009, Alain first worked with Accenture before taking over senior management positions for organisations such as Lazada and Air Asia where he put his passion for people development and digitalization to play driving scalability and innovation.

Alain earned a MBA from INSEAD and an undergraduate degree in Industrial Engineering at Ecole Polytechnique de Montreal. He has also earned a certificate from IMD for completing the High Performance Leadership course.



MICHAEL HALL

Chief Human Resources Officer

Prior to joining Asia Strategic in 2020, Michael accumulated over 20 years human resources experience across SE Asian, Australian and UK markets.

Michael is responsible for the HR function across the group, working closely with business to ensure service delivery, implementing new group level HR initiatives that positively impact the business and the employee.

After moving to Myanmar in 2011, Michael held management positions within multinational businesses, developing the human resource function and delivering manning strategies for a large-scale resources project with leading developer POSCO, and for what is now Myanmar's most successful Fintech company, Wave Money. Prior to this, in Australia, Michael worked directly in the Oil & Gas industry working with BG Group, a ConocoPhillips JV, enabling expansion into new markets.

Michael is focused on building and enhancing functional and people capabilities, supporting our growth through human capital management.

Michael has also earned a certificate from IMD for completing the High Performance Leadership course.

GOVERNANCE REPORT

CORPORATE GOVERNANCE STATEMENT

Asia Strategic is committed to maintaining the highest standards of business conduct and ethics, as well as full compliance with all applicable laws, rules and regulations, corporate reporting requirements and disclosures, and all other matters deemed to protect the best interests of the Company's shareholders.

As defined as an overseas entity by the United Kingdom Listing Rules ("UK Listing Rules"), Asia Strategic is not required to comply with the UK Corporate Governance Code (the "Code") and has not elected to voluntarily comply with the Code. However, the Board fully supports the principles of the Code and intends to comply with the provisions of the Corporate Governance Code and the QCA Guidelines, insofar as they are appropriate given the Group's size, stage of development, and resources.

Effective corporate governance is a priority of the Board and outlined below are details of how the Company has applied principles of corporate governance as set out in the Code, as far as they are relevant to Asia Strategic.

As the Group continues to grow, the Board carries out regular reviews of its corporate governance policy and practices, with the objective that these will continue to evolve and be enhanced in line with the Group's increasing size and stature. Integral to these reviews are appraisals of the Group's system of internal controls, including financial, operational and compliance controls and risk management systems.

BOARD OF DIRECTORS

ROLE OF THE BOARD

The Board's primary role is to enhance and sustain long-term shareholder value. To fulfil this role, the Board is responsible for the overall corporate governance of the Group, including (but not limited to) formulating the Group's strategic direction, setting remuneration, appointing Directors and senior management, establishing goals for management and monitoring the achievement of these goals; approving and monitoring annual financial and operating budgets and capital expenditure; and ensuring the integrity of internal control and management information systems. The Board is also ultimately responsible for approving and monitoring financial and other reporting.

BOARD PROCESS

The Board meets formally at regular intervals throughout the year (at least four times per year) and at such other times as may be necessary to address any significant and urgent matters that may arise. Members have attended all meetings held in the current and previous financial year. The Board communicates regularly between these meetings and received regular updates.

On a regular basis the Board is provided with appropriate and timely information relating to all aspects of the Group. In addition, the Directors are free to seek any further information or request specific presentations on matters that they consider necessary in order to discharge their duties effectively.

The Independent Non-executive Directors ("INED") have adequate competency and experience relevant to the Group's operations, conduct site visits at regular intervals with one INED travelling to Vietnam or Myanmar at least once per year. On these occasions, the divisional CEOs and managers are encouraged to conduct specific presentations on the performance of each business.

The collective responsibility of the Board ensures that all Directors receive timely reports and are involved in the process of arriving at significant decisions.

HOW THE BOARD OPERATES

A detailed schedule of matters reserved for the Board has been established and is periodically reviewed. The key matters reserved are the consideration and approval of:

- The Group's overall strategy and objectives;
- Material acquisitions and disposals and major expenditure commitments;
- Borrowing and hedging arrangements, where relevant;
- The issuance of equity, convertible notes and options;
- Annual work programmes and budgets;
- The Group's annual and half-yearly financial statements;
- Board and key management personnel appointments, remuneration and roles;
- Key risks include, among others, health and safety, climate change and cyber security;
- Corporate policies and corporate governance arrangements;
- Regular and timely updates on material events where the Group operates, such as political and macroeconomics; and
- Strategies and impact on the environmental, social and governance to relevant stakeholders or business practices and its impact on environment and sustainability.

Through the publication of regular announcements, corporate presentations uploaded on the Company's website, and face-to-face meetings, the Board has sought to communicate its strategy, objectives and performance to all shareholders on a timely basis.

THE COMPOSITION OF THE BOARD

The Board of Directors comprises four members, two Executive Directors (the Chief Executive Officer and Chief Financial Officer) and two INEDs. One of the INEDs serve as the Group Chairman.

The Board has established Audit and Remuneration Committees, each chaired by an INED, with formally delegated duties, responsibilities and written terms of reference.

The Board constantly evaluates whether it may be appropriate to set up separate committees to consider specific issues as and when the need arises.

GOVERNANCE REPORT

CORPORATE GOVERNANCE STATEMENT

INDEPENDENT PROFESSIONAL ADVICE AND ACCESS TO COMPANY INFORMATION

Each Director has the right of timely access to all relevant Company information and to the Company's senior management.

The Executive and Non-executive Directors have access to advice from the Company's auditors, legal advisers as well as to other independent professional advisers (as appropriate), at the expense of the Company, if considered necessary in the performance of their duties.

Directors are expected to bring independent judgement to bear on issues of strategy, performance and standards of conduct.

DIRECTOR EDUCATION

On an ongoing basis, the Group educates Directors about the nature of the business, current issues, the corporate strategy and timeline (including sustainability) for key objectives to be met, and the expectations of the Group concerning the performance of the Directors.

Directors also have the opportunity to visit Group facilities and meet with the operational management to gain a better understanding of the Group's business operations. Directors are given access to continuing education opportunities to update and enhance their skills and knowledge relevant to keep abreast with current events and changes in laws and regulations.

The Group provides comprehensive education to new directors both prior to and following appointment consistent with the principles of continuing education outlined above.

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

The audit committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on.

All related party transactions and potential conflict of interests, if any, are reviewed and approved by the audit committee on a timely basis.

It receives and reviews reports from the Group's management and external auditors relating to the half-yearly and annual accounts and the accounting and internal control systems in use throughout the Group. The audit committee meets at least twice each financial year and has unrestricted access to the Group's external auditors including discussions without the presence of the management.

It also assists by reviewing and monitoring the extent of audit work undertaken by external auditors along with their independence and objectivity (including where non-audit services are provided), advising on the appointment of external auditors, reviewing the effectiveness of the Group's internal controls and risk management systems and presenting any recommendations. The ultimate responsibility for reviewing and approving the Annual Report and financial statements and the half-yearly reports remains with the Board.

The members of the audit committee are solely independent NEDs namely, Richard Greer, who acts as Chairman of the committee and Christopher Clarke.

REMUNERATION COMMITTEE

The remuneration committee reviews the performance of the executive directors and the Group's senior management and makes recommendations to the Board on matters relating to their remuneration and terms of employment.

The committee also makes recommendations to the Board on proposals for the granting of share awards and other equity incentives pursuant to any share award scheme or equity incentive scheme in operation from time to time. The remuneration committee meets at least once a year.

The members of the remuneration committee are solely independent INEDs, namely Christopher Clarke, who acts as Chairman of the committee and Richard Greer.

INTERNAL CONTROLS AND RISK MANAGEMENT IN RELATION TO FINANCIAL REPORTING

The Board is responsible for the Group's system of internal control environment over the financial reporting process and for reviewing its effectiveness.

It should be recognised that such a system can only provide reasonable and not absolute assurance against material misstatement or loss, as it is designed to manage rather than eliminate those risks that may affect the Company in achieving its business objectives.

The Group has not established a separate Risk Management Committee. Instead, the Board, as part of its usual role and through direct involvement in the management of the Group's operations, ensures financial reporting risks are identified, assessed and appropriately managed. Where necessary, the Board will draw on the expertise of appropriate external consultants to assist in dealing with or mitigating risk.

Control self-assessment exercises are conducted regularly across the Group's operations to ensure risks are identified and managed as an integral part of any business transaction workflow.

Practices have been established to ensure:

- A comprehensive delegation of authority is in place that includes approval limits for Directors and senior management and specifically matters reserved for the Board;
- Annual budgets are reviewed and approved;
- Capital expenditure and revenue commitments above a certain size obtain prior Board approval;
- Financial exposures are controlled, including the potential use of derivatives;
- Occupational health and safety standards and management systems are monitored and reviewed to achieve high standards of performance and compliance with regulations;

GOVERNANCE REPORT

CORPORATE GOVERNANCE STATEMENT

- Business transactions are properly authorised and executed; and
- Financial and sustainability reporting accuracy and compliance with the reporting regulatory framework are ensured.

In addition, the Board has adopted policies covering anti-corruption, anti-bribery, share dealing, whistleblowing and social media, among others. Furthermore, in compliance with the relevant rules and regulations, the Group conducts enhanced due diligence checks on counterparts and employees that cover sanctions, anti-money laundering and politically exposed persons, among others.

The Group's management team assists the Board in monitoring the application of the Group's policies.

ENVIRONMENT AND SUSTAINABILITY

The Board acknowledges the importance of Asia Strategic's sustainability commitments. The Group's principles, business practices, and management decisions are aligned towards creating a sustainable business. Further details are provided in the sustainability report.

ETHICAL STANDARDS

All Directors, managers and employees are expected to act with the utmost integrity and objectivity, striving, at all times, to enhance the reputation and performance of the Group. Every employee has a nominated supervisor to whom they may refer issues arising from their employment. A formal Code of Conduct encourages employees to raise any concern in relation to unethical conduct. An open-door policy is implemented across the Company with top management being available to address any of the employees' concerns.

EXTERNAL AUDITORS

The Board and the Audit Committee review the performance of the external auditors on an annual basis and normally meet with them during the year to:

- Discuss the external audit plans, identifying any significant changes in structure, operations, internal controls or accounting policies likely to impact on the financial statements and to review the fees proposed for the audit work to be performed.
- Review the periodic reports prior to lodgement and release, and any significant adjustments required as a result of the auditor's findings, and to recommend Board approval of these documents, prior to announcement of results.
- Review the results and findings of the auditor, the adequacy of accounting and financial controls, and to monitor the implementation of any recommendations made.
- Review the draft financial report and recommend Board approval of the financial report.
- Discuss without the presence of the Board and the executive management.
- As required, to organise, review and report on any special reviews or investigations deemed necessary by the Board.
- Discuss the financial assumptions and estimates used in the cash flows and budget projections prepared by management and reviewed by the Board for going-concern purposes, including stress testing by management.

The Board and Audit Committee specifically assess the independence of the Group's external auditors and in doing so consider the level and nature of non-audit services provided and associated fees, the auditors' rotation arrangements for key audit personnel and areas of potential conflicts of interest.

COMMUNICATION WITH SHAREHOLDERS AND CONTINUOUS DISCLOSURE

The Directors attach importance to the provision of clear and timely information to shareholders and the broader investment community. Information about the Company is available on its website (www.asia-strategic.com).

Financial reporting – the Company reports to shareholders half-yearly and annually, as required by the UK Listing Rules. The Chairman states to the Board that the Company's financial reports present a true and fair view in all material respects of the Company's financial condition and operational results and are in accordance with the relevant accounting standards.

Equal access policy – the Company has a policy, based on existing policies and practices as a company quoted on the LSE market, that all shareholders and investors have equal access to the Company's information, and has procedures to ensure that all price-sensitive information will be disclosed to the LSE in accordance with the continuous disclosure requirements of the UK Listing Rules. These procedures include:

- A comprehensive process to identify matters that may have a material effect on the price of the Company's shares, notifying them to the LSE, posting them on the Company's website, and issuing media releases.
- All information provided to the LSE, and related information (including information provided to analysts and the media), being immediately posted to the Company's website.

The Annual Report is made available to all shareholders. The Board ensures that the Annual Report includes relevant information about the operations of the Group during the year, changes in the state of affairs of the Group and details of future developments, as well as all required disclosures.

News releases are issued throughout the year and the Company maintains a website (www.asia-strategic.com) on which press releases, corporate presentations and the Annual Report and financial statements are available to view together with the half-yearly financial statements. Enquiries from individual shareholders on matters relating to the business of the Company are welcomed. Shareholders and other interested parties can subscribe to receive notification of news updates and other documents from the Company via email. In addition, the Executive Directors meet with major shareholders to discuss the progress of the Company and provide periodic feedback to the Board, following meetings with shareholders.

GOVERNANCE REPORT

DIRECTORS' STATEMENT

The Directors of Asia Strategic Holdings Ltd. are pleased to submit their Report with the audited financial statements for the financial year ended 30 September 2024.

PRINCIPAL ACTIVITIES

Asia Strategic Holdings Ltd. is in an independent developer and operator of consumer businesses in Emerging Asia. It is currently active in Education (Wall Street English, Kids&Us, Logiscool, Yangon American and Auston) and Services (EXERA and Ostello Bello), including services to its subsidiaries.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

A summary of the Group's main business developments for the financial year ended 30 September 2024 and potential future developments is contained within the Chairman's Statement, the Review of Operations and the Financial Review.

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

SHARE CAPITAL AND RESERVES

Details of the Group's issued share capital and reserves as at 30 September 2024 are contained in the Consolidated Statement of Changes in Equity.

RESULTS AND DIVIDENDS

An overview of the Group's results, covering the financial year ended 30 September 2024, is provided in the Financial Statements on page 84. The Directors do not propose the payment of dividends.

EVENTS AFTER THE REPORTING DATE

There were no reportable events arising after the reporting date, other than the post period event disclosed in Note 29 to the Financial Statements

DIRECTORS REMUNERATION

Directors' remuneration for the financial year ended 30 September 2024 was as outlined in the table below.

$	Fees	Salaries	Accrued bonus	Share-based compensation	Other benefits	Total FY24	Total FY23
Executive Directors							
Enrico Cesenni	–	150,000	25,000	29,492	–	204,492	377,088
Jonathan Geoffrey Kolb	–	197,807	–	129,094	107,351	434,252	438,095
Sub-total	–	347,807	25,000	158,586	107,351	638,744	815,183
Non-executive Directors							
Richard Edgar Greer	30,000	–	–	–	–	30,000	30,000
Christopher John David Clarke	28,000	–	–	–	–	28,000	28,000
Dennis Yeo Ting Teck (retired on 22 March 2023)	–	–	–	–	–	–	*4,554*
Sub-total	58,000	–	–	–	–	58,000	62,554
Total	**58,000**	**347,807**	**25,000**	**158,586**	**107,351**	**696,744**	**877,737**

GOVERNANCE REPORT

DIRECTORS' STATEMENT

DIRECTORS AND THEIR INTERESTS (INCL. SHARE OPTIONS)

The table below sets out the interests of the Directors in Asia Strategic as at 30 September 2024.

