AIQ LIMITED

(incorporated and registered under the Companies Law (as revised) of The Cayman Islands and registered number 327983.)

Annual Report and Consolidated Financial Statements

For the year ended 31 October 2024

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STRATEGIC REPORT – CHAIRMAN'S STATEMENT

During the year, we continued to face challenges in our markets as the environment for non-fungible tokens ("NFTs") and other blockchain-based projects remained under pressure. This was compounded by the difficult economic conditions experienced globally. Accordingly, we decided to shift our strategic focus to sourcing IT services in alternative sectors. While we experienced some interest in our IT consultancy, relatively fewer projects were won due to the longer sales cycle of these contracts. Consequently, the level of revenue associated with these projects was low, albeit we generated higher revenue than in the previous year thanks to the gaming app project that we won in FY 2023 and completed in the year under review. Importantly, we continued to maintain tight cost control and further reduced our overall administrative expenditure by over 20% compared with the previous year.

Today, our focus is on providing IT consultancy to supply digital infrastructure and platforms. In particular, we are targeting the Asian, Australasian and Middle Eastern markets to leverage the relationships we have with established partners. While we are hopeful of securing contracts in this area – and are currently having exploratory discussions regarding a potential data centre project – it is very difficult to forecast with any certainty in the current climate.

Accordingly, the Board continues to closely monitor the cash position and is keeping all its strategic options open in assessing how best to deliver shareholder value.

On behalf of the Board, I would like to thank all of our shareholders for their continued support and we hope to be able to provide an update on progress in due course.

Harry Chathli

Harry Chathli
Non-Executive Chairman
25 February 2025

STRATEGIC REPORT – EXECUTIVE DIRECTOR'S STATEMENT

Below I review the Group's operational and financial performance for the year ended 31 October 2024.

Operational Review

During the year to 31 October 2024, AIQ completed the delivery of a project to develop a gaming application. The Group assisted the customer with the concept for the video game app and its technical development. In this project, the Group performed the role of project manager and subcontracted the technical delivery (such that the net benefit to the Group is the margin earned on the contract).

In addition, the Group undertook a consulting project whereby it advised a customer in Hong Kong on the feasibility of operating an e-commerce platform, based on a mass affiliate programme, focusing on the food & beverage industry. The Group delivered this project directly (as opposed to performing the role of project manager), leveraging its previous experience with its OctaPLUS platform, and, accordingly, it carried a higher gross margin than the other projects undertaken.

Financial Review

Revenue for the year to 31 October 2024 was £304,233 for continuing operations, compared with £207,209 for the previous year. The revenue was primarily based on a project taken on to develop a gaming application representing 87% of the total revenue for the year. The Group assisted the customer with the concept for the video game app and its technical development.

The Group recognised a gross profit of £230,589 compared with £133,509 for the previous year from continued operations. This reflects the higher revenue and higher margins with lower staff costs directly engaged on projects.

The operating loss for the Group was reduced to £269,417 (2023: £499,354 loss). This comprised £267,656 (2023: £478,201) for continuing operations