

Company registration number 13077708 (England and Wales)

AMENDED

FLINK HOLDINGS LIMITED
GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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FLINK HOLDINGS LIMITED

COMPANY INFORMATION

Directors

Mr S J Amozurrutia
Ms M A Bent
Mr A Braccia
Mr R R Bueno

Secretary

Taylor Wessing Secretaries Limited

Company number

13077708

Registered office

5 New Street Square
London
EC4A 3TW

Auditor

Gravita Audit II Limited
Aldgate Tower
2 Leman Street
London
United Kingdom
E1 8FA

FLINK HOLDINGS LIMITED

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FLINK HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present the strategic report for the year ended 31 December 2023.

Review of the business

In 2023, Flink Holding made strategic adjustments to its business operations, including a significant divestment. The company sold its two key assets—Investment Advisory and Brokerage House—in a two-phase transaction. The first phase involved an initial payment upon contract signing, and the second payment followed the regulatory approval for the transfer of control of the Brokerage House by the National Banking and Securities Commission of Mexico (Comisión Nacional Bancaria y de Valores). This regulatory approval will complete the transaction, marking a pivotal change in Flink Holding's asset portfolio.

Specific Challenges

The company faced challenges related to regulatory delays and adjustments necessary for the asset sale. However, by addressing these requirements proactively, Flink Holding was able to complete the sale as planned, albeit with close monitoring and engagement with regulatory bodies.

Principal risks and uncertainties

1. Economic Impact of Divestment: With the divestment of core assets, Flink Holding faces the risk of limited future revenue sources and strategic uncertainties as it plans its 2024 liquidation.

2. Regulatory Obligations Post-Divestment: Post-transaction, Flink Holding remains obligated to comply with any final regulatory audits and requirements associated with the asset transfer.

3. Market Volatility: Changes in market conditions could impact the liquidation value of remaining assets as the company prepares for final disbursements in 2024.

Mitigation

To address these risks, Flink Holding is focusing on prudent financial management, strict compliance with remaining regulatory obligations, and a structured approach to the 2024 liquidation process.

Strategies

Development and performance

Despite the sale of these core assets, Flink Holding maintained steady operations throughout the divestment process. The company successfully managed the transition of services and ensured compliance with regulatory standards. The divestment has positioned Flink Holding to strategically focus on other potential growth areas while planning the full liquidation of Flink Holding for 2024.

Position at the end of the year

As of 31 December 2023, following the sale of its major assets, Flink Holding is in a transitional financial position, with proceeds from the sale strengthening liquidity. These funds provide a foundation for winding down operations or exploring new ventures prior to the planned liquidation in 2024.

Key performance indicators

Given the transitional nature of 2023, performance metrics have shifted primarily to focus on:

1. Divestment Completion: 100% of targeted assets sold.
2. Regulatory Compliance: Full approval received for asset transfer from regulatory authorities.
3. Liquidity Position: Enhanced by proceeds from asset sales, ensuring readiness for 2024 liquidation.

Key Achievements

1. Successful Sale of Major Assets: The divestment of the Investment Advisory and Brokerage House assets represents a critical step in Flink Holding's strategic realignment. This transaction was completed smoothly, with regulatory approval secured from the Comisión Nacional Bancaria y de Valores.

2. Efficient Transition and Compliance: Throughout the sale process, Flink Holding ensured that client services and regulatory compliance were prioritized, minimizing operational disruptions and maintaining trust with stakeholders.

FLINK HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Future Developments

During 2024, the directors sold the subsidiaries to Wellbull Holdings (Singapore) Pte. Ltd for a total consideration of \$17,000,000.

For 2024, Flink Holding plans to finalize the liquidation process, including the distribution of remaining assets and closure of operations. This planned liquidation aligns with the board's decision to dissolve Flink Holding following the successful divestment of its primary business units.

Sustainability and Social Responsibility

In 2023, Flink Holding continued to uphold corporate responsibilities by ensuring a smooth transition for clients impacted by the divestment and maintaining transparency with stakeholders.

Corporate

Governance

Flink Holding's governance structure adapted to oversee the divestment process, ensuring that all strategic decisions were aligned with the planned liquidation in 2024. The board remained actively engaged with regulatory authorities and stakeholders to facilitate an orderly asset transfer.