As at 30 September 2024	Shareholdings registered in name of Directors (Shares)	Shareholdings in which the Directors are deemed to have an Interest (Shares)	Total Interest (Shares)	Total Interest (%)	Share Options
Richard Greer (Chairman, INED)	7,700	–	7,700	0.3%	10,000
Christopher John David Clarke (INED)	–	–	–	–	10,000
Enrico Cesenni (CEO)*	60,500	1,010,500	1,071,000	35.4%	51,000
Jonathan Geoffrey Kolb (CFO)	196,500	–	196,500	6.5%	152,000

** The beneficial interest of Enrico Cesenni is held through the Company's shareholder, Macan Pte. Ltd. ("MACAN"), which (i) owns 960,000 ordinary shares (ii) holds US$3,500,000 in Zero-Coupon Convertible Notes of the Company (Note 21) and (iii) holds loan facility (Note 18). In addition MACAN also administers the voting rights over an additional 50,500 ordinary shares held in the name of a former executive.*

SHARE OPTIONS

The Group operates Employee Share Option Schemes ("ESOS") pursuant to which the Directors, senior management and key employees and consultants of the Group may be granted options to acquire Ordinary Shares in the Company at a fixed option exercise price of US$11.00 per share.

Further details of the above share option scheme can be found in Note 22(d) to the Financial Statements.

SUBSTANTIAL SHAREHOLDINGS

To the best of the knowledge of the Company, the following notifiable positions of ordinary shares and holdings of Directors of the Company as at 30 September 2024 were as follows:

As at 30 September 2024	Number of Ordinary Shares	Percentage of Ordinary Shares
Macan Pte. Ltd.*	960,000	31.8%
Oneiros Investments S.A.	224,121	7.4%
A-Star-Education Holdings Pte. Ltd.	200,000	6.6%
Jonathan Geoffrey Kolb**	196,500	6.5%
SOAI Ltd.	156,945	5.2%
BF&F s.r.l.	117,500	3.9%
NDC Advisors Limited	101,019	3.3%
SEVIAN s.r.l.***	100,000	3.3%

** Macan is a company in which Enrico Cesenni, CEO of the Company, has 26.1% equity interest in the company and 35.1% of the voting rights.*

*** Chief Financial Officer and Executive Director of the Company.*

****SEVIAN s.r.l. has 48.9% equity interest and 34.7% of the voting rights in Macan Pte.Ltd.*

RELATIONS WITH SHAREHOLDERS

The Directors attach importance to the provision of clear and timely information to shareholders and the broader investment community.

Information about the Company is available on its website (www.asia-strategic.com). The Group's Annual and Interim Reports will also be sent to shareholders and be made available through the Group's website.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Group has in place a Directors and Officers insurance policy to cover relevant individuals against claims arising from their work on behalf of the Company. The cost of providing this cover is US$17,000 (2023: US$18,000). The Board intends to maintain the level of cover provided under annual or more frequent review, as appropriate.

GOVERNANCE REPORT

DIRECTORS' STATEMENT

GOING CONCERN

As noted in the Group's Financial Review, several businesses in Myanmar owned by the Group are profitable and cash flow generative, hence reducing any need for support by the Group. Over time the Group will rely less on external financing and instead finance its organic growth through effective cash flow management of cash generating businesses, cost control measures and capital expenditures.

Management and the Board have reviewed and stress-tested the cash flow and budget projections and the Directors are confident that the Group has adequate resources to continue its operations and meet its commitments for a period of at least 12 months from the date of this report.

The cash flow forecast has been prepared with consideration of timing of capital expenditures, the general political and macroeconomic environment and other available information. The forecast also considers the additional capital raised through the issuance of Zero-Coupon Convertible Notes, as disclosed in Note 29 to the Financial Statements. Additional funds are also available within the loan facility provided by MACAN, Asia Strategic's largest corporate shareholder.

Further details on Board's consideration and assumptions on going concern are detailed in Note 2 to the financial statements.

ANNUAL GENERAL MEETING

Details of the Annual General Meeting will be announced in due course. The Notice of Meeting, together with an explanation of the items of special business if any, is to be provided separately to shareholders.

AUDITORS

BDO LLP has expressed its willingness to continue in office as auditors and a resolution for their reappointment will be proposed at the Annual General Meeting.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements for the Group which give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing the financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and group will continue in business.

The Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the group, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of financial statements.

Financial information is published on the Company's website. The maintenance and integrity of the Company's website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may occur to the financial statements after they are initially presented on the website.

Legislation in Singapore governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm to the best of their knowledge:

- The financial statements have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group.
- The annual report includes a fair review of the development and performance of the business and the financial position of the Group, together with a description of the principal risks and uncertainties that they face.

On behalf of the Board



RICHARD GREER

Independent Non-Executive Chairman

27 January 2025

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIA STRATEGIC HOLDINGS LIMITED

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 30 September 2024 and of the Group's loss for the year then ended; and
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union.

We have audited the financial statements of Asia Strategic Holdings Limited (the 'Parent Company') and its subsidiaries (together 'the Group') for the year ended 30 September 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

BASIS FOR OPINION

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

Independence

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

OVERVIEW

Coverage	90% (2023: 86%) of Group loss before tax 98% (2023: 100%) of Group revenue 88% (2023:95%) of Group total assets		
Key audit matters		FY24	FY23
	1. Impairment of goodwill and other intangible assets	☑	☑
	2. Going concern	☑	☑
	3. Impairment of tangible fixed assets and right of use assets	☑	☑
Materiality	Group financial statements as a whole $445,000 (2023: $360,000) based on 1.5% (2023: 1.5%) of revenue		

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIA STRATEGIC HOLDINGS LIMITED

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

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

The Group consists of the Parent Company located in Singapore and a number of operating components in Singapore, Myanmar and Vietnam. In addition to the Parent Company there are four significant components in Myanmar and two significant components in Vietnam, with twelve other components regarded as insignificant. All significant components were subject to full scope audits by BDO network member firms. The remainder were subject to desktop reviews by the group engagement team.

Our involvement with component auditors

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

- We issued detailed group audit instructions to the significant component auditors which included a risk assessment, having discussed these with the component auditors, and directions for work on key areas including the setting of component materiality levels and details of specific audit testing required;
- We visited selected sites;
- We held discussions either in person or remotely with the component auditors in Vietnam, Myanmar and Singapore;
- We performed reviews of audit working papers for all significant components;
- We held regular discussions with component auditors to monitor and provide direction of work during execution and completion stages; and
- We attended virtual audit clearance meetings.

Climate change

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

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

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in management's going concern and impairment assessments.

We also assessed the consistency of management's disclosures included in the Sustainability Report on pages 31 to 67 with the financial statements and with our knowledge obtained from the audit.

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIA STRATEGIC HOLDINGS LIMITED

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER		HOW THE SCOPE OF OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Impairment of goodwill and other intangible assets **Refer to Notes 2.10, 2.11, 3.2(ii) and 11**	Goodwill is subject to annual impairment review and other intangible assets (not of indefinite useful life) are subject to a review of impairment indicators at each reporting date. As detailed in Note 3.2 (ii), management has performed an impairment assessment of Goodwill and other intangible assets, resulting in a $4.56m impairment of goodwill. This assessment involves an estimation of the value–in–use of these assets. Estimating the value–in–use requires the Group to make an estimate of the expected future cash flows from the cash–generating units to which goodwill and other intangible assets have been allocated and also to choose a suitable growth rate and discount rate in order to calculate the present value of those cash flows. These estimates are susceptible to bias and error. We therefore considered this area to be a key audit matter.	We checked if goodwill has been appropriately allocated to relevant cash generating units and we examined the cash flow forecasts used by Management in their impairment assessments of goodwill and other intangible assets. We checked management's discounted cash flow methodology against the requirements of the applicable accounting standard and considered the appropriateness of input parameters and model mechanics. We checked the key revenue, growth and margin assumptions used by management by considering these for consistency with historic and current subscription/trading levels, underlying costs bases, our knowledge of local economic conditions, and the level of maturity of the CGUs. With the assistance of the component auditor's internal experts with appropriate local knowledge and expertise, we recomputed the discount rates using inputs sourced from external published market information and compared our results to the discount rates used by management. We checked for consistency between forecasts used for both goodwill and other intangible assets, as well as with the cashflow forecast used in the going concern, and tangible fixed assets and right of use assets impairment assessments. We have also checked the impact of sensitivities to key assumptions prepared by management, including applying our own sensitivities over revenue growth rates and revenue terminal rates used in the cash flow forecasts. We also performed sensitivities, including reverse stress tests, in cash generating units in which no impairment has been recorded by management. We have considered the appropriateness of the disclosures relating to the WSE Vietnam business on which goodwill has been fully impaired. **Key observations:** Based on our procedures we consider management's key assumptions to be reasonable and the quantum of the impairment recorded to be accurate.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIA STRATEGIC HOLDINGS LIMITED

KEY AUDIT MATTER		HOW THE SCOPE OF OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Going concern **Refer to Note 2.1**	Going concern is regarded as a key audit matter as a result of the estimates and judgements required by the Directors in preparing the detailed cash flow forecasts underlying their going concern assessment. In light of ongoing consolidated operating losses, the varying stages of maturity of operations (sites/schools) and use of available loan facilities during the year, the level of judgement and estimation uncertainty, along with the potential financial impacts of under/over performance against forecasts, have continued to be significant.	Our audit work included the following: ■ We obtained an understanding of the business model, objectives, strategies and related business risk, measurement and review of the Group's financial performance including forecasting and budgeting processes, and the Group's risk assessment process. ■ We evaluated the Directors' going concern assessment, including the relevance and reliability of underlying data used to make the assessment and whether assumptions and changes from prior years are appropriate. The key assumptions evaluated included projected revenue, which we assessed for reasonableness against historical (revenue and student enrolment) data and/or economic growth in the relevant jurisdictions, taking into account the uncertainties caused by local market conditions. ■ We also evaluated whether the available loan facility, new funds raised from the completed issuance of convertible notes subsequent to the year end and available cash resources provide sufficient liquidity headroom in the Directors' going concern assessment. ■ We examined the Directors' analyses of changes in key assumptions including a reasonably possible but not unrealistic reduction in forecast revenue, to understand the sensitivity in the cash flow forecasts for a period of at least twelve months from the date of approval of the financial statements. ■ We reviewed the severe but plausible downside case analysis prepared by the Directors to check against cash and credit facilities. This included checking the reduction of revenue against post-year end results and checking sensitivity by a further reduction to revenues in a number of key businesses, and management's option to reduce certain discretionary cash outflows in that scenario. ■ We evaluated the adequacy and appropriateness of disclosures in the financial statements regarding the going concern assessment against the Directors' forecasts. ■ We considered the level of discretion in forecast investment in new operations and how capital expenditure associated with future operational investment have been incorporated into management's forecasts. **Key observations:** Our conclusions are set out in the 'Conclusions relating to going concern' section above.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIA STRATEGIC HOLDINGS LIMITED

KEY AUDIT MATTER		HOW THE SCOPE OF OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Impairment of tangible fixed assets and right of use assets **Refer to Note 2.11, 3.2(iii) 10 and 12**	Where impairment indicators exist, including, but not limited to, the existence of operating losses, tangible fixed assets and right of use assets have been tested by management for impairment. As detailed in Note 3.2(iii), management has performed an impairment assessment of tangible fixed assets and right of use assets. This assessment involves an estimation of the value–in–use of these assets. Estimating the value–in–use requires the Group to make an estimate of the expected future cash flows from the cash–generating units to which the assets are allocated and also to choose a suitable growth rate and discount rate in order to calculate the present value of those cash flows. These estimates are susceptible to bias and error. We therefore considered this area to be a key audit matter.	We checked management's discounted cash flow methodology against the requirements of the applicable standard and considered the appropriateness of input parameters and model mechanics. We examined the cash flow forecasts used by Management and checked the key assumptions used. With the assistance of the component auditor's internal experts with appropriate local knowledge and expertise, we recomputed the discount rates using inputs sourced from external published market information and compared our results to the discount rates used by management. We checked the key revenue, growth and margin assumptions used by management by considering these for consistency with historic and current subscription/trading levels, underlying costs bases, our knowledge of local economic conditions, and the level of maturity of the asset-holding sites. We checked that the forecasts used were consistent with the cashflow forecast used in the going concern and goodwill and other intangible assets impairment assessments. We also checked the impact of sensitivities to key assumptions prepared by management, including applying our own sensitivities, including reverse stress tests, over revenue growth rates and revenue terminal rates used in the cash flow forecasts. **Key observations:** Based on our procedures we consider management's key assumptions to be reasonable.

OUR APPLICATION OF MATERIALITY

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

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

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIA STRATEGIC HOLDINGS LIMITED

	GROUP FINANCIAL STATEMENTS	
	2024 US$	**2023 US$**
Materiality	$445,000	$360,000
Basis for determining materiality	1.5% of revenue	1.5% of revenue
Rationale for the benchmark applied	Revenue is considered to be the most appropriate benchmark due to the level of operating activities and the scale of the group's operations	Revenue is considered to be the most appropriate benchmark due to the level of operating activities and the scale of the group's operations
Performance materiality	$311,000	$268,000
Basis for determining performance materiality	70% of materiality	70% of materiality
Rationale for the percentage applied for performance materiality	70% of materiality was deemed appropriate with reference to our risk assessment, and consideration of the Group's control environment	70% of materiality was deemed appropriate with reference to our risk assessment, and consideration of the Group's control environment

Component materiality

For the purposes of our Group audit opinion, we set materiality for each significant component of the Group, based on a percentage of between 8% and 56% (2023: 12% and 58%) of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality ranged from $37,000 to $251,000 (2023: $43,000 to $209,000). In the audit of each component, we further applied performance materiality levels of 70% (2023: 70%) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of $22,500 (2023:$18,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

OTHER INFORMATION

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

We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS

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

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIA STRATEGIC HOLDINGS LIMITED

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and Audit Committee;
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- Discussions with component auditors,

we considered the significant laws and regulations to be IFRS as adopted by the European Union, tax legislation in the jurisdictions that the Group operates and the UK Listing Rules.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation.

Fraud

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

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIA STRATEGIC HOLDINGS LIMITED

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls in respect of journals postings, revenue recognition and application of judgement and estimates to material accounting areas.

Our procedures in respect of the above included:

- Testing journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of journal entries throughout the year which were outside the defined risk criteria, by agreeing to supporting documentation;
- Involvement of forensic specialists in the audit planning to assist in the risk assessment of fraud;
- Assessing significant estimates made by management for bias as noted in 'Key Audit Matters' section above; and
- Making enquiries with the component auditors and reviewing the work performed in response to the risks assessed above.