On behalf of the board



.....
Mr S J Amozurrutia
Director

Date: 12/11/2025
.....

FLINK HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their annual report and financial statements for the year ended 31 December 2023.

Principal activities

The principal activity of the group continued to be that of a holding company for a group of subsidiaries overseas within the financial services space offering investment opportunities via an app.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr S J Amozurrutia
Ms MA Bent
Mr A Braccia
Mr R R Bueno

Auditor

In accordance with the company's articles, a resolution proposing that Gravita Audit II Limited be reappointed as auditor of the company and group will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and parent company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FLINK HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Due to the restructuring of the group, the financial statements have been prepared on an alternative basis to going concern.

Amended financial statements

These amended financial statements are issued in substitution for the original financial statements for the year ended 31 December 2023 and accordingly now constitute the statutory financial statements for that year. The amended financial statements have been prepared as at the date of the original financial statements and not as at the date of their revision, and therefore do not take account of any events occurring between those dates.

Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board


.....

Mr S J Amozurrutia
Director

Date: 12/11/2025
.....

FLINK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FLINK HOLDINGS LIMITED

Opinion

We have audited the financial statements of Flink Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the group income statement, the group statement of comprehensive income, the group and parent company statement of financial position, the group and parent company statement of changes in equity, the group statement of cash flows and the group and parent company notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2023 and of the group's loss for the year then ended;
- the financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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 are independent of the group and 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 1.4 of the financial statements which explains that the group has been restructured and the significant components have been sold post year end. Therefore, the directors do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in note 2.

Our opinion is not modified in respect to this matter.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

FLINK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FLINK HOLDINGS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the 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 parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

We ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations. The laws and regulations applicable to the group and the parent company were identified through discussions with the director and other management, and from our commercial knowledge and experience of the group and the parent company. Of these laws and regulations, we focused on those that we considered may have a direct material effect on the financial statements or the operations of the group and the parent company, The Companies Act 2006, General Law of Commercial Companies, Article 225 of the Securities Market Law (applicable to "Miflink Advisors Independiente, S.C." in its role as Investment Advisor regulated by the National Banking and Securities Commission in Mexico), taxation legislation, data protection, anti-bribery, anti-money-laundering, employment, environmental and health and safety legislation. The extent of compliance with these laws and regulations identified above was assessed through making enquiries of management and inspecting legal correspondence. The identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

FLINK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FLINK HOLDINGS LIMITED

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the group's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence relevant regulators and the group's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the director and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Daniel Howarth

Daniel Howarth (Senior Statutory Auditor)

For and on behalf of Gravita Audit II Limited, Statutory Auditor

Chartered Accountants

Aldgate Tower

2 Leman Street

London

E1 8FA

United Kingdom

Date: ..13/11/2025....

FLINK HOLDINGS LIMITED

GROUP INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 \$	2022 \$
Revenue	3	99,262	27,015
Cost of sales		(1,350,260)	(6,754,984)
Gross loss		(1,250,998)	(6,727,969)
Other operating income		46,120	67,486
Administrative expenses		(6,083,054)	(11,538,714)
Operating loss	4	(7,287,932)	(18,199,197)
Investment revenues	6	64,495	-
Finance costs	7	(4,305,261)	(25,727)
Other gains and losses	8	(5,557,026)	(451,481)
Loss before taxation		(17,085,724)	(18,676,405)
Income tax expense	9	-	-
Loss for the year		(17,085,724)	(18,676,405)
Profit for the financial year is attributable to:			
- Owners of the parent company		(17,081,388)	(18,671,899)
- Non-controlling interests		(4,336)	(4,506)
		(17,085,724)	(18,676,405)

FLINK HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 \$	2022 \$
Loss for the year	(17,085,724)	(18,676,405)
Other comprehensive income:		
Items that may be reclassified to profit or loss		
Currency translation differences:		
- Translation gain arising in the year	222,480	27,421
Total comprehensive income for the year	(16,863,244)	(18,648,984)
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	(16,858,908)	(18,644,478)
- Non-controlling interests	(4,336)	(4,506)
	(16,863,244)	(18,648,984)