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

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

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

USE OF OUR REPORT

This report is made solely to the Parent Company's members, as a body, in accordance with our engagement letter dated 7 November 2024. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



BDO LLP
Chartered Accountants
London
United Kingdom
27 January 2025

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

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

$	Note	2024	2023
Revenue	4	29,674,015	24,054,547
Cost of services		(12,689,487)	(10,184,215)
Gross profit		16,984,528	13,870,332
Other income	5	16,495	90,018
Administrative and other operating expenses		(21,805,999)	(18,232,829)
Impairment loss on intangible asset	11	(4,561,645)	–
Loss from operations		**(9,366,621)**	**(4,272,479)**
Finance costs	7	(1,341,391)	(979,791)
Loss before income tax	**8**	**(10,708,012)**	**(5,252,270)**
Income tax expense	9	(245,674)	(67,414)
Loss after income tax		**(10,953,686)**	**(5,319,684)**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(47,787)	141,287
Items that will not be reclassified subsequently to profit or loss:			
Changes in fair value of equity instruments at FVOCI	14	(49,363)	(107,699)
Other comprehensive income for the year, net of tax		(97,150)	33,588
Total comprehensive income		**(11,050,836)**	**(5,286,096)**
Attributable to owners of the Company:			
Loss for the year		(10,953,686)	(5,319,684)
Total comprehensive income		(11,050,836)	(5,286,096)
Loss per share ($) basic and diluted	23	(3.65)	(1.80)

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

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2024

$	Note	2024	2023
ASSETS			
Non-current assets			
Plant and equipment	10	4,113,186	2,846,539
Intangible assets	11	2,105,660	6,705,035
Right-of-use assets	12	11,467,330	11,383,340
Financial assets at FVOCI	14	–	49,363
Trade and other receivables	16	2,642,315	1,828,771
Total non-current assets		**20,328,491**	**22,813,048**
Current assets			
Inventories	15	325,150	222,395
Trade and other receivables	16	2,700,547	2,481,989
Cash and cash equivalents	17	782,562	1,489,812
Total current assets		**3,808,259**	**4,194,196**
Total assets		**24,136,750**	**27,007,244**
LIABILITIES AND EQUITY			
Liabilities			
Non–current liabilities			
Contract liabilities	4	1,953,792	1,096,763
Lease liabilities	12	10,211,595	9,869,397
Shareholder’s loans	18	4,756,173	2,577,181
Total non-current liabilities		**16,921,560**	**13,543,341**
Current liabilities			
Contract liabilities	4	12,471,197	10,996,568
Trade and other payables	19	8,203,557	5,840,468
Lease liabilities	12	2,546,728	2,251,819
Tax payables		193,034	7,368
Total current liabilities		**23,414,516**	**19,096,223**
Total liabilities		**40,336,076**	**32,639,564**
Equity			
Share capital	20	21,919,638	21,639,638
Convertible notes	21	5,730,000	5,730,000
Accumulated losses		(44,498,227)	(33,544,541)
Other reserves	22	649,263	542,583
Total equity		**(16,199,326)**	**(5,632,320)**
Total liabilities and equity		**24,136,750**	**27,007,244**

The financial statements were authorised and approved by the Board on 27 January 2025 and signed by

Enrico Cesenni, OSI
Director and Chief Executive officer

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

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

$	Note	Share capital	Convertible notes	Accumulated losses	Equity reserves	Share option reserve	Fair value reserve	Foreign exchange reserve	Other reserves total	Total equity
Balance as at 1 October 2023		21,639,638	5,730,000	(33,544,541)	(212,271)	1,298,100	(713,391)	170,145	542,583	(5,632,320)
Total comprehensive income for the financial year:										
Loss for the financial year		–	–	(10,953,686)	–	–	–	–	–	(10,953,686)
Other comprehensive income		–	–	–	–	–	(49,363)	(47,787)	(97,150)	(97,150)
		–	–	(10,953,686)	–	–	(49,363)	(47,787)	(97,150)	(11,050,836)
Contribution by owners of the Company										
Issuance of shares in lieu of bonus	20	280,000	–	–	–	–	–	–	–	280,000
Recognition of share-based payments	22	–	–	–	–	203,830	–	–	203,830	203,830
		280,000	–	–	–	203,830	–	–	203,830	483,830
Balance as at 30 September 2024		**21,919,638**	**5,730,000**	**(44,498,227)**	**(212,271)**	**1,501,930**	**(762,754)**	**122,358**	**649,263**	**(16,199,326)**

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

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

$	Note	Share capital	Convertible notes	Accumulated losses	Equity reserves	Share option reserve	Fair value reserve	Foreign exchange reserve	Other reserves total	Total equity
Balance as at 1 October 2022		21,439,638	5,730,000	(28,224,857)	(212,271)	968,819	(605,692)	28,858	179,714	(875,505)
Total comprehensive income for the financial year:										
Loss for the financial year		–	–	(5,319,684)	–	–	–	–	–	(5,319,684)
Other comprehensive income		–	–	–	–	–	(107,699)	141,287	33,588	33,588
		–	–	(5,319,684)	–	–	(107,699)	141,287	33,588	(5,286,096)
Contribution by owners of the Company										
Issuance of shares in lieu of bonus	20	200,000	–	–	–	–	–	–	–	200,000
Recognition of share-based payments	22	–	–	–	–	329,281	–	–	329,281	329,281
		200,000	–	–	–	329,281	–	–	329,281	529,281
Balance as at 30 September 2023		**21,639,638**	**5,730,000**	**(33,544,541)**	**(212,271)**	**1,298,100**	**(713,391)**	**170,145**	**542,583**	**(5,632,320)**

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

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

$	Note	2024	2023
Operating activities			
Loss before income tax		(10,708,012)	(5,252,270)
Adjustments for:			
Interest income	5	(3,187)	(23,608)
Share–based compensation	6	203,830	329,281
Interest on shareholder's loans	7	216,920	105,748
Loss on disposal of plant and equipment	8	1,657	1,154
Depreciation of plant and equipment	10	1,207,028	826,953
Amortisation of intangible assets	11	100,718	80,498
Impairment loss on intangible asset	11	4,561,645	–
Amortisation of right-of-use assets	12	2,786,093	2,858,275
Lease concession	12	(13,562)	(139,978)
Interest on lease liabilities	12	1,120,975	875,405
Reversal of impairment loss on trade and other receivables	16	–	(9,514)
Unrealised foreign exchange loss		(14,694)	348,430
Operating cash flows before working capital changes		(540,589)	374
Working capital changes:			
Trade and other receivables		(343,487)	(565,342)
Inventories		(102,755)	(56,504)
Trade and other payables		2,643,089	2,248,570
Contract liabilities		2,331,658	2,127,283
Cash provided from operations		3,987,916	3,754,381
Interest received		3,187	23,608
Income tax paid		(60,008)	(76,275)
Net cash provided from operating activities		3,931,095	3,701,714
Investing activities			
Purchase of plant and equipment	10	(2,484,306)	(1,725,841)
Purchase of intangible assets	11	(105,230)	(94,889)
Advances to a related party	16	(688,615)	(564,438)
Net cash used in investing activities		(3,278,151)	(2,385,168)

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

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

$	Note	2024	2023
Financing activities			
Repayment of lease liabilities	12	(2,209,182)	(1,921,275)
Interest paid on lease liabilities	12	(1,120,975)	(752,974)
Proceeds from shareholder's loans	18	1,962,072	1,325,000
Repayment of shareholder's loans and interests	18	–	(353,567)
Repayment of bank loan		–	(115,530)
Net cash used in financing activities		(1,368,085)	(1,818,346)
Net changes in cash and cash equivalents		(715,141)	(501,800)
Effect of exchange rate changes on cash and cash equivalents		7,891	11,380
Cash and cash equivalents at beginning of year		1,489,812	1,980,232
Cash and cash equivalents at end of year	17	782,562	1,489,812

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

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Asia Strategic Holdings Limited (the "Company" or "Asia Strategic") (Registration Number 201302159D), is a public company limited by shares incorporated and domiciled in Singapore with its principal place of business and registered office at 80 Raffles Place #32–01, UOB Plaza, Singapore 048624. The Company was listed on the Main Market of London Stock Exchange on 22 August 2017.

The principal activities of the Company are management services to its subsidiaries followed by developing, managing, operating and investing in businesses across Emerging Asia. The principal activities of the subsidiaries are set out in Note 13 to the financial statements. Related companies in these financial statements refer to members of the Group.

2. MATERIAL ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union and are prepared under the historical cost convention, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in United States Dollar ("$") which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

The preparation of financial statements in compliance with IFRS requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The areas where such judgements or estimates have significant effect on the financial statements are disclosed in Note 3 to the financial statements.

MYANMAR POLITICAL AND ECONOMIC SITUATION

The business environment in major cities where the Group operates such as Yangon and Mandalay remain active yet challenging due to (i) frequent power and telecommunication outages, (ii) sudden regulatory changes, (iii) stringent foreign exchange control measures, (iv) weakening of the Myanmar Kyat against foreign currencies, particular USD resulting in inflationary pressure, and (v) increased security risks. The political and economic situation evolves daily and the long-term effects remain unclear at this stage.

The Group continuously monitor and apply appropriate mitigating actions to ensure the Group's operations in Myanmar remain flexible and adaptable to the current market environment. The Group's English language and coding schools operates on platforms with blended learning solution which are offered online or through a hybrid online/in-centre approach to the students. Accordingly, the Group is prepared to switch its delivery of all education services from in-center to online, if required to avoid any business disruptions and ensure business continuity. Its security services business remained integral to secure embassies, customer premises and national infrastructure.

As part of the Group's risk management, minimal cash balances in Myanmar are maintained to the extent of its cash flow requirement in any given month. Excess cash balances are maintained in Singapore to mitigate country and credit risk exposure.

While the Group remains focused on expanding its current operations in Vietnam which are expected to exceed Myanmar over time, the contribution from both markets remains an important diversification strategy to mitigate the overall geographical risk exposure of the Group.

The Group has considered the current market environment in the respective countries in which it operates as at the reporting date and notes that there are no indicators that warrant material adjustments to the key estimates and judgements on the recoverability of the assets. The significant estimates and judgements applied are as disclosed in Note 3 to the financial statements.

GOING CONCERN ASSUMPTION

Including the one-off impairment loss on intangible asset of $4,561,645, the Group recorded loss for the year of $10,953,686 (2023: $5,319,684), being not less than 12 months from the date of approval of the financial statements. As at reporting date, the Group's current liabilities and total liabilities exceeded its current assets and total assets amounting to $19,606,257 (2023: $14,902,027) and $16,199,326 (2023: $5,632,320), respectively. Net current liabilities, excluding contract liabilities (that are released to revenue rather than resulting in cash outflows) amounted to $7,135,060 (2023: $3,905,459).

The Board of Directors have carried out a detailed review of the Group cash flow forecast for 24 months from the financial year ended 30 September 2024.

The cash flow forecast has been prepared and stress-tested taking into consideration the timing of capital expenditures, the general political and macroeconomic environment and other information available at the end of the reporting period. The Directors have evaluated that there are sufficient mitigating actions within their control, such as further optimising the Group's operations and prioritising the Group's capital expenditures focusing on multi brand sites driving operational efficiency and synergies.

Other key considerations in the assessment include, among others:

a. The Group meticulously plan its business expansion and continuously monitor how changes to the political and economic environment may potentially impact its business operations, particularly in Myanmar. For the past few years, overall the Myanmar-based businesses have been largely self-sustainable;

b. The Group has access to $818,000 in unutilised loan facility as disclosed in Note 18 to the financial statements;

c. Issuance and subscription of the Zero-Coupon Convertible Notes by existing shareholders of the Group amounting to $2,025,000 (resulting in net cash inflow of $725,000) subsequent to the financial year end, as disclosed in Note 29 to the financial statements;

d. Tuition fees and certain security services are generally collected 1 to 12 months in advance of performance with reference to the terms of the contracts (refer to Note 4 for further details).

e. The Group is able to generate positive cashflow from its operations. The Group's net cash generated from operating activities amounted to $601,000 (net of repayment of interest and principal lease liabilities) during the current financial year;

f. Flexibility over the timing and the size of certain capital expenditures as all expansionary expenditures are discretionary in nature. Any capital expenditures in Myanmar would be funded by the excess capital available locally, if any.

Based on the current market environment in the respective countries the Group operates, there are no indicators that warrant material adjustments to the key assumptions and judgements applied.

The Directors of the Company are of the opinion that, based on past operating cash flows, current forecasts, flexibility in investing activities, cash resources and available loan facilities, no material uncertainty exists have been identified that may give rise to significant doubt over going concern and the going concern basis is appropriate in the preparation of the financial statements.

CHANGES IN ACCOUNTING POLICIES

New standards, amendments and interpretations effective from 1 October 2023

On 1 October 2023, the Group adopted the new or amended IFRS and interpretations to IFRS that are mandatory for application for the financial year. The adoption of these standards did not result in significant changes to the Group's accounting policies and had no material impact to the Group's financial statements, except as disclosed below.

Amendments to IAS 1 Presentation of Financial Statements: Disclosure of Accounting Policies and IFRS Practice Statement 2

The amendments change the disclosure requirements with respect to accounting policies from 'significant accounting policies' to 'material accounting policy information'. The amendments provide guidance on when accounting policy is likely to be considered material. Management has followed the guidance in the amendments to IAS 1 and IFRS Practice Statement 2 in determining which accounting policy information is material. For the preparation of financial statements for the financial year ended 30 September 2024, the material accounting policy information have been included in Note 2 to the financial statements.

IFRS issued but not yet effective

At the date of authorisation of these financial statements, the following IASB were issued but not yet effective and have not been early adopted in these financial statements:

Standard or interpretation	Description	Effective date (annual periods beginning on or after)
IAS 7 and IFRS 7 (Amendments)	Supplier Financing Arrangements	1 January 2024
Amendments to IAS	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to IFRS 16	Leases (Liability in a Sale and Leaseback)	1 January 2024
Amendments to IAS 1	Presentation of Financial Statements (Non-current liabilities with Covenants)	1 January 2024
IAS 21	Lack of exchangeability	1 January 2025

Consequential amendments were also made to various standards as a result of these new or revised standards.

Except as disclosed below, the Group anticipates that the adoption of the above standards if applicable, will have no material impact on the financial statements of the Group in the period of their adoption.

AMENDMENTS TO IAS 21: LACK OF EXCHANGEABILITY

Under IAS 21, the Effects of Changes in Foreign Exchange Rates, in preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded at the rate of exchange prevailing on the date of the transaction. However, in rare circumstances, it is possible that one currency cannot be exchanged into another. This lack of exchangeability might arise when a government imposes controls on capital imports and exports, for example, or when it provides an official exchange rate but limits the volume of foreign currency transactions that can be undertaken at that rate. Consequently, market participants are unable to buy and sell currency to meet their needs at the official exchange rate and turn instead to unofficial, parallel markets.

Although few jurisdictions are affected by this, it can have a significant accounting impact for those companies affected. Accordingly, IAS 21 was amended to clarify when a currency is exchangeable into another currency and how a company estimates a spot rate when a currency lacks exchangeability.

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Under the amendments to IAS 21, an entity is allowed to estimate a spot rate when a currency is not exchangeable. When estimating a spot rate an entity can use an observable exchange rate without adjustment or another estimation technique.

Entities applying this new amended standard will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements which includes (i) the nature and financial impacts of the currency not being exchangeable, (ii) the spot exchange rate used, (iii) the estimation process; and (iv) risks to the company because the currency is not exchangeable.

In April 2022, the Central Bank of Myanmar ("CBM") implemented foreign exchange control measures requiring all foreign currency receipts from April 2022 to be converted to Myanmar Kyat ("Kyat"), restricting conversion of foreign currencies and limiting offshore remittance. The foreign exchange regulations in Myanmar remain fluid and subject to unpredictable changes. The Group continuously monitor announcements by the CBM to manage its currency exposures proactively.

The amendments apply to the annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted. The Group is in the process of performing a detailed assessment in respect of classification, measurement and disclosure on the financial statements.

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from its involvement with the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Subsidiaries are consolidated from the date on which control commences until the date on which control ceases. Control is reassessed whenever the facts and circumstances indicate that they may be a change in the elements of control.

All intra–group balances and transactions and any unrealised income and expenses arising from intra–group transactions are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides an impairment indicator of the transferred asset.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the Group.

2.3 BUSINESS COMBINATIONS

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration transferred for the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition–related costs are recognised in profit or loss as incurred. Consideration transferred also includes any contingent consideration measured at the fair value at the acquisition date. Subsequent changes in fair value of contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair values at the acquisition date.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e., the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and initially measured at the excess of the sum of the consideration transferred, the amount of any non–controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net acquisition–date fair value amounts of the identifiable assets acquired and the liabilities and contingent liabilities assumed.

Goodwill on subsidiary is recognised separately as intangible assets. Goodwill is initially recognised at cost and subsequently measured at cost less any accumulated impairment losses.

2.4 REVENUE RECOGNITION

Revenue is recognised when a performance obligation is satisfied. Revenue is measured based on the consideration of which the Group expects to be entitled in exchange for transferring promised good or services to a customer, excluding amounts collected on behalf of third parties (i.e., sales-related taxes). The consideration promised in the contracts with customers are derived from fixed price contracts.

Contract liabilities are deferred revenue comprising tuition fees and other advance consideration received from customers and a related party. Deferred revenue is recognised as revenue when performance obligations under its contracts are satisfied.

TUITION FEES

Tuition fees are earned from the provision of educational and enrichment programs across the Group's educational businesses, either in person or online. Tuition fees are recognised over the duration of the course and when services are rendered with reference to the terms of the contract on a straight–line basis over the term of the courses. Sale of merchandise and ancillary fees are either recognised at point in time when goods are delivered, or over time on a straight–line basis, respectively according to the delivery of the performance obligations.

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SECURITY SERVICES

The Group provides a broad range of security, risk management, facility management and security training services to customers over a specified contract period. The performance obligation is satisfied over time as the customer simultaneously receives and consumes the benefits of the services. As the Group's efforts or inputs are expended throughout the performance period, revenue is recognised on a straight–line basis over the specified contract period.

For certain contracts where the Group supplies security equipment and provides ad–hoc services such as journey management and cash in transit, revenue is recognised at point in time when goods and services are delivered.

2.5 EMPLOYEE BENEFITS

STATUTORY CONTRIBUTIONS

Statutory contributions include defined contribution plans and social benefits as regulated by the countries where the Group operates. These statutory contributions are charged as an expense in the period in which the related service is performed. Defined contribution plans are post–employment benefit plans under which the Group pays fixed contributions into state–managed retirement benefit schemes and has no legal and constructive obligation to pay further once the payments are made.

2.6 SHARE–BASED PAYMENTS

The Group issues equity–settled share–based payments to certain employees.

Equity–settled share–based payments are measured at fair value of the equity instruments (excluding the effect of non–market–based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity–settled share–based payments is expensed on a straight–line basis over the vesting period with a corresponding credit to the share–based payment reserve, based on the Group's estimate of the number of equity instruments that will eventually vest and adjusted for the effect of non–market–based vesting conditions. At the end of each financial period, the Group revises the estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period with a corresponding adjustment to the share–based payment reserve.

Fair value of the share options is measured using the Black–Scholes pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non–transferability, exercise restrictions and behavioural considerations.

For cash-settled share-based payments, a liability and a corresponding expense equal to the portion of the goods or services received is recognised at the current fair value determined at the end of each financial year, with movements recognised in profit or loss.

2.7 TAXES

Income tax expense comprise current tax expense and deferred tax expense.

CURRENT INCOME TAX

Current income tax expense is the amount of income tax payable in respect of the taxable profit for a period. Current income tax liabilities for the current and prior periods shall be measured at the amount expected to be paid to the taxation authorities, using the tax rates and tax laws in the countries where the Group operates, that have been enacted or substantively enacted by the end of the financial year. Management evaluates its income tax provisions on periodical basis.

Current income tax expenses are recognised in profit or loss, except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

DEFERRED TAX

Deferred tax is recognised on all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases of asset and liabilities, except when the temporary difference arises from the initial recognition of goodwill or other assets and liabilities that is not a business combination and affects neither the accounting profit nor taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the timing of reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each financial year 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 deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates expected to apply for the period when the asset is realised or the liability is settled, based on tax rate and tax law that have been enacted or substantially enacted by the end of financial year. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects to recover or settle 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 by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is recognised in profit or loss, except when it relates to items recognised outside profit or loss, in which case the tax is also

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recognised either in other comprehensive income or directly in equity, or where it arises from the initial accounting for a business combination. Deferred tax arising from a business combination, is taken into account in calculating goodwill on acquisition.

SALES TAX

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax that is incurred on purchase of assets or services is not recoverable from the taxation authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.8 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non−monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non−monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non−monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non−monetary items in respect of which gains and losses are recognised directly in equity. For such non−monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in United States Dollar using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, are recognised initially in other comprehensive income and accumulated in the Group's foreign exchange reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign exchange reserve.

On disposal of a foreign operation, the accumulated foreign exchange reserve relating to that operation is reclassified to profit or loss.

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

2.9 PLANT AND EQUIPMENT

All items of plant and equipment are initially recognised at cost. The cost includes its purchase price and 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. Dismantlement, removal or restoration costs are included as part of the cost if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure on an item of plant and equipment is added to the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other costs of servicing are recognised in profit or loss when incurred.

Plant and equipment are subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated using the straight-line method to allocate the depreciable amounts over their estimated useful lives on the following basis:

Computers and books	3 – 5 years
Furniture and fittings	3 – 7 years
Motor vehicles	5 – 6 years
Leasehold improvements	3 – 5 years

No depreciation is charged on construction−in−progress as they are not yet ready for their intended use as at the end of the reporting period.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation

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methods are reviewed, and adjusted as appropriate, at the end of each financial period.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.10 INTANGIBLE ASSETS

GOODWILL

Goodwill arising on the acquisition of a subsidiary or business represents the excess of the consideration transferred, the amount of any non−controlling interests in the acquiree and the acquisition date fair value of any previously held equity interest in the acquiree over the acquisition date fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition.

Goodwill on subsidiary is recognised separately as intangible assets. Goodwill is initially recognised at cost and subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash−generating units expected to benefit from the synergies of the combination. Cash−generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash−generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro−rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

INTANGIBLE ASSETS ACQUIRED IN A BUSINESS COMBINATION

Intangible assets acquired in a business combination are identified and recognised separately from goodwill if the assets and their fair values can be measured reliably. The cost of such intangible assets is their fair value as at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets acquired separately.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial period−end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful lives is recognised in profit or loss.

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use of disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the financial period the asset is derecognised.

2.11 IMPAIRMENT OF NON−FINANCIAL ASSETS EXCLUDING GOODWILL

At the end of each financial period, the Group reviews the carrying amounts of its non−financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash−generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount of an asset or cash−generating unit ("CGU") is the higher of its fair value less costs to sell and its 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.

If the recoverable amount of an asset (or cash−generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash−generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

2.12 FINANCIAL INSTRUMENTS

The Group recognises a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

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FINANCIAL ASSETS

The Group classifies its financial assets into one of the categories below, depending on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group shall reclassify its affected financial assets when and only when the Group changes its business model for managing these financial assets. The Group's accounting policy for each category detailed below.

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method less provision for impairment. Interest income from these financial assets is included in interest income using the effective interest rate method.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process, the probability of the non−payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for other receivables are recognised based on a forward−looking expected credit loss. The methodology used to determine the amount of the provision is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group's financial assets measured at amortised cost comprise trade and other receivables (excluding prepayments and sales tax) and cash and cash equivalents in the consolidated statement of financial position.

Derecognition of financial assets

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

FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. The Company classifies ordinary shares as equity instruments.

Financial liabilities

The Group classifies all financial liabilities as subsequently measured at amortised cost.

Trade and other payables

Trade and other payables, excluding sales taxes, are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method.

Loans from a shareholder

Interest−bearing loans from a shareholder are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost, using the effective interest method.

Convertible notes

The test on the classification of convertible notes as equity or as liability is based on the substance of the contractual arrangement. If there is no obligation on the Group to pay cash to the holders or to settle the convertible notes with a variable number of the Company's ordinary shares, they are classified as equity. In all other cases, the instrument is accounted for as a liability. Upon issuance, the convertible notes are measured at the transaction price including qualifying issuance costs. Convertible notes accounted for as equity instruments are subsequently not remeasured. Upon settlement of equity classified convertible notes by issuance of ordinary shares upon conversion or by early redemption at the option of the Company, all amounts are also directly recognised in equity.

The convertible notes Issued by the Company are convertible at maturity only into a fixed number of ordinary shares of the Company. The holders have no right to demand repayment of the convertible notes from the Company.

The net proceeds of the convertible notes issued (including any directly attributable transaction costs) are classified entirely as an equity component.

If the convertible notes are redeemed before its maturity date, the difference between any redemption consideration and the carrying amounts of the convertible notes are directly recognised in equity at the date of transaction.

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2.13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprise of cash on hand, cash at bank and demand deposits which are readily convertible to known amounts of cash, with a term of less than 3 months and are subject to insignificant risk of changes in value. For the purposes of the consolidated statement of cash flows, cash and cash equivalents.

2.14 LEASES

AS LESSEE

All leases are accounted for by recognising a right−of−use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of twelve months or less.

The payments for leases of low value assets and short−term leases are recognised as an expense on a straight−line basis over the lease term.

INITIAL MEASUREMENT

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the Group's incremental borrowing rate on commencement of the lease is used.

Variable lease payments are only included in the measurement of the lease liability if it is depending on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying amount of lease liabilities also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- any penalties payables for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right−of−use assets are initially measured at the amount of lease liabilities, reduced by any lease incentives received and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

The Group presents the right−of−use assets and lease liabilities separately from other assets and other liabilities in the consolidated statement of financial position.

SUBSEQUENT MEASUREMENT

Right−of−use assets are subsequently measured at cost less any accumulated amortisation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right−of−use assets under cost model are amortised on a straight−line basis over the shorter of either the remaining lease term or the remaining useful life of the right−of−use assets using the straight−line method, on the following bases:

	Years
International school building	10
Office premises and education campuses	1 – 10
Motor vehicles	2.5 – 3

If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right−of−use asset reflects that the Group will exercise the purchase option, the right−of−use assets are depreciated over the useful life of the underlying asset.

The carrying amount of right−of−use assets are reviewed for impairment when events or changes in circumstances indicate that the right−of−use asset may be impaired. The accounting policy on impairment is as described in Note 2.11 to the financial statements.

Subsequent to initial measurement, lease liabilities are adjusted to reflect interest charged at a constant periodic rate over the remaining lease liabilities, lease payment made and if applicable, account for any remeasurement due to reassessment or lease modifications.

After the commencement date, interest on the lease liabilities and variable lease payments not included in the measurement of the lease liabilities are recognised in profit or loss, unless the costs are eligible for capitalisation in accordance with other applicable standards.

When the Group revises its estimate of any lease term (i.e., probability of extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right−of−use assets. If the carrying amount of the right−of−use assets is reduced to zero and there is a further reduction in the measurement of lease liabilities, the remaining amount of the remeasurement is recognised directly in profit or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting treatment depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional right−of−use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- In all other cases where the renegotiation changes the scope of the lease (i.e., extension to the lease term, changes to the lease

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payments, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right−of−use asset being adjusted by the same amount;

- If the renegotiation results in a decrease in scope of the lease, both the carrying amount of the lease liability and right−of−use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference being recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right−of−use asset is adjusted by the same amount.

For lease contracts that convey a right to use an identified asset and require services to be provided by the lessor, the Group has elected to allocate any amount of contractual payments to, and account separately for, any services provided by the lessor as part of the contract.

2.15 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Group Chief Executive Officer.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2 to the financial statements, management made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources. The estimates and associated assumptions were based on historical experience and other factors that were considered to be reasonable under the circumstances. Actual results may differ from these estimates.

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

3.1 CRITICAL JUDGEMENT MADE IN APPLYING THE ENTITY'S ACCOUNTING POLICIES

There are no critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the Group's accounting policies and which have a significant effect on the amounts recognised in the financial statements.

3.2 KEY SOURCES OF ESTIMATION UNCERTAINTY

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

(i) Loss allowance for trade and other receivables

The Group uses the simplified approach to calculate expected credit losses ("ECLs") for trade receivables. The provision rates are based on various customers' historical observed default rates.

The Group will consider and evaluate the historical credit loss experience with forward−looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the customers, the historical default rates are adjusted. At the end of each financial year, the historical observed default rates are updated and changes in the forward−looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Other than trade receivables, the Group assess the credit risk of other receivables and loans to a subsidiary at each financial year on an individual basis, to determine whether or not there have been significant increases in credit risk since the initial recognition of these assets. To determine whether there is a significant increase in credit risks, the Group consider factors such as whether the debtors are facing significant financial difficulties, any default or significant delay in payments. Where there is a significant increase in credit risk, the Group determine the lifetime expected credit loss by considering the loss given default, the probability of default and exposure at default assigned to each counterparty.

These financial assets are written off either partially or in full when there is no realistic prospect of recovery. This is generally the case when the Group determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write−offs.

The carrying amounts of the trade and other receivables as at the end of the financial date are disclosed in Note 16 to the financial statements.

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(ii) Impairment of goodwill

The management determines whether goodwill is impaired at least on an annual basis and as and when there is an indication that goodwill and other intangible assets may be impaired. This requires an estimation of the value−in−use of the cash−generating units to which the goodwill is allocated. Estimating the value−in−use requires the Group to make an estimate of the expected future cash flows from the cash−generating unit and also to choose a suitable growth rate and discount rate in order to calculate the present value of those cash flows.

The Group's carrying amount of intangible assets as at 30 September 2024 and details of the impairment assessment and key assumptions used were disclosed in Note 11 to the financial statements.

(iii) Impairment of non-financial assets including plant and equipment, right-of-use assets ("ROU") and intangible assets excluding goodwill

The Group carries out impairment assessment for non-financial assets where there is indication of an impairment. In carrying out the impairment assessment, management has identified the cash−generating units ("CGUs") to which the non-financial assets belong and determined the recoverable amounts of the CGUs by estimating the expected discounted future cash flows over the remaining useful lives of the non-financial assets. Estimating the recoverable amounts requires the Group to determine a suitable revenue growth rate, discount rate and to make an estimate of the expected future cash flows from the cash−generating unit in order to calculate the present value of those cash flows.

The carrying amounts of plant and equipment, intangible assets and right−of−use assets as at 30 September 2024 are as disclosed in Note 10, Note 11 and Note 12, respectively to the financial statements.

(iv) Measurement of lease liabilities

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term. The Group has determined the discount rates with reference to the respective lessee's incremental borrowing rates when the rate inherent in the lease is not readily determinable. The Group obtains the relevant market interest rates after considering the applicable currency of the lease payments and the geographical location where the lessee operates as well as the term of the lease. Management considers its own credit spread information from its recent borrowings, industry data available as well as any security available in order to adjust the market interest rate obtained from similar economic environment, term and value of the lease.

The incremental borrowing rate applied to lease liabilities as at 30 September 2024 ranges from 8% to 10% (2023: 8% to 10%). The carrying amount of lease liabilities as at 30 September 2024 is as disclosed in Note 12 to the financial statements.

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

4. REVENUE

DISAGGREGATION OF REVENUE

The Group has disaggregated revenue into various categories in the following table which is intended to:

- depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors; and
- enable users to understand the relationship with revenue segment information provided in Note 26 to the financial statements.

	Education		Services		Total	
$	2024	2023	2024	2023	2024	2023
Tuition fees	22,671,445	18,702,389	–	–	22,671,445	18,702,389
Service fees	–	–	7,002,570	5,327,189	7,002,570	5,327,189
Management fees	–	7,121	–	–	–	7,121
New centre fee	–	17,848	–	–	–	17,848
	22,671,445	18,727,358	7,002,570	5,327,189	29,674,015	24,054,547
Timing of transfer of services						
Over time	22,648,360	18,717,038	6,176,547	5,178,851	28,824,907	23,895,889
Point in time	23,085	10,320	826,023	148,338	849,108	158,658
	22,671,445	18,727,358	7,002,570	5,327,189	29,674,015	24,054,547

The timing of revenue recognition would affect the amount of deferred revenue recognised as at the reporting date in the consolidated statement of financial position.