FLINK HOLDINGS LIMITED

GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023 \$	2022 \$
Non-current assets			
Goodwill	11	6,385,490	6,385,486
Intangible assets	11	121,990	121,984
Property, plant and equipment	12	69,333	188,756
		<u>6,576,813</u>	<u>6,696,226</u>
Current assets			
Trade and other receivables	15	904,970	7,102,272
Current tax recoverable		3,413,420	208,650
Cash and cash equivalents		2,107,096	5,644,795
		<u>6,425,486</u>	<u>12,955,717</u>
Current liabilities			
Trade and other payables	18	10,131,004	869,340
Current tax liabilities		70,280	198,460
Convertible loan notes	17	1,677,443	-
Lease liabilities	19	50,710	-
		<u>11,929,437</u>	<u>1,067,800</u>
Net current (liabilities)/assets		<u>(5,503,951)</u>	<u>11,887,917</u>
Non-current liabilities			
Trade and other payables	18	211,420	783,977
Lease liabilities	19	24,880	100,360
		<u>236,300</u>	<u>884,337</u>
Net assets		<u>836,562</u>	<u>17,699,806</u>
Equity			
Called up share capital	20	103	103
Share premium account	21	62,547,389	62,547,389
Currency translation reserves	22	240,539	18,059
Retained earnings		(61,859,515)	(44,778,127)
Equity attributable to owners of the parent company		<u>928,516</u>	<u>17,787,424</u>
Non-controlling interests		(91,954)	(87,618)
Total equity		<u>836,562</u>	<u>17,699,806</u>

FLINK HOLDINGS LIMITED

GROUP STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2023

The financial statements were approved by the board of directors and authorised for issue on 12/11/2025 and are signed on its behalf by:


.....

Mr S J Amozurrutia
Director

Company registration number 13077708 (England and Wales)

FLINK HOLDINGS LIMITED

**GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Share capital	Share premium account	Currency translation reserve	Retained earnings	Total	Non- controlling interest	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 January 2022	103	62,547,389	(9,362)	(26,106,228)	36,431,902	(83,112)	36,348,790
Year ended 31 December 2022:							
Loss	-	-	-	(18,671,899)	(18,671,899)	(4,506)	(18,676,405)
Other comprehensive income:							
Currency translation differences	-	-	27,421	-	27,421	-	27,421
Total comprehensive income	-	-	27,421	(18,671,899)	(18,644,478)	(4,506)	(18,648,984)
Balance at 31 December 2022	103	62,547,389	18,059	(44,778,127)	17,787,424	(87,618)	17,699,806
Year ended 31 December 2023:							
Loss	-	-	-	(17,081,388)	(17,081,388)	(4,336)	(17,085,724)
Other comprehensive income:							
Currency translation differences	-	-	222,480	-	222,480	-	222,480
Total comprehensive income	-	-	222,480	(17,081,388)	(16,858,908)	(4,336)	(16,863,244)
Balance at 31 December 2023	103	62,547,389	240,539	(61,859,515)	928,516	(91,954)	836,562

FLINK HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

		2023	2022
	Notes	\$	\$
Cash flows from operating activities			
Cash absorbed by operations	26	(3,415,426)	(18,888,883)
Interest received		-	43,290
Interest paid		(6,663)	-
Net cash outflow from operating activities		(3,422,089)	(18,845,593)
Investing activities			
Payment for property plant and equipment		-	(130,960)
Issuance of loans		(572,561)	-
Net cash generated from investing activities		(572,561)	(130,960)
Financing activities			
Issue of convertible loans		2,038,517	-
Repayment of convertible loans		(4,541,725)	-
Payment of lease liabilities		(82,139)	-
Net cash generated from financing activities		2,585,347	-
Net increase in cash and cash equivalents		(3,994,650)	(18,976,553)
Cash and cash equivalents at beginning of year		5,644,795	24,333,083
Effect of foreign exchange rates		456,949	288,265
Cash and cash equivalents at end of year		2,107,094	5,644,795

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Flink Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is 5 New Street Square, London, EC4A 3TW. The company's principal activities and nature of its operations are disclosed in the directors' report.

The group consists of Flink Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

These financial statements have been prepared on a basis other than going concern as the subsidiaries of the entity have been sold post year end. A deal was reached in 2023 to sell the material subsidiaries of the group and it is the intention of the directors to liquidate the UK entity. For this reason the directors do not feel appropriate to prepare the accounts on a going concern basis.

The financial statements are prepared in US\$ which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest \$.

The financial statements have been prepared under the historical cost convention. The principal accounting policies applied are set out below.

1.2 Business combinations

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Flink Holdings Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Investments in joint ventures and associates are carried in the group statement of financial position at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

The financial statements have been prepared on a basis other than going concern as per the explanation given in the basis of preparation note.

1.5 Revenue

The group recognises revenue when it transfers control of a product or service to a customer.

Revenue is recognised when the following steps are met;

1. The service is identified with the end client
2. The obligations to be fulfilled in the service are identified
3. The price of the transaction is determined
4. The price of the transaction is allocated between the different obligations to be fulfilled in the service
5. Income is recognized as the group satisfies each of the obligations to be fulfilled

The Group's revenue from service contracts is recognized by reference to the stage of progress towards the completion of the contract. The progress stage for the termination of the contract is determined as follows:

Fees for installation services are recognized as revenue by reference to the completion of the installation, determined as the proportion of the total estimated time to install that has elapsed at the end of the period.

Service fees included in the price of products sold are recognized by reference to the proportion of the total cost of the service provided for the product sold; and Income from contracts is recognized based on established rates to the extent that work hours and direct expenses are incurred.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group expects that the difference between the timing of the transfer of goods or services determined at the beginning of the contract and the timing of collection of transaction price by the customer does not differ by more than one year and therefore transaction price does not contain a significant finance component.

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.6 Goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less impairment losses.

The gain on a bargain purchase is recognised in profit or loss in the period of the acquisition.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least 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 subsequently reversed.

1.7 Intangible assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values using straight-line method over their useful lives on the following bases:

- Over 10 years

1.8 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	10 years- Straight-line method
Computers	4 years- Straight-line method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.9 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the parent company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the group holds a long-term interest and has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.10 Impairment of non-financial assets

At each reporting end date, the group reviews the carrying amounts of its tangible and intangible 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.

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

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 (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial Assets

Financial assets are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost 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 arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

The group classifies all of its financial assets as financial assets at amortised cost. The classification depends on the purpose of which the financial assets are held and acquired.

Trade, loan and other receivables that have fixed or determinable payments that are not quoted in an active market are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date. The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. For trade and loan receivables, the simplified approach permitted by IFRS 9 is applied, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.13 Financial liabilities

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial Liabilities

Financial liabilities are derecognised when, and only when, the group's obligations are discharged, cancelled, or they expire.

1.14 Compound instruments

The component parts of compound instruments issued are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.15 Equity instruments

Equity instruments issued by the parent company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer payable at the discretion of the company.

1.16 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.17 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.18 Leases

At inception, the group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the group is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the group's estimate of the amount expected to be payable under a residual value guarantee; or the group's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1.19 Foreign exchange

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss. Exchange rates apply for the annual accounts 2022:

	Year end 2023	Average 2023
MXN/USD	0.05897	0.05644

On consolidation, the results of overseas operations are translated into Euros at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

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

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Impairment of Goodwill

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. Impairment exist when the carrying value of Goodwill exceeds its recoverable amount. The Group determined the recoverable amount based on the actual sales price of the investments post year end.

Estimated useful lives of property, plant and equipment and intangible assets

The useful lives of the Group's items of property, plant and equipment and intangible assets is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of practices of similar business and internal technical evaluation. The estimated useful life of the of each asset is reviewed periodically and updated if expectations differ from previous estimates. A change in the estimated useful life of any item of property, plant and equipment and intangibles assets would impact the recorded costs and expenses and non-current assets.

Business combination

The Group used valuation techniques when determining the fair value of certain assets and liabilities acquired in a business combination.