$	2024	2023
Contract liabilities		
Deferred revenue	14,424,989	12,093,331
Analysed as:		
Current	12,471,197	10,996,568
Non-current	1,953,792	1,096,763
	14,424,989	12,093,331

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(a) Significant changes in contract liabilities are as detailed below:

$	2024	2023
At 1 October	12,093,331	9,966,048
Cash received in advance of performance and not recognised as revenue	26,175,167	21,141,695
Revenue recognised during the financial year:		
- On contract liabilities balances at beginning of financial year	(13,247,340)	(9,802,821)
- On cash received in advance during financial year	(10,564,950)	(9,069,965)
	(23,812,290)	(18,872,786)
Foreign exchange difference	(31,219)	(141,626)
At 30 September	14,424,989	12,093,331

(b) Remaining performance obligations

Non–current deferred revenue is in respect of cash received in advance of performance which will be recognised according to the following:

(i) Tuition fees are generally collected 1 to 12 months (2023: same), and more than 12 months for certain students who prepaid in advance of performance with reference to the individual terms of the student contracts.

(ii) Fees in relation to certain security services are collected 6 to 24 (2023: 6 to 12) months in advance of performance with reference to the individual terms of the customer contracts.

The amount of revenue that will be recognised in future periods on these contracts when those remaining performance obligations will be satisfied is analysed as follows:

$	Within 1 year	Within 2 to 3 years	More than 4 years	Total
2024				
Tuition fees	12,125,913	1,933,797	19,995	14,079,705
Service fees	345,284	–	–	345,284
	12,471,197	1,933,797	19,995	14,424,989
2023				
Tuition fees	10,314,577	1,056,773	39,990	11,411,340
Service fees	681,991	–	–	681,991
	10,996,568	1,056,773	39,990	12,093,331

5. OTHER INCOME

$	2024	2023
Interest income from bank deposits	3,187	23,608
Others	13,308	66,410
	16,495	90,018

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6. EMPLOYEE BENEFITS EXPENSE

$	2024	2023
Wages, salaries and allowances	15,106,782	12,826,065
Statutory contributions and defined contribution plans	734,233	525,175
Share–based compensation		
- Share bonus (Note 20)	–	280,000
- Share option (Note 22(d))	203,830	329,281
	203,830	609,281
Staff accommodation and welfare	362,499	411,990
Staff insurance and medical expenses	247,611	209,581
Termination benefits	20,752	22,142
Other	285,066	200,583
	16,960,773	14,804,817
Total employee benefit expenses comprise:		
- Cost of services	7,672,756	6,351,489
- Administrative and other operating expenses	9,288,017	8,453,328
	16,960,773	14,804,817

The above includes Directors' fees and remuneration as disclosed in Note 24 to the financial statements.

Total bonus to key management personnel of $60,000 (2023: $330,000) have been accrued in the consolidated statement of financial position, of which $Nil (2023: $250,000) will be satisfied through issuance of ordinary shares and remaining balance of $60,000 (2023: $80,000) in cash subsequent to the reporting date.

7. FINANCE COSTS

$	2024	2023
Interest expense		
- Lease liabilities (Note 12)	1,120,975	874,043
- Loans from a shareholder (Note 18)	216,920	105,748
- Others	3,496	–
	1,341,391	979,791

Borrowing costs are recognised in profit or loss in the period in which they are incurred using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

8. LOSS BEFORE INCOME TAX

Depreciation and amortisation expenses relating to plant and equipment, right-of-use assets and intangible assets directly attributable to provision of services and for operating activities are included in the "cost of services" and "administrative and other operating expenses", respectively in the consolidated statement of comprehensive income.

In addition to the charges disclosed elsewhere in the financial statements, the loss before income tax includes the following charges:

$	2024	2023
Cost of services:		
Academic expenses	2,138,634	1,778,598
Security service expenses	1,019,759	351,075
Hotel service expenses	10,442	9,992
Depreciation of plant and equipment	144,303	108,590
Amortisation of right-of-use assets	–	60,605
Amortisation of intangible assets	3,147	3,147
Interest expense on lease liability	–	1,362
Administrative and other operating expenses:		
Marketing expenses	3,480,502	2,556,041
Professional fees	853,766	679,037
Travelling expenses	341,131	310,998
Foreign exchange loss, net	1,455,135	1,134,441
Loss on disposal of plant and equipment	1,657	1,154
Depreciation of plant and equipment	1,062,725	718,363
Amortisation of right-of-use assets	2,786,093	2,797,670
Amortisation of intangible assets	97,571	77,351
Reversal of loss allowance on trade and other receivables	–	(9,514)

9. INCOME TAX EXPENSE

$	2024	2023
Current income tax		
- Current financial year	245,674	–
- Under provision in previous financial year	–	67,414
Total income tax expense recognised in profit or loss	245,674	67,414

The corporate income tax rate applicable to the Company and its subsidiaries in Singapore is at 17% (2023: 17%).

The Group has significant operations in Myanmar and Vietnam. The applicable corporate income tax rates are 22% (2023: 22%) for Myanmar and 20% (2023: 20%) for Vietnam.

Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

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The reconciliation between income tax expense and the product of accounting losses multiplied by the applicable corporate tax rates of the respective countries where the Group operates, are as follows:

$	2024	2023
Loss before income tax	(10,708,012)	(5,252,270)
Tax at the domestic rates applicable to profits in the country concerned	(1,988,383)	(994,569)
Tax effect of non–allowable expenses	1,462,683	964,878
Deferred tax assets not recognised	1,030,969	377,569
Utilisation of previously unrecognised deferred tax	(259,595)	(347,878)
Under provision of prior year income tax	–	67,414
Total income tax expense recognised in profit or loss	245,674	67,414

Deferred tax assets have not been recognised in respect of the following items:

	2024			2023		
$	Singapore	Myanmar	Vietnam	Singapore	Myanmar	Vietnam
Unutilised tax losses	4,891,870	2,949,792	10,374,784	4,911,842	3,930,129	5,422,324
Other temporary differences	80,383	–	–	80,669	–	–
	4,972,253	2,949,792	10,374,784	4,992,511	3,930,129	5,422,324
Unrecognised deferred tax assets on the above temporary differences	845,283	648,954	2,074,957	848,727	864,628	1,084,465

The unutilised tax losses above are subject to the agreement by the Myanmar, Vietnam and Singapore tax authorities. Deferred tax assets have not been recognised as it is uncertain that there will be sufficient future taxable profits to realise these future benefits. Accordingly, these deferred tax assets have not been recognised in the financial statements of the Group in accordance with the accounting policy in Note 2.7 to the financial statements.

The unutilised tax losses of Myanmar and Vietnam subsidiaries may be carried forward for a maximum period of 3 and 5 years respectively and the unutilised tax losses of Singapore subsidiaries may be carried indefinitely subject to the conditions imposed by law.

The expiry dates of the Myanmar and Vietnam unutilised tax losses are as follows:

	2024		2023	
$	Myanmar	Vietnam	Myanmar	Vietnam
Expiring in first year	199,169	–	1,359,289	–
Expiring in second year	946,871	156,838	825,731	–
Expiring in third year	1,803,752	2,395,147	1,745,109	156,838
Expiring in fourth year	–	2,870,339	–	2,395,147
Expiring in fifth year	–	4,952,460	–	2,870,339
	2,949,792	10,374,784	3,930,129	5,422,324

The unutilised tax losses for the previous financial reporting period have been revised based on the latest approved tax assessment of the Inland Revenue of Singapore, Myanmar and General Department of Taxation of Vietnam respectively, as detailed below:

a. Singapore from $5,974,204 to $4,911,842;

b. Myanmar from $3,530,046 to $3,930,129; and

c. Vietnam from $5,652,873 to $5,422,324.

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10. PLANT AND EQUIPMENT

$	Leasehold improvements	Furniture and fittings	Computers and books	Motor vehicles	Construction in-progress	Total
Cost						
Balance as at 1 October 2023	2,560,638	921,588	955,427	63,450	243,920	4,745,023
Additions	1,244,704	351,991	279,951	–	607,660	2,484,306
Transfers	512,936	152,054	126,538	–	(791,528)	–
Disposals	–	(409)	(7,434)	–	–	(7,843)
Foreign exchange difference	(5,393)	(1,379)	(918)	(197)	(3,343)	(11,230)
Balance as at 30 September 2024	4,312,885	1,423,845	1,353,564	63,253	56,709	7,210,256
Accumulated depreciation						
Balance as at 1 October 2023	975,338	437,363	461,490	24,293	–	1,898,484
Depreciation for the year	647,255	269,830	282,669	7,274	–	1,207,028
Disposals	–	(398)	(5,788)	–	–	(6,186)
Foreign exchange difference	(1,592)	(233)	(454)	23	–	(2,256)
Balance as at 30 September 2024	1,621,001	706,562	737,917	31,590	–	3,097,070
Net carrying amount						
Balance as at 30 September 2024	2,691,884	717,283	615,647	31,663	56,709	4,113,186
Cost						
Balance as at 1 October 2022	1,506,659	687,989	456,344	40,243	422,166	3,113,401
Additions	563,339	280,376	426,776	23,819	431,531	1,725,841
Transfers	522,168	(4,764)	81,981	–	(599,385)	–
Disposals	–	(10,009)	(3,513)	–	–	(13,522)
Foreign exchange difference	(31,528)	(32,004)	(6,161)	(612)	(10,392)	(80,697)
Balance as at 30 September 2023	2,560,638	921,588	955,427	63,450	243,920	4,745,023
Accumulated depreciation						
Balance as at 1 October 2022	520,256	308,408	232,166	20,181	–	1,081,011
Depreciation for the year	466,754	119,697	236,373	4,129	–	826,953
Disposals	–	(8,855)	(3,513)	–	–	(12,368)
Foreign exchange difference	(11,672)	18,113	(3,536)	(17)	–	2,888
Balance as at 30 September 2023	975,338	437,363	461,490	24,293	–	1,898,484
Net carrying amount						
Balance as at 30 September 2023	1,585,300	484,225	493,937	39,157	243,920	2,846,539

During the financial year ended 30 September 2024 and 2023, certain education businesses incurred accounting losses, which may indicate that the plant and equipment, intangibles assets (excluding goodwill) and right-of-use assets (“non-financial assets”) may be impaired. Management performed impairment assessments on these non-financial assets for education businesses to determine their recoverable amounts based on the value-in-use (“VIU”) calculations.

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In carrying out the impairment assessment, management has identified and allocated the non-financial assets to the respective cash generating units. Accordingly, the recoverable amounts of the CGUs are determined by estimating the expected discounted future cash flows. The details of the key assumptions used are disclosed in Note 11 to the financial statements.

11. INTANGIBLE ASSETS

$	Goodwill	Area development and centre fees	Set-up fee and brand licensing fee	Computer software licence	Customer-related assets	Total
Cost						
Balance as at 1 October 2023	6,039,685	858,153	40,000	122,539	273,913	7,334,290
Additions	–	105,230	–	–	–	105,230
Write-off	–	–	–	–	(273,913)	(273,913)
Foreign exchange difference	(39,050)	(3,506)	–	(141)	–	(42,697)
Balance as at 30 September 2024	6,000,635	959,877	40,000	122,398	–	7,122,910
Accumulated amortisation and impairment						
Balance as at 1 October 2023	–	232,882	19,000	103,460	273,913	629,255
Amortisation for the year	–	86,139	3,000	11,579	–	100,718
Impairment in value	4,561,645	–	–	–	–	4,561,645
Write-off	–	–	–	–	(273,913)	(273,913)
Foreign exchange difference	–	(420)	–	(35)	–	(455)
Balance as at 30 September 2024	4,561,645	318,601	22,000	115,004	–	5,017,250
Net carrying amount						
Balance as at 30 September 2024	1,438,990	641,276	18,000	7,394	–	2,105,660
Cost						
Balance as at 1 October 2022	6,173,822	622,393	40,000	122,999	273,913	7,233,127
Additions*	–	249,889	–	–	–	249,889
Foreign exchange difference	(134,137)	(14,129)	–	(460)	–	(148,726)
Balance as at 30 September 2023	6,039,685	858,153	40,000	122,539	273,913	7,334,290
Accumulated amortisation and impairment						
Balance as at 1 October 2022	–	170,240	16,000	91,531	273,913	551,684
Amortisation for the year	–	65,369	3,000	12,129	–	80,498
Foreign exchange difference	–	(2,727)	–	(200)	–	(2,927)
Balance as at 30 September 2023	–	232,882	19,000	103,460	273,913	629,255
Net carrying amount						
Balance as at 30 September 2023	6,039,685	625,271	21,000	19,079	–	6,705,035

** Additions during the year of $155,000 remains payable.*

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Amortisation is calculated using the straight-line method to allocate the amortisable amounts over their estimated useful lives on the following basis:

- Area development and opening fees 10 years
- Set–up fee and brand licensing fee 10 years
- Computer software license 3 years

The carrying amounts of significant intangible assets allocated to the respective cash-generating units ("CGU") have been grouped to the following segments:

	Education				Services	
	Myanmar		Vietnam		Myanmar	
$	2024	2023	2024	2023	2024	2023
Goodwill	–	–	–	4,600,695	1,438,990	1,438,990
Area development and opening fees [a][b][c]	188,938	219,451	452,338	405,820	–	–

a. Wall Street English: the area development fee was paid for the exclusive right to develop and operate the "Wall Street English" language schools in Myanmar and Vietnam, while the opening fees were paid for each new "Wall Street English" language school in Vietnam and Myanmar for a period of 10 years from the date operation commences and when the new school commences operations, respectively.

   On 14 April 2023 and 2 August 2023, the Group entered into Master Franchising Agreements ("MFAs") for Vietnam and Myanmar, respectively, revising certain key terms of the previous franchise agreements and adding the rights to sub-franchise. The new MFAs are set to expire on 30 May 2030 for Vietnam and 30 September 2028 for Myanmar and include renewal options for up to three five-year terms each.

   The remaining useful lives of the area development and opening fees ranges between 4 and 6 years (2023: 5 and 7) years.

b. Kids&Us: on 25 April 2022 and 15 August 2022, the Group entered into exclusive franchising agreements with Kids&Us English, S.L.U ("Kids&Us") for the development of English language school for children under the brand "Kids&Us School of English" in Myanmar and Vietnam, respectively for a period of 10 years.

   The remaining useful lives range between 7 and 8 years (2023: 8 and 9 years).

c. Logiscool: on 27 June 2023 and 2 August 2023, the Group entered into exclusive franchising agreements with Logiscool, KFT. ("Logiscool") for the development of coding schools for children under the brand "Logiscool" in Vietnam and Myanmar, respectively for a period of 10 years.

   The remaining useful life is 9 years (2023: 10 years).

IMPAIRMENT TESTING OF GOODWILL AND NON-FINANCIAL ASSETS

Goodwill acquired in a business combination is allocated to the CGUs that are expected to benefit from that business combination, which is also the reportable operating segment. The management determines whether goodwill is impaired at least on an annual basis and as and when there is an indication that goodwill may be impaired. Non-financial assets are assessed for indicators of impairment at the end of the financial year.

The recoverable amount of the CGUs are determined from value-in-use calculations based on cash flow forecasts derived from the most recent financial budgets approved by management for the next 5 years. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flow.

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At the end of the reporting date, the Group carried out a review of the recoverable amounts of the CGUs (Education and Services divisions) with indicators of impairment based on the existing performance. The review of the recoverable amounts resulted in the following:

a. In July 2020, the Group acquired Wall Street English Vietnam ("WSE VN") for a total cash consideration of $100. The fair value of the net identifiable liabilities of WSE VN as at the date of acquisition was $4,514,204. The difference between the consideration and the carrying value of WSE VN resulted in a recognition of goodwill of $4,514,304, representing fair value of the net identifiable liabilities acquired (particularly deferred revenue of $4,538,112). Goodwill for WSE VN, a foreign operation where its functional currency is VND is translated at the closing exchange rate each reporting period.
   Due to the continuing operating losses and slower recovery post Covid-19, impairment of goodwill of $4,561,645 was recognised in profit or loss.

b. no impairment for any other CGUs containing goodwill or other intangible assets with finite useful lives.

The key assumptions for these value-in-use calculations are those regarding the discount rates, revenue growth rates and terminal growth rate which consider the current economic and business environment.

KEY ASSUMPTIONS USED IN THE VALUE-IN-USE CALCULATIONS

	Education				Services	
	Vietnam		Myanmar		Myanmar	
%	2024	2023	2024	2023	2024	2023
Pre-tax discount rates	10 – 12	16 – 17	24	24 – 33	28	34
Revenue growth rate	7 – 90	15 – >100#	10 – 20	3 – >100#	7 – 9	2 – 25
Terminal growth rate	3	4	4	4	4	4

 # Certain yearly growth rates in the Education division exceeded 100% due to a low comparative base. The related intangible assets are immaterial.

The calculations of value–in–use for all the CGUs are most sensitive to the following assumptions:

Pre–tax discount rates – Discount rates are based on the Group's pre-tax weighted average cost of capital and are benchmarked to externally available data such as country risk premium, equity risk premium and beta adjusted to reflect the CGUs geographical location of operations and management's assessment of specific risks related to each of the cash generating units. These discounts are applied to the cash flow projections.

Revenue growth rates – The forecasted revenue growth rates are based on management's estimates with reference to the historical trend as well as the forecasted economic condition over the budgeted period of 5 years. For Education, a key growth driver is the increasing student enrolment.

Terminal growth rate – The terminal growth rate is based on management's expected long-term sustainable growth, taking into consideration the economic and political environment of the countries these CGUs are located and operating. It does not exceed the expected long-term growth rate in the relevant countries.

Sensitivity to changes in the key assumptions

As a result of the impairment tests, the Group recognised impairment charge of $4,561,645 on the goodwill attributable to a CGU of education business in Vietnam. A reduction of 0.5% in revenue growth rate, 2.0% increase in discount rate and 3.0% decrease in terminal growth rate would result in additional impairment charges of $575,000, $12,000 and $23,000 respectively (other intangible assets and plant and equipment.

No impairment was recognised for goodwill attributable to services business in Myanmar and other non-financial assets. Based on the sensitivity analysis performed, no reasonable changes in key assumptions would cause an impairment charge.

12. LEASES

The Group enters into long-term lease agreements for its corporate offices and schools which are secured by the lessor's title to the leased assets. Generally, these leases have terms between 1 and 10 years with options exercisable by the Group to renew and terminate.

In determining the lease term, management considers the likelihood of exercising the extension option. Management considers all facts and circumstances that create an economic incentive to extend and economic penalty or costs relating to the termination of the lease. A reassessment is performed when there is a significant change in intention, business plan or other circumstances unforeseen since it was first estimated.

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

Unless permitted by the landlord, the Group is restricted from assigning and sub-leasing. These salient terms are negotiated to optimise operational flexibility for managing the assets used in the Group's operations to align with the Group's business requirements.

The Group also has certain leases of motor vehicles, signage and employee residences with lease terms of 12 months or less. The Groups applied the "short-term lease" and "lease of low-value assets" recognition exemption for these leases.

As at 30 September 2024, the Group has $530,000 (2023: $250,000) of aggregate undiscounted commitments for short–term leases.

(a) Right-of-use assets

As at 30 September 2024, the net carrying amounts of ROU and lease liabilities arising from lease of offices and schools from a related party (refer to entities where a Director of certain Group's subsidiaries has beneficial interests) of the Group amounted to $4,804,212 and $4,921,525 (2023: $3,543,472 and $3,332,125), respectively. These related party transactions were at terms agreed between the respective parties.

$	International school	Offices and schools	Motor vehicles	Total
At 1 October 2023	1,881,308	9,502,032	–	11,383,340
Additions	–	3,757,989	–	3,757,989
Amortisation charge	(243,733)	(2,542,360)	–	(2,786,093)
Lease modification	(776,479)	(66,202)	–	(842,681)
Foreign exchange difference	–	(45,225)	–	(45,225)
At 30 September 2024	861,096	10,606,234	–	11,467,330
At 1 October 2022	2,104,659	9,109,875	60,605	11,275,139
Additions	121,215	2,853,315	–	2,974,530
Amortisation charge	(344,566)	(2,453,104)	(60,605)	(2,858,275)
Write-offs	–	802	–	802
Lease modification	–	164,655	–	164,655
Foreign exchange difference	–	(173,511)	–	(173,511)
At 30 September 2023	1,881,308	9,502,032	–	11,383,340

(b) Lease liabilities

$	International school	Offices and schools	Motor vehicles	Total
At 1 October 2023	2,222,316	9,898,900	–	12,121,216
Additions	–	3,757,989	–	3,757,989
Interest expense (Note 8)	120,487	1,000,488	–	1,120,975
Lease modification	(776,479)	(66,202)	–	(842,681)
Lease concession	–	(13,562)	–	(13,562)
Lease payment in cash:				
- Principal portion	(207,627)	(2,001,555)	–	(2,209,182)
- Interest portion	(120,487)	(1,000,488)	–	(1,120,975)
Foreign exchange differences	–	(55,457)	–	(55,457)
At 30 September 2024	1,238,210	11,520,113	–	12,758,323

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

$	International school	Offices and schools	Motor vehicles	Total
At 1 October 2022	1,990,492	9,049,374	64,557	11,104,423
Additions	121,215	2,853,315	–	2,974,530
Interest expense (Note 7)	126,227	747,816	–	874,043
Interest expense (Note 8)	–	–	1,362	1,362
Lease modification	–	164,655	–	164,655
Lease concession	–	(139,978)	–	(139,978)
Lease payment in cash:				
- Principal portion	(11,821)	(1,844,897)	(64,557)	(1,921,275)
- Interest portion	(3,797)	(747,815)	(1,362)	(752,974)
Foreign exchange differences	–	(183,570)	–	(183,570)
At 30 September 2023	2,222,316	9,898,900	–	12,121,216

The maturity analysis of lease liabilities of the Group at each reporting date are as follows:

$	2024	2023
Contractual undiscounted cash flows		
Not later than a year	2,826,044	2,859,626
Between one and two years	3,818,752	2,939,302
Between two and five years	7,543,108	6,973,350
More than five years	3,264,420	2,296,659
	17,452,324	15,068,937
Less: Future interest expense	(4,694,001)	(2,947,721)
Present value of lease liabilities	12,758,323	12,121,216
Presented in consolidated statement of financial position		
- Current	2,546,728	2,251,819
- Non-current	10,211,595	9,869,397
	12,758,323	12,121,216

The currency profile of lease liabilities of the Group at each reporting date are as follows:

$	2024	2023
United States Dollar	1,146,779	2,131,498
Myanmar Kyat	5,123,831	3,441,518
Vietnamese Dong	6,487,713	6,548,200
	12,758,323	12,121,216

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

(c) Amount recognised in profit or loss

$	2024	2023
Amortisation of right−of−use assets	2,786,093	2,858,275
Interest expense on lease liabilities	1,120,975	875,405
Lease concession	(13,562)	(139,978)
Lease expense relating to short−term leases, not capitalised in lease liabilities	672,997	346,080
Total amount recognised in profit or loss	4,566,503	3,939,782

The Group had total cash outflows for leases of $4,003,154 (2023: $3,020,329) which includes expense relating to short-term lease of $672,997 (2023: $346,080).

13. SUBSIDIARIES

The following are all the subsidiaries of the group that have been included in the consolidated financial statements. Their particulars are as follows:

Name of Company (Country of incorporation and principal place of business)	Principal activities	Effective interest held by Company % 2024	2023
Held by the Company			
MS Exera Pte Ltd ("MS Exera")[1] (Singapore)	Provision of management and security related services and holding company	100	100
MS Leisure Pte Ltd ("MS Leisure")[1] (Singapore)	Provision of management services and holding company	100	100
MS English Pte. Ltd. ("MS English")[1] (Singapore)	Provision of management services and holding company	100	100
MS Auston Pte. Ltd. ("MS Auston")[1] (Singapore)	Provision of management services and holding company	100	100
AS Coding 1 Pte. Ltd. ("AS Coding 1")[1] (Singapore)	Provision of management services and holding company	100	100
MS English 2 Pte. Ltd. ("MS English 2")[1] (Singapore)	Provision of management services and holding company	100	100
AS English 3 Pte. Ltd. ("AS English 3")[1] (Singapore)	Provision of management services and holding company	100	100
AS Coding 2 Pte. Ltd. ("AS Coding 2")[1] (Singapore)	Provision of management services and holding company	100	100
American International Partners Limited ("AIP")[2] (Myanmar)	Operation of an international school in Myanmar	100	100

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

Name of Company (Country of incorporation and principal place of business)	Principal activities	Effective interest held by Company % 2024	2023
Held through MS Exera			
EXERA Myanmar Limited ("EXERA Myanmar")[2] (Myanmar)	Provision of integrated security services	100	100
Exera Vietnam Company Limited ("EXERA Vietnam")[3][4] (Vietnam)	Provision of integrated facility management	100	–
Held through MS Leisure			
L Partners Limited ("L Partners")[2] (Myanmar)	Operation and management of Kids&Us English language schools and Ostello Bello hostels	100	100
Held through MS English			
E Partners Limited ("E Partners")[2] (Myanmar)	Operation and management of Wall Street English language schools	100	100
Held through MS Auston			
A Partners Limited ("A Partners")[2] (Myanmar)	Operation and management of Auston	100	100
Held through AS Coding 1			
C Partners Limited ("C Partners")[2] (Myanmar)	Operation and management of Logiscool coding schools	100	100
Held through MS English 2			
Wall Street English Limited Liability Company ("WSE Vietnam")[3] (Vietnam)	Operation and management of Wall Street English language schools	100	100
Held through AS English 3			
AS English Vietnam Company Limited ("AS Vietnam")[3] (Vietnam)	Operation and management of Kids&Us English language schools	100	100
Held through AS Coding 2			
AS Coding Vietnam Company Limited ("ASC Vietnam")[3] (Vietnam)	Operation and management of Logiscool coding schools	100	100

[1] Audited by BDO LLP, Singapore.

[2] Audited by BDO Consulting (Myanmar) Co. Ltd, for consolidation purposes.

[3] Audited by BDO Audit Services Co., Ltd. (Vietnam) for consolidation purposes and for statutory reporting in Vietnam.

[4] On 19 December 2023, MS Exera Pte Ltd incorporated Exera Vietnam Company Limited, a company incorporated in Vietnam.

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

$	2024	2023
At 1 October	49,363	157,062
Fair value recognised in other comprehensive income	(49,363)	(107,699)
At 30 September	–	49,363

The Group designated the investment as unquoted equity security to be measured at FVOCI. The Group intends to hold the investment for long–term appreciation in value as well as strategic investment purposes. The investment has no fixed maturity date nor coupon rate. Management has estimated the fair value with appropriate adjustments with reference to the recent transacted price in the market.

The FVOCI are denominated in United States Dollar as at reporting date.

15. INVENTORIES

Inventories comprise consumables, security accessories, uniform, raw materials, fabric, merchandise and academic materials. Inventories are measured at lower of cost and net realisable value.

16. TRADE AND OTHER RECEIVABLES

$	2024	2023
Current		
Trade receivables		
Third parties, gross	723,240	660,423
Less: Loss allowances	(5,939)	(5,939)
Third parties, net	717,301	654,484
Accrued receivables	141,312	14,990
Total trade receivables	858,613	669,474
Rental deposits	122,070	179,924
Prepayments for enrolment expenses	558,878	641,498
Other prepayments	1,075,791	958,507
Sales tax	85,195	32,586
Total other receivables	1,841,934	1,812,515
Total trade and other receivables (current)	2,700,547	2,481,989
Non–current		
Related party		
Trade	–	1,049,735
Non-trade (Note 27.1)	6,552,663	4,814,313
Less: Loss allowances	(4,400,124)	(4,400,124)
	2,152,539	1,463,924
Rental deposits	440,225	361,778
Prepayments for enrolment expenses	49,551	3,069
Total trade and other receivables (non–current)	2,642,315	1,828,771
Total trade and other receivables	5,342,862	4,310,760
Less: Prepayments	(1,684,220)	(1,603,074)
Less: Sales tax	(85,195)	(32,586)
Add: Cash and cash equivalents (Note 17)	782,562	1,489,812
Financial assets at amortised cost	4,356,009	4,164,912

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

TRADE AND OTHER RECEIVABLES

Trade receivables are non–interest bearing and are generally on 15 to 90 (2023: 15 to 60) days credit term. They are measured at their original invoice amounts which represent their fair value on initial recognition.

Non-current amount due from related party is trade and non-trade in nature and is not expected to be repaid in the next 12 months. The non-trade balance is unsecured and interest free.

EXPECTED CREDIT LOSS ALLOWANCES

i) Trade receivables – Third party

A one-off loss allowance was made in prior years for a third-party trade debtor determined to be credit-impaired as the likelihood of recovery is remote.

ii) Non-current receivables – Related party (Note 24)

Loss allowances of $4,400,124 (2023: $4,400,124) were made in prior years on the trade and non–trade amounts due from a related party in respect of payments made on behalf and advances for the operation of the managed operations of Wall Street English and Auston in Myanmar. The loss allowance was made based on the financial information of the related party and the expected repayment from the provision of property management services at cost plus mark-up to the Group.

The expected recovery of the amounts due from a related party falls more than 12 months after the end of the reporting period.

The Group's trade and other receivables balances (excluding prepayments and sales tax) are denominated in the following currencies:

$	2024	2023
United States Dollar	2,530,746	1,847,663
Myanmar Kyat	572,789	337,171
Vietnamese Dong	469,331	471,378
Singapore Dollar	581	18,888
Euro	–	–
	3,573,447	2,675,100

17. CASH AND CASH EQUIVALENTS

$	2024	2023
Cash at bank	581,423	1,105,897
Cash at financial institutions	405	18,717
Cash on hand	200,734	365,198
	782,562	1,489,812

Cash at bank earns interest at floating rates based on daily bank deposit rates.

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Cash and cash equivalents are denominated in the following currencies:

$	2024	2023
United States dollar	177,953	373,220
Singapore dollar	22,447	48,950
Myanmar Kyat	468,564	854,985
Vietnamese Dong	113,127	211,256
Euro	471	1,401
	782,562	1,489,812

18. SHAREHOLDER'S LOANS

The changes in shareholder's loan balances (interest and principal) arising from financing activities are listed below:

$	2024	2023
At 1 October	2,577,181	1,500,000
Drawdown of loan	1,962,072	1,325,000
Repayment of loans and interest in cash	–	(353,567)
Interest expense (Note 7)	216,920	105,748
At 30 September	4,756,173	2,577,181

On 1 July 2019, the Group entered into an unsecured loan facility of up to $3,000,000 with its shareholder, Macan Pte. Ltd. ("MACAN"). On 1 September 2023, MACAN had granted an extension of the facility maturity to 31 December 2027.

On 12 December 2023, the Group and MACAN agreed to increase loan facility from $3,000,000 to $4,500,000 to accelerate the Group's expansion plan of the Education businesses. The loan facility is repayable on 20 days notice and matures no later than 31 December 2027 and continues to bear interest rate of 6% per annum.