3 Revenue

	2023	2022
	\$	\$
Revenue analysed by class of business		
Sale of services	99,262	27,015

4 Operating (loss)/profit

	2023	2022
	\$	\$
Operating loss for the year is stated after charging/(crediting):		
Exchange gains	-	(251,481)
Fees payable to the company's auditor for the audit of the company's financial statements	66,253	73,744
Depreciation of property, plant and equipment	99,183	89,902

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

5 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

2023 Number	2022 Number
44	114

Their aggregate remuneration comprised:

	2023 \$	2022 \$
Wages and salaries	3,918,640	7,203,471
Social security costs	91,539	140,587
Pension costs	171,640	172,722
	<u>4,181,819</u>	<u>7,516,780</u>

6 Finance Income

	2023 \$	2022 \$
Interest income		
Financial instruments measured at amortised cost:		
Bank deposits	<u>64,495</u>	<u>-</u>

7 Finance costs

	2023 \$	2022 \$
Interest on bank overdrafts and loans	124,610	21,543
Interest on convertible loan notes	4,180,651	-
Interest on lease liabilities	-	4,184
	<u>-</u>	<u>-</u>
Total interest expense	<u>4,305,261</u>	<u>25,727</u>

8 Other gains and losses

	2023 \$	2022 \$
Amounts written off current loans	(5,557,026)	(251,481)
Amounts written back to/(written off) non-current loans	-	(200,000)
	<u>(5,557,026)</u>	<u>(451,481)</u>

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Other gains and losses (Continued)

Other gains and losses relates to a loss on the convertible loan note with Ualet Inc.

9 Income tax expense

2022

\$

The charge for the year can be reconciled to the (loss)/profit per the income statement as follows:

	2023 \$	2022 \$
Loss before taxation	(17,085,724)	(18,676,405)
Expected tax credit based on a corporation tax rate of 24.00% (2022: 19.00%)	(4,100,574)	(3,548,517)
Effect of expenses not deductible in determining taxable profit	155,086	38,000
Unutilised tax losses carried forward	3,326,003	5,030,445
Effect of overseas tax rates	501,799	(2,043,375)
Foreign exchange differences	117,686	523,447
Taxation charge for the year	-	-

10 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2023 \$	2022 \$
In respect of:		
Financial assets - loans and receivables	5,557,026	451,481
Recognised in:		
Other gains and losses	5,557,026	451,481

11 Intangible assets

	Goodwill \$	Software \$	Total \$
Cost			
At 1 January 2022	6,385,486	163,636	6,549,122
At 31 December 2022	6,385,486	163,636	6,549,122
At 31 December 2023	6,385,490	163,640	6,549,130

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

11 Intangible assets

(Continued)

	Goodwill	Software	Total
	\$	\$	\$
Amortisation and impairment			
At 1 January 2022	-	41,652	41,652
At 31 December 2022	-	41,652	41,652
At 31 December 2023	-	41,650	41,650
Carrying amount			
At 31 December 2023	6,385,490	121,990	6,507,480
At 31 December 2022	6,385,486	121,984	6,507,470
At 31 December 2021	6,385,486	121,984	6,507,470

12 Property, plant and equipment

	Fixtures and fittings	Computers	Total
	\$	\$	\$
Cost			
At 1 January 2022	13,678	187,921	201,599
Additions	-	122,285	122,285
Disposals	-	(13,573)	(13,573)
At 31 December 2022	13,678	296,633	310,311
Additions	-	(22,220)	(22,220)
Disposals	-	(52,700)	(52,700)
At 31 December 2023	13,678	221,713	235,391
Accumulated depreciation and impairment			
At 1 January 2022	1,830	29,823	31,653
Charge for the year	1,530	88,372	89,902
At 31 December 2022	3,360	118,195	121,555
Charge for the year	-	99,183	99,183
Eliminated on disposal	-	(54,680)	(54,680)
At 31 December 2023	3,360	162,698	166,058
Carrying amount			
At 31 December 2023	10,318	59,015	69,333
At 31 December 2022	10,318	178,438	188,756

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

12 Property, plant and equipment (Continued)

Property, plant and equipment includes right-of-use assets, as follows:

Right-of-use assets	2023	2022
	\$	\$
Net values at the year end		
Computers	53,235	98,498
	<u> </u>	<u> </u>
Total additions in the year	-	118,198
	<u> </u>	<u> </u>
Depreciation charge for the year		
Computers	45,264	19,700
	<u> </u>	<u> </u>