As at reporting date, MACAN has provided a written undertaking not to demand repayment within 12 months from the date of approval of the audited financial statements of the Group for the financial year ended 30 September 2024.

As at the date of approval of the financial statements, the Group has a remaining unutilised loan facility of $818,000 following the settlement of $800,000 of drawn facilities as described in Note 29.

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

19. TRADE AND OTHER PAYABLES

$	2024	2023
Trade payables		
Third parties	1,635,883	907,038
Accrued enrolment expenses	425,308	–
Total trade payables	2,061,191	907,038
Other payables		
Third parties	1,510,511	583,316
Accruals – others	1,421,862	1,016,009
Accruals – wages and salaries	801,256	878,710
Refundable deposits from customers	2,378,945	2,427,593
Sales tax	29,792	27,802
Total other payables	6,142,366	4,933,430
Total trade and other payables	8,203,557	5,840,468
Add: Lease liabilities (Note 12)	12,758,323	12,121,216
Add: Shareholder's loans (Note 18)	4,756,173	2,577,181
Less: Sales tax	(29,792)	(27,802)
Financial liabilities carried at amortised cost	25,688,261	20,511,063

Trade amounts due to third parties are unsecured, non−interest bearing and on 15 to 90 (2023: 15 to 60) days credit term.

The non−trade amounts due to third parties are unsecured, interest−free and repayable on demand.

Trade and other payables (excluding sales tax) are denominated in the following currencies:

$	2024	2023
United States Dollar	1,319,716	784,093
Singapore Dollar	169,658	90,814
Myanmar Kyat	3,831,860	3,518,732
Vietnamese Dong	2,282,893	1,249,166
Pound Sterling	223,206	169,861
Euro	346,432	–
	8,173,765	5,812,666

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

20. SHARE CAPITAL

	2024 Shares	2023 Shares	2024 $	2023 $
Issued and fully paid ordinary shares:				
Ordinary shares				
At 1 October	2,965,920	2,925,920	21,639,638	21,439,638
Shares issued during the financial year	56,000	40,000	280,000	200,000
At 30 September	3,021,920	2,965,920	21,919,638	21,639,638

The Company issued 56,000 ordinary shares at $5.00 per share (2023: 40,000 ordinary shares at $5.00 per share) in lieu of payment for accrued employee bonus of $280,000 (2023: $200,000), in respect of employment services rendered for financial year to certain key management personnel as detailed in Note 6 to the financial statements.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

21. CONVERTIBLE NOTES

$	2024	2023
At 1 October and 30 September	5,730,000	5,730,000

In October 2021, the Group launched a Convertible Notes Programme to raise up to $10 million for working capital and future investments. The convertible notes ("CN") holders had an option to subscribe to either (i) a 10% coupon option ("10% Coupon Convertible Notes") or (ii) a zero−coupon option ("Zero Coupon Convertible Notes"). The proceeds from the convertible notes were limited to 50% for activities in Myanmar and the rank is pari passu to all present and future unsecured obligations.

The CNs must be mandatorily convertible into shares of the Company at the date falling on the earlier of the maturity date (30 October 2024) or when the Qualifying Event is satisfied ("Conversion Date"). On the Conversion Date, the CNs are converted based on the stipulated conversion price and are paid-up in full to the note holders entirely (interest and principal) through the issuance of ordinary shares of the Company.

The convertible notes were issued on 1 November 2021 and the Group's existing shareholders subscribed $5,730,000 comprising:

i. Zero−Coupon Convertible Notes of $5,230,000 (including subscription by MACAN amounting to $3,500,000 of which $1,000,000 was in cash and the rest was from conversion of a loan from MACAN as detailed in Note 18 of the financial statements); and

ii. 10% Coupon Convertible Notes amounting to $500,000.

Both the Zero-Coupon and 10% Coupon convertible notes met the fixed for fixed criteria and the entire amount is recognised within equity.

The convertible notes are denominated in United States Dollar.

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

The salient features of the convertible notes are as follows:

Type	Zero-Coupon Convertible Notes	10% Coupon Convertible Notes
Tenure	Up to 3 years	Up to 3 years
Maturity	30 October 2024	30 October 2024
Coupon	Zero-coupon	10% annual
Conversion price	The higher of: i. Floor Subscription Price; and ii. the Discounted Subscription Price.	The higher of: i. $15.00 per Share; and ii. 90% of the subscription price per Share for a Qualifying Event
Discount	Between 2.0% and 20.5% based on conversion schedule	10% vs. subscription price for a Qualifying Event
Floor conversion price	$11.9 per share (based on the maximum discount listed above)	$15.0 per share
Conversion date	The date falling on the earlier of: i. the Maturity Date; and ii. the Qualifying Event.	The date falling on the earlier of: i. the Maturity Date; and ii. the Qualifying Event.
Qualifying event	Share issuance in excess of $5 million	Share issuance in excess of $5 million
Use of proceeds	■ Development of business ■ Working capital	■ Development of business ■ Working capital
Limitation to use of proceeds	Max. 50% of the proceeds for activities in Myanmar	Max. 50% of the proceeds for activities in Myanmar
Rank	Pari passu to all present and future unsecured obligations	Pari passu to all present and future unsecured obligations

Subsequent to the financial year end, existing CN holders have agreed to update the Convertible Note Programme, as detailed in Note 29.

22. OTHER RESERVES

$	2024	2023
Share option reserve	1,501,930	1,298,100
Fair value reserve	(762,754)	(713,391)
Equity reserve	(212,271)	(212,271)
Foreign exchange reserve	122,358	170,145
At 30 September	649,263	542,583

a. Equity reserves

The equity reserve represents the effects of changes in ownership interests in subsidiaries when there is no change in control.

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

b. Foreign exchange reserve

The foreign exchange reserve of the Group represents foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. This is non–distributable and the movements in this account are set out in the statements of changes in equity.

c. Fair value reserve

$	2024	2023
At 1 October	(713,391)	(605,692)
Changes in fair value during the year (Note 14)	(49,363)	(107,699)
At 30 September	(762,754)	(713,391)

Fair value reserve represents the cumulative fair value changes, net of tax, of financial assets measured at FVOCI until they are derecognised. Upon derecognition, the cumulative fair value changes will be transferred to retained earnings.

d. Share option reserve

$	2024	2023
At 1 October	1,298,100	968,819
Share option expense (Note 6)	203,830	329,281
At 30 September	1,501,930	1,298,100

Share option reserve represents the equity–settled share options granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity–settled share options and is reduced by the forfeiture of the share options.

EMPLOYEE SHARE OPTION SCHEMES

At the Annual General Meetings held on 7 March 2024, 4 March 2022 and 25 October 2016, the shareholders approved an Employee Share Option Schemes ("ESOS 2024"), ("ESOS 2022") and ("ESOS 2016") granting share options to certain Directors, senior management and key employees and consultants of the Group. The Remuneration Committee comprising all the Independent Non–Executive Directors are responsible for administering these schemes.

The Group had entered into share option agreements with the employees and Directors of the Group to allot and issue cumulatively 496,500 (2023: 441,500) share options.

Statutory and other information regarding ESOS 2024 and 2022 are set out below:

i. Consideration payable by each option holder for the grant is $1.00.

ii. Exercise price is $11.00 per ordinary share.

iii. Options are valid during the period commencing on the grant date and terminating on the tenth anniversary of the grant date for up to 200,000 ordinary shares with no par value in the capital of the Company ("Option Shares").

iv. Options granted will vest with effect as follows:

   a. from the first anniversary in respect of 40 percent of the Option Shares.

   b. from the second anniversary in respect of a further 40 percent of the Option Shares.

   c. from the third anniversary in respect of a further 20 percent of the Option Shares.

v. Options will only be exercisable in respect of Option Shares that have already vested.

vi. If the participants cease to be director or employee of the Company and its subsidiaries at any time, then the Option will only be exercisable in respect of the Option Shares that have vested prior to the date of termination.

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

Statutory and other information regarding ESOS 2016 are set out below:

i. Consideration payable by each option holder for the grant is $1.00.

ii. Exercise price is $11.00 per ordinary share.

iii. Options are valid during the period commencing on the grant date and terminating on the tenth anniversary of the grant date for up to 200,000 ordinary shares with no par value in the capital of the Company ("Option Shares").

iv. Options granted will vest with effect as follows:

   a. from the second anniversary in respect of 50 percent of the Option Shares.

   b. from the third anniversary in respect of a further 30 percent of the Option Shares.

   c. from the fourth anniversary in respect of a further 20 percent of the Option Shares.

v. Options will only be exercisable in respect of Option Shares that have already vested.

vi. If the participants cease to be director or employee of the Company and its subsidiaries at any time, then the Option will only be exercisable in respect of the Option Shares that have vested prior to the date of termination.

These granted share options have a weighted average contractual life of 5.90 years (2023: 6.30 years) at the year end.

These fair values were calculated using the Black–Scholes pricing model using the following assumptions:

Grant date $	23 May 2017	1 December 2017	17 October 2018	21 July 2020	5 July 2022	6 February 2023	7 March 2024
Fair value at grant date ($)	4.48	7.09	5.17	5.13	3.02	3.04	2.98
Grant date share price ($)	10.00	13.00	10.00	10.00	6.50	6.00	6.00
Exercise price ($)	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Expected volatility	33.91%	36.07%	38.43%	42.92%	44.87%	48.96%	47.03%
Option life	10 years	10 years	10 years	10 years	10 years	10 years	10 years
Risk-free annual interest rate	2.28%	2.36%	3.21%	0.60%	2.88%	3.63%	4.09%

Expected volatility was determined by calculating the historical volatility share price over a period of ten years of comparable companies in similar industries. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of on–transferability, exercise restrictions and behavioural considerations.

The Group recognised total expenses of $203,830 (2023: $329,281) related to equity–settled share–based payment transactions arising from the ESOS schemes above during the financial year.

The following reconciles the share options outstanding at the start and at end of the financial year.

	2024		2023	
	Number	Weighted average exercise Price ($)	Number	Weighted average exercise Price ($)
At 1 October	368,500	11.00	328,500	11.00
Granted	55,000	11.00	43,000	11.00
Forfeited	(10,000)		(3,000)	
At 30 September	413,500		368,500	

As at 30 September 2024, 315,700 (2023: 233,100) shares options are exercisable.

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

23. LOSS PER SHARE

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

	2024	2023
Numerator		
Loss for the financial year attributable to the owners of the parent ($)	(10,953,686)	(5,319,684)
Denominator		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	2,997,679	2,952,550
Loss per share ($)		
Basic and diluted	(3.65)	(1.80)

Diluted loss per share and basic loss per share are the same as neither the exercise of the share option nor the conversion is of mandatory convertible notes would result in an increase of the loss per share.

24. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, in addition to the information disclosed elsewhere in these financial statements, the Group entered into the following significant transactions with related parties at rates and terms agreed between the parties:

$	2024	2023
Related party#:		
Advances to	688,615	564,438
Corporate shareholder*:		
Interest on shareholder's loans (Note 7)	216,920	105,748
Shareholder's loans (Note 18)	1,962,072	1,325,000
Director of the subsidiaries:		
Professional fees	–	21,000

 # Related party refer to entities where a Director of certain Group's subsidiaries has beneficial interests.

** Corporate shareholder refer to MACAN, a substantial shareholder*

The outstanding balances as at reporting date with related parties are disclosed in Notes 7, 12, 16, 18 and 19 to the financial statements, respectively.

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

KEY MANAGEMENT PERSONNEL REMUNERATION

Key management personnel are those individuals having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The Company's key management personnel are the Directors of the Company and other key management personnel.

The details of their remuneration are as follows:

$	2024	2023
Wages and salaries	882,996	738,557
Other employment benefits	173,980	148,936
Share-based compensation:		
- Share bonus	–	250,000
- Share option	197,467	301,723
	197,467	551,723
Director fees	58,000	62,441
Total	1,312,443	1,501,657

25. COMMITMENT

At each reporting date, commitments in respect of capital expenditure, are as follows:

$	2024	2023
Capital expenditure contracted but not provided for		
- Plant and equipment	51,413	292,132

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

26. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker (Note 2.15).

Management monitors the Group's operations from both a geographic and sector perspective.

Geographically, management manages and monitors the business in these primary geographic areas: Singapore, Vietnam and Myanmar.

For management purposes, the Group is organised into business units based on its services, and has three reportable operating segments as follows:

(a) Education – Operation of education businesses ranging from early years to tertiary education and including vocational training, consultancy, advisory and project management services in the education sector in Vietnam and Myanmar;

(b) Services – Provision of integrated security services, consultancy, advisory and project management services in the security, facility management and hospitality sectors in Vietnam and Myanmar. This reportable segment has been formed by aggregating the relevant operating entities, which are regarded by management to exhibit similar economic characteristics; and

(c) Corporate – Corporate services, management support and certain shared services to subsidiaries of the Group.

The "Corporate" operating segment includes the Group's minor trading and investment holding activities which are not included within reportable segments as (i) they are not separately reported to the chief operating decision maker, and (ii) they contribute immaterial amounts of revenue to the Group.

The Group's reportable segments are strategic business units that are organised based on their function and targeted customer groups. They are managed separately because each business unit requires different skill sets and marketing strategies.

Management monitors the operating results of the segments separately for the purposes of making decisions about resources to be allocated and assessing performance. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss. Income taxes are managed by the management of respective entities within the Group.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. There is no asymmetrical allocation to reportable segments. Management evaluates performance on the basis of profit or loss from operations before income tax expense. There is no change from prior periods in the measurement methods used to determine reported segment profit or loss.

Income taxes are managed by the management of respective entities within the Group.

The key management personnel assess the performance of the operating segments based, among others, measure of earnings before interest, income tax, depreciation and amortisation ("EBITDA"), (i) Adjusted EBITDA (as presented below) and (ii) Adjusted EBITDA less amortisation of right-of-use assets and interest on lease liabilities ("Adjusted EBITDA after impact of ROUs").

These measurements basis excludes the effects of expenditure from the operating segments such as impairments and reversal of impairments that are not expected to recur regularly in every period and are separately analysed.

All income and expenses are allocated to the respective operating segments based on the entities within each operating segment, except for interest expenses which as this type of activity is managed centrally.

During the financial period, the Group re-organised its administrative offices into shared service functions. Accordingly, the comparative segmental report relating to administrative and other operating expenses for the financial year has been reflected in the revised cost structure of the respective business units.