13 Subsidiaries

Details of the company's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Principal activities	Class of shares held	% Held	
				Direct	Indirect
Miflink S.A.P.I de C.V.	Mexico	Consultancy and professional assistance	Ordinary	99.99	-
Flink S.A.P.I de C.V.	Mexico	Technological financial services	Ordinary	99.60	-
Flink Services S.A.de C.V.	Mexico	Financial services	Ordinary	99.99	-
Miflink Advisors Independiente S.C.	Mexico	Advisory	Ordinary	-	100.00

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

14 Financial risk management

The risks of the Group, resulting from operations, include credit risk, liquidity risk and currency risk. The Group's risk management program generally seeks to minimize the potential negative effects of uncertainty in financial markets on financial performance of the Group.

Risk management, in line with policies approved by the Board of Directors, is carried out. According to the risk policy, financial risk is identified and assessed. By working together with the Group's operational units, relevant instruments are used to reduce the risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur financial loss. The financial instruments that potentially subjects the the Group to credit risks consist principally of bank balances and loans and receivables. the Maximum credit risk in the Group is limited to the amounts disclosed in the Group financial statements.

The Group's credit risk mainly arise from cash in bank, loan and trade receivables. The Group's exposure to credit risk arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these financial assets. The risk includes loss of principal, disruption to cashflows, and increased collection costs. The group's credit risk stems from the following:

Maximum credit risk

Type	Amount
Cash and cash equivalents	5,644,795
Trade and other receivables	7,102,272
Loans and receivables	8,200,000

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due and to close out market positions. At the end of the reporting period the group held cash and cash equivalent of \$5,644,795 that are expected to readily generate cash inflows for managing liquidity risk.

Foreign Currency Risk

The Group is exposed to currency risk primarily for transactions that are denominated in currencies other than the presentational currency of the Group to which they relate. The currencies giving rise to this risk is primarily Mexican Peso for the assets and liabilities of subsidiaries as at year end.

15 Trade and other receivables

	2023 \$	2022 \$
Amounts owed by subsidiary undertakings	615,000	-
Other receivables	107,280	4,279,583
Prepayments	182,690	2,822,689
	<u>904,970</u>	<u>7,102,272</u>

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

No significant receivable balances are impaired at the reporting end date.

17 Convertible loan notes

The net proceeds received from the issue of the convertible loan notes have been split between the financial liability element and an equity component, representing the fair value of the embedded option to convert the financial liability into equity as follows:

	2023 \$
Net proceeds of issue of convertible loan note	2,038,517
Equity component	-
	<u>2,038,517</u>
Liability component at date of issue	<u>2,038,517</u>

The liability component is measured at amortised cost, and the difference between the carrying amount of the liability at the date of issue and the amount reported in the statement of financial position represents the effective interest rate less interest paid to that date.

Movements and balance at the period end	Liability \$
Liability component at 31 December 2022	-
Issue of convertible loan notes	2,038,517
Interest charged	4,180,651
Redemption	(4,541,725)
	<u>1,677,443</u>
Liability component at 31 December 2023	<u>1,677,443</u>
Liability component due within 12 months	<u>1,677,443</u>

The equity component of the convertible loan notes has been credited to the equity reserve.

18 Trade and other payables

	Current 2023 \$	2022 \$	Non-current 2023 \$	2022 \$
Trade payables	450,623	587,538	-	-
Accruals	471,030	150,221	-	-
Social security and other taxation	66,300	-	-	-
Other payables	9,143,051	131,581	211,420	783,977
	<u>10,131,004</u>	<u>869,340</u>	<u>211,420</u>	<u>783,977</u>

FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

19 Lease liabilities

	2023	2022
	\$	\$
Maturity analysis		
In two to five years	-	100,360

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2023	2022
	\$	\$
Current liabilities	50,710	-
Non-current liabilities	24,880	100,360
	<u>75,590</u>	<u>100,360</u>

Amounts recognised in profit or loss include the following:

	2023	2022
	\$	\$
Interest on lease liabilities	-	4,184

20 Share capital

	2023	2022	2023	2022
	Number	Number	\$	\$
Ordinary share capital				
<i>Issued and fully paid</i>				
of 0.001p each	100,000	100,000	26	26
of 0.001p each	100,000	100,000	35	35
of 0.001p each	100,000	100,000	4	4
of 0.0001p each	1,000,000	1,000,000	1	1
of 0.001p each	100,000	100,000	3	3
of 0.001p each	2,049,332	2,049,332	26	26
	<u>3,449,332</u>	<u>3,449,332</u>	<u>95</u>	<u>95</u>

	2023	2022	2023	2022
	Number	Number	\$	\$
Preference share capital				
<i>Issued and fully paid</i>				
of 0.001p each	100,000	100,000	785,776	785,776

Preference shares classified as equity	8	8
Preference shares classified as liabilities	785,768	785,768
	<u>785,776</u>	<u>785,776</u>

Total equity share capital	<u>103</u>	<u>103</u>
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FLINK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

21 Share premium account

	2023 \$	2022 \$
At the beginning and end of the year	62,547,389	62,547,389

22 Currency translation reserve

	2023 \$	2022 \$
At the beginning of the year	18,059	(9,362)
Translation gain arising in the year	222,480	27,421
At the end of the year	240,539	18,059

23 Capital risk management

The Group monitors its level of capital which comprises of all components of equity.

The Group's objective when maintaining capital is to safeguard the Group's ability to continue as a going concern, so they can continue to provide returns for shareholders and stakeholders, and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The group is not subject to any externally imposed capital requirements.

24 Events after the reporting date

During 2024, the directors sold the subsidiaries to Webull Holdings (Singapore) Pte. Ltd for a total consideration of \$17,000,000.

26 Cash absorbed by operations

	2023 \$	2022 \$
Loss before income tax from:		
Continuing operations	(18,352,378)	(18,360,717)
Loss for the year before income tax	(18,352,378)	(18,360,717)
Adjustments for:		
Depreciation and impairment of property, plant and equipment	97,185	89,902
Foreign exchange gains on cash equivalents	456,949	(288,265)
Other gains and losses	(2,474)	-
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(3,523,661)	155,214
(Decrease)/increase in trade and other payables	10,861,631	174,589
Cash absorbed by operations	(3,415,426)	(18,888,883)

FLINK HOLDINGS LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2023**

	Notes	2023 \$	2022 \$
Non-current assets			
Investments		-	17,000,000
Current assets			
Trade and other receivables	29	615,000	970,986
Cash and cash equivalents		240,696	2,077,278
Assets held for sale	30	17,000,000	-
		17,855,696	3,048,264
Current liabilities			
Trade and other payables	32	5,779,800	205,627
Convertible loan notes	31	1,677,443	-
		7,457,243	205,627
Net current assets		10,398,453	2,842,637
Non-current liabilities			
Trade and other payables	32	-	500,000
Net assets		10,398,453	19,342,637
Equity			
Called up share capital	33	103	103
Share premium account		62,547,389	62,547,389
Retained earnings		(52,149,039)	(43,204,855)
Total equity		10,398,453	19,342,637

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's loss for the year was \$8,944,184 (2022 - \$19,954,200 loss).

The financial statements were approved and signed by the director and authorised for issue on 12/11/2025


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Mr S J Amozurrutia
Director

Company registration number 13077708 (England and Wales)

FLINK HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Share premium account	Retained earnings	Total
	\$	\$	\$	\$
Balance at 1 January 2022	103	62,547,389	(23,250,655)	39,296,837
Year ended 31 December 2022:				
Loss and total comprehensive income	-	-	(19,954,200)	(19,954,200)
Balance at 31 December 2022	103	62,547,389	(43,204,855)	19,342,637
Year ended 31 December 2023:				
Loss and total comprehensive income	-	-	(8,944,184)	(8,944,184)
Balance at 31 December 2023	103	62,547,389	(52,149,039)	10,398,453