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

Business segments

2024 ($)	Education	Services	Corporate	Total
Revenue	22,671,445	7,002,570	–	29,674,015
Cost of services*	(7,276,016)	(5,413,471)	–	(12,689,487)
Gross profit	15,395,429	1,589,099	–	16,984,528
Other income	13,942	986	1,567	16,495
Foreign exchange loss	(1,255,728)	(174,953)	(24,454)	(1,455,135)
Impairment of intangible asset	(4,561,645)	–	–	(4,561,645)
Administrative and other operating expenses	(16,378,944)	(1,757,009)	(2,214,911)	(20,350,864)
Loss from operations	(6,786,946)	(341,877)	(2,237,798)	(9,366,621)
Finance cost	(1,100,934)	(22,565)	(217,892)	(1,341,391)
Segment loss before tax	(7,887,880)	(364,442)	(2,455,690)	(10,708,012)
Income tax expense	(245,674)	–	–	(245,674)
Loss after income tax	**(8,133,554)**	**(364,442)**	**(2,455,690)**	**(10,953,686)**
Other non-cash items:				
Total depreciation of plant and equipment	1,119,464	87,278	286	1,207,028
Total amortisation of right-of-use asset	2,669,847	116,246	–	2,786,093
Total amortisation of intangible assets	100,718	–	–	100,718
Impairment loss on intangible asset	4,561,645	–	–	4,561,645
Finance costs (excluding interest on lease liabilities)	2,524	–	217,892	220,416
Total interest on lease liabilities	1,098,410	22,565	–	1,120,975
	9,552,608	226,089	218,178	9,996,875
Adjusted EBITDA	**1,664,728**	**(138,353)**	**(2,237,512)**	**(711,137)**
Adjusted EBITDA after impact of ROUs	**(2,103,529)**	**(277,164)**	**(2,237,512)**	**(4,618,205)**
Reportable segment assets				
Total Group's assets	20,488,630	3,572,599	75,521	24,136,750
Included in the segment assets:				
Additions:				
- Plant and equipment	2,443,866	40,440	–	2,484,306
- Right–of–use assets	3,757,988	–	–	3,757,988
- Intangibles	105,230	–	–	105,230
Reportable segment liabilities representing total Group's liabilities	(33,649,977)	(1,373,316)	(5,312,783)	(40,336,076)

** Cost of services arising from "Education" and "Services" segments comprise mainly employee benefits expenses of $3,488,673 and $4,184,083, respectively.*

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

2023 ($)	Education	Services	Corporate	Total
Revenue	18,727,358	5,327,189	–	24,054,547
Cost of services*	(6,240,011)	(3,944,204)	–	(10,184,215)
Gross profit	12,487,347	1,382,985	–	13,870,332
Other income	81,820	5,809	2,389	90,018
Foreign exchange loss	(820,457)	(291,528)	(22,456)	(1,134,441)
Administrative and other operating expenses	(13,441,934)	(1,124,527)	(2,531,927)	(17,098,388)
Loss from operations	(1,693,224)	(27,261)	(2,551,994)	(4,272,479)
Finance cost	(846,714)	(27,329)	(105,748)	(979,791)
Segment loss before tax	(2,539,938)	(54,590)	(2,657,742)	(5,252,270)
Income tax expense	(202)	(67,212)	–	(67,414)
Loss after income tax	**(2,540,140)**	**(121,802)**	**(2,657,742)**	**(5,319,684)**
Other non-cash items:				
Total depreciation of plant and equipment	775,582	50,990	381	826,953
Total amortisation of right-of-use asset	2,659,632	198,643	–	2,858,275
Total amortisation of intangible assets	80,165	333	–	80,498
Reversal of impairment of intangible assets	–	(9,514)	–	(9,514)
Finance costs (excluding interest on lease liabilities)	–	–	105,748	105,748
Total interest on lease liabilities	846,714	28,691	–	875,405
	4,362,093	269,143	106,129	4,737,365
Adjusted EBITDA	**1,822,155**	**214,553**	**(2,551,613)**	**(514,905)**
Adjusted EBITDA after impact of ROUs	**(1,684,191)**	**(12,781)**	**(2,551,613)**	**(4,248,585)**
Reportable segment assets	23,463,580	3,417,508	76,793	26,957,881
Financial assets at FVOCI	–	–	49,363	49,363
Total Group's assets	23,463,580	3,417,508	126,156	27,007,244
Included in the segment assets:				
Additions:				
- Plant and equipment	1,430,823	295,018	–	1,725,841
- Right–of–use assets	2,974,530	–	–	2,974,530
- Intangibles	249,889	–	–	249,889
Reportable segment liabilities representing total Group's liabilities	(27,978,838)	(1,448,661)	(3,212,065)	(32,639,564)

** Cost of services arising from "Education" and "Services" segments comprise mainly employee benefits expenses of $2,991,385 and $3,360,104, respectively.*

ASIA STRATEGIC HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

GEOGRAPHICAL SEGMENTS

The Group operates in three main geographical areas:

$	Revenue		Non-current assets	
Revenue	**2024**	**2023**	**2024**	**2023**
Singapore	16,516	312	18,000	21,652
Myanmar	21,424,267	15,514,422	10,102,885	8,736,631
Vietnam	8,233,232	8,539,813	7,565,291	12,176,631
	29,674,015	24,054,547	17,686,176	20,934,914

Revenue is based on the country in which the customers are located. Segmental non−current assets consist primarily of non−current assets other than financial instruments and deferred tax assets. Segment non−current assets are shown by geographical areas where the assets are located.

Non−current assets consist of plant and equipment, intangible assets and right−of−use assets in the consolidated statements of financial position of the Group.

27. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

The Group's activities have exposure to credit risks, market risks (including foreign currency risks, interest rates risks and equity price risk) and liquidity risks arising in the ordinary course of business. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The Board of Directors are responsible for setting the objectives and underlying principles of financial risk management for the Group. The Group's management then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

There has been no change to the Group's exposure to these financial risks or the manner in which the risks are managed and measured, except for those key estimates and judgements applied in Note 3 to the financial statements.

The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange rates.

27.1 CREDIT RISKS

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults or requiring partial or full advance payments from customers. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require collaterals.

The Board of Directors has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered.

The Board of Directors determines concentrations of credit risk by quarterly monitoring the creditworthiness rating of existing customers and through a monthly review of the trade receivables' ageing analysis.

The Group has significant credit exposure arising from non-current receivables due from a related party amounting $2,152,539 (2023: $1,463,924), representing 40% (2023: 34%) of the total trade and other receivables.

As the Group do not hold any collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that financial instruments presented in the consolidated statement of financial position.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

EXPECTED CREDIT LOSS ASSESSMENT FOR TRADE RECEIVABLES DUE FROM THIRD PARTIES

The Group applies the simplified approach to measure the expected credit losses for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

The expected loss rates are based on the Group's historical credit losses experienced. The historical loss rates are then adjusted for current and forward−looking information on macroeconomic factors affecting the Group's customers.

The following table provides information about the exposure to credit risk and expected credit loss for the Group's trade receivables from third parties as at 30 September 2024.

$	2024	2023
Current	696,685	544,053
Past due 1 to 30 days	90,779	26,031
Past due 31 to 60 days	11,798	78,175
Past due over 60 days	59,351	21,215
	858,613	669,474

The Group assessed that the trade receivables due from third parties are subject to immaterial expected credit losses.

EXPECTED CREDIT LOSS ASSESSMENT FOR TRADE AND OTHER RECEIVABLES DUE FROM A RELATED PARTY AND THIRD PARTIES

Movement in the loss allowance for trade and other receivables are as follows:

$	2024	2023
At 1 October	4,406,063	4,695,904
Reversal of loss allowance	–	(9,514)
Write-off	–	(280,327)
At 30 September	4,406,063	4,406,063

For amount due from a related party (Note 16), the Board of Directors has taken into account information that it has available internally about the related party's past, current and expected operating performance and cash flow position. Board of Directors monitors and assess at each reporting date on any indicator of significant increase in credit risk on the amount due from a related party, by considering their performance and any default in external debts.

The loss allowance was measured at an amount equal to lifetime expected credit losses which is credit impaired.

Based on the Board of Director's review, no further loss allowance on the amount due from a related party is required.

OTHER RECEIVABLES DUE FROM THIRD PARTIES

For other receivables, the Board of Directors adopt a policy of dealing with high credit quality counterparties. Board of Directors monitor and assess at each reporting date on any indicator of significant increase in credit risk on these other receivables. Other than those impaired as detailed in Note 16 to the financial statements, other receivables are measured at 12−month expected credit loss and subject to immaterial credit loss.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are mainly deposits with reputable banks with high credit ratings assigned by international credit rating agencies. Capital controls and specific approvals may be applied from time to time by the competent authorities in the relevant jurisdictions.

The cash and cash equivalents are held with banks and financial institutions which are rated Baa2 to Aaa, based on Moody's rating. The Board of Directors monitors the credit ratings of counterparties regularly. Impairment on cash and cash equivalents and fixed deposits have been measured on the 12−month expected loss. At the reporting date, the Group did not expect any credit losses from non−performance by the counterparties.

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The cash and cash equivalents are categorised under the following countries:

$	2024	2023
Myanmar	521,824	1,068,128
Singapore	30,745	179,740
Vietnam	229,993	241,944
	782,562	1,489,812

27.2 MARKET RISKS

Market risk arises from the Group's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates (currency risk), interest rates (interest rate risk) or other market factors (equity price risk).

FOREIGN CURRENCY RISKS

Foreign exchange risk arises when individual entities within the Group enters into transactions denominated in a currency other than their functional currency.

The currencies that give rise to this risk of the Group and Company are primarily Myanmar Kyats and Vietnamese Dong ("VND").

There is an exposure to Myanmar Kyat as the Myanmar subsidiaries have USD as functional currency.

The Group and the Company have not entered into any currency forward exchange contracts as at the end of the reporting period.

The Group's material exposure from foreign currency denominated financial assets and financial liabilities as at the end of the reporting period is as follows:

2024 ($)	USD	MMK	VND	Others	Total
Financial assets	2,708,699	1,041,353	582,458	23,499	4,356,009
Financial liabilities	(7,222,668)	(8,955,691)	(8,770,606)	(739,296)	(25,688,261)
Net financial position	(4,513,969)	(7,914,338)	(8,188,148)	(715,797)	(21,332,252)
Add: Net financial liabilities/(assets) denominated in the respective entities' functional currencies	4,641,336	8,892,637	8,186,171	–	21,720,144
Net financial position, adjusted for financial assets/(liabilities) denominated in the respective entities' functional currencies	127,367	978,299	(1,977)	(715,797)	387,892

2023 ($)	USD	MMK	VND	Others	Total
Financial assets	2,220,883	1,192,156	682,634	69,239	4,164,912
Financial liabilities	(5,492,772)	(6,960,250)	(7,797,366)	(260,675)	(20,511,063)
Net financial position	(3,271,889)	(5,768,094)	(7,114,732)	(191,436)	(16,346,151)
Add: Net financial liabilities/(assets) denominated in the respective entities' functional currencies	3,594,588	8,582,372	7,114,732	(10,378)	19,281,314
Net financial position, adjusted for financial assets/(liabilities) denominated in the respective entities' functional currencies	322,699	2,814,278	–	(201,814)	2,935,163

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Foreign currency sensitivity analysis

The following table details the Group's sensitivity to 30% (2023: 30%) change in Myanmar Kyat against United States Dollar. The sensitivity analysis assumes an instantaneous change in the foreign currency exchange rates from the end of the reporting dated, with all variables held constant.

	Gain / (loss) Loss before tax	
$	2024	2023
Kyat		
Strengthen against United States dollar	285,000	844,000
Weaken against United States dollar	(285,000)	(844,000)

INTEREST RATE RISK

The Group are not exposed to any significant interest rate risk as at reporting date as it does not have significant variable interest bearing financial assets and liabilities. The Group are primarily exposed to fixed rate interest bearing loans from a shareholder and loans receivable due from subsidiary, respectively. Accordingly, interest rate risk sensitivity analysis disclosure is deemed not necessary.

EQUITY PRICE RISKS

The Group holds strategic equity investments in other companies where those complement the Group's operations (see Note 14 to the financial statements). The directors believe that the exposure to market price risk from this activity is acceptable in the Group's circumstances. Accordingly, equity price risk sensitivity analysis disclosure is deemed not necessary.

27.3 LIQUIDITY RISKS

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The following table details the Group's remaining contractual maturity for its non–derivative financial liabilities. The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earlier of the contractual date or when the Group is expected to pay. The table includes both expected interest and principal cash flows.

$	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
2024					
Trade and other payables (excluding sales tax)	8,173,765	–	–	–	8,173,765
Loans from a shareholder	–	–	5,302,301	–	5,302,301
Lease liabilities	2,826,044	3,818,752	7,543,108	3,264,420	17,452,324
	10,999,809	3,818,752	12,845,409	3,264,420	30,928,390
2023					
Trade and other payables (excluding sales tax)	5,812,666	–	–	–	5,812,666
Loans from a shareholder	–	–	2,957,625	–	2,957,625
Lease liabilities	2,859,626	2,939,302	6,973,350	2,296,659	15,068,937
	8,672,292	2,939,302	9,930,975	2,296,659	23,839,228

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

27.4 FINANCIAL INSTRUMENTS AND MEASUREMENTS

Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, current trade and other receivables (excluding prepayments and sales taxes), long term rental deposits and trade and other payables. Due to their short−term nature, the carrying amount of these current financial assets and financial liabilities measured at amortised costs approximate their fair value.

The carrying amounts of loans due to a shareholder approximate their fair value as their interest rates approximate market interest rates for such liabilities.

The carrying amounts of non-current receivables and non-current rental deposits approximate their fair value due to insignificant effects of discounting.

Financial instruments measured at fair value

The financial instruments as disclosed in Note 14 to the financial statements included in Level 1 of the fair value hierarchy, fair value with appropriate adjustments with reference to the recent transacted price in the market.

There were no transfers between levels during the financial year.

There have been no changes in the valuation techniques of the various classes of financial instruments during the financial year.

28. CAPITAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The Group manages its capital to continue as a going concern, maintains an optimal capital structure so as to maximise shareholder value. The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may issue new shares and enter into new debt arrangements.

The capital structure of the Group consists of equity attributable to the equity holders of the Company comprising other reserves and loans from a shareholder and convertible notes.

The Group's management reviews the capital structure on an annual basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. The Group's overall strategy remains unchanged from 30 September 2023.

The Group is not subject to externally imposed capital requirements for the financial year ended 30 September 2024 and 30 September 2023.

29. SUBSEQUENT EVENTS

On 30 October 2024, the Group and existing convertible note ("CN") holders agreed to the following updates to the Convertible Note Programme:

- an extension to the maturity of the Zero-Coupon option of the Company's Convertible Note Programme from 30 October 2024 to 30 October 2026;
- an increase in the subscription amount of the Zero-Coupon Convertible Notes from $5,230,000 to $7,255,000 (including the subscription by MACAN Pte. Ltd. ("MACAN") detailed below); and
- the termination of the 10% Coupon option of the Convertible Note Programme.

The increased Zero-Coupon Convertible Notes subscription amount was achieved through:

- settlement of $500,000 owed to an existing CN holder from the maturity of the 10% Coupon;
- settlement of $800,000 owed to MACAN under an existing loan facility; and
- cash payment of $725,000 (including $200,000 from MACAN).

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The revised key terms of the Zero-Coupon Convertible Notes are as follows:

Maturity	30 October 2026
Coupon	Zero-Coupon
Conversion discount	Up to 33.1%, depending on the qualifying event
Qualifying event	Share issuance in excess of $5.0 million
Floor conversion price	$11.53 per share
Use of proceeds	Development of business and working capital
Limited use of proceeds	Maximum of 50% of the proceeds to be used for activities in Myanmar
Rank	Pari passu to all present and future unsecured obligations

MACAN, the Group's largest shareholder, subscribed for $3,500,000 Zero-Coupon Convertible Notes in November 2021 and recently subscribed for an additional amount of $1,000,000 of the Zero-Coupon Convertible Notes. The subscription amount was satisfied through: (i) $800,000 of monies already drawn down pursuant to MACAN's existing loan facility to the Group in lieu of repayment; and (ii) the payment of an additional $200,000 in cash.

Immediately following MACAN's convertible note subscription, MACAN has lent the following amounts to the Group:

- $4,500,000 in Zero-Coupon Convertible Notes; and
- $4,500,000 in a 6% loan facility expiring on 31 December 2027, of which $3,682,000 has been drawn.

ASIA STRATEGIC HOLDINGS LIMITED (ASIA : LN) IS AN INDEPENDENT DEVELOPER AND OPERATOR OF CONSUMER BUSINESSES LOCATED IN EMERGING ASIA, HOME TO SOME OF THE FASTEST-GROWING ECONOMIES IN THE WORLD.

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