FLINK HOLDINGS LIMITED

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

		2023		2022	
	Notes	\$	\$	\$	\$
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	34	4,991,450		(18,306,673)	
Net cash inflow/(outflow) from operating activities		4,991,450		(18,306,673)	
Investing activities					
Repayment of loans		(1,109,900)		-	
Impairment of investment in subsidiaries		(3,214,924)		-	
Net cash used in investing activities		(4,324,824)		-	
Financing activities					
Issue of convertible loans		2,038,517		-	
Repayment of convertible loans		(4,541,725)		-	
Net cash used in financing activities		(2,503,208)		-	
Net decrease in cash and cash equivalents		(1,836,582)		(18,306,673)	
Cash and cash equivalents at beginning of year		2,077,278		20,383,951	
Cash and cash equivalents at end of year		240,696		2,077,278	

FLINK HOLDINGS LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

26 Accounting policies

Company information

Flink Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is 5 New Street Square, London, EC4A 3TW. The company's principal activities and nature of its operations are disclosed in the directors' report.

26.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The financial statements are prepared in US\$, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest \$

The company applies accounting policies consistent with those applied by the group. To the extent that an accounting policy is relevant to both group and parent company financial statements, please refer to the group financial statements for disclosure of the relevant accounting policy.

26.2 Going concern

The financial statements have been prepared on a basis other than going concern as per the explanation given in the basis of preparation note.

27 Critical accounting estimates and judgements

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

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Valuation of Investments in Subsidiaries

The Company conducts impairment reviews of investments whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable, or tests of impairment annually in accordance with the relevant accounting standards. Determining whether an asset is impaired requires an estimation of recoverable amount. The Company determined the recoverable amount based on the actual sales price of the investments post year end.

28 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	-	-

FLINK HOLDINGS LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

29 Trade and other receivables

	2023	2022
	\$	\$
Amounts owed by subsidiary undertakings	615,000	970,986

30 Assets and liabilities classified as held for sale

	2023	2022
	\$	\$
Investments in subsidiaries	17,000,000	-

In October 2023, the board entered into a Sale and Purchase Agreement to dispose of one of the subsidiaries, Miflink S.A.P.I de C.V., a company incorporated under the laws of Mexico. Under IFRS 5, these operations meet the held for sale classification criteria, with the exception of the sale expected to be completed within one year from the date of classification, and are presented separately in the statement of financial position.

Flink Holdings Ltd is committed to a plan to sell Miflink S.A.P.I de C.V. in its present condition and classifies the investment as held for sale at this date. However, the Mexican authorities need to approve the change in control. This necessary Mexican regulatory approval has therefore extended the period required to complete the sale beyond one year. This delay qualifies as an event beyond Flink Holdings Ltd's control and there is sufficient evidence that the entity remains committed to its plan to sell the asset.

31 Convertible loan notes

The net proceeds received from the issue of the convertible loan notes have been split between the financial liability element and an equity component, representing the fair value of the embedded option to convert the financial liability into equity as follows:

The liability component is measured at amortised cost, and the difference between the carrying amount of the liability at the date of issue and the amount reported in the statement of financial position represents the effective interest rate less interest paid to that date.

The effect rate of interest is 8%.

Movements and balance at the period end	Liability \$
Liability component at 31 December 2022	-
Issue of convertible loan notes	2,038,517
Interest charged	4,180,651
Redemption	(4,541,725)
Liability component at 31 December 2023	1,677,443
Liability component due within 12 months	1,677,443

The equity component of the convertible loan notes has been credited to the equity reserve.

FLINK HOLDINGS LIMITED

NOTES TO THE COMPANY FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

32 Trade and other payables

	Current		Non-current	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade payables	94,803	86,883	-	-
Accruals	184,997	118,744	-	-
Other payables	5,500,000	-	-	500,000
	<u>5,779,800</u>	<u>205,627</u>	<u>-</u>	<u>500,000</u>

33 Share capital

Refer to note 20 of the group financial statements.

34 Cash generated from/(absorbed by) operations

	2023	2022
	\$	\$
Loss for the year before taxation	(8,944,184)	(19,954,200)
Adjustments for:		
Finance costs	4,180,651	-
Impairment of investment in subsidiaries	3,214,924	-
Other gains and losses	1,109,900	-
Movements in working capital:		
Decrease in trade and other receivables	355,986	986,900
Increase in trade and other payables	5,074,173	660,627
Cash generated from/(absorbed by) operations	<u>4,991,450</u>	<u>(18,306,673)</u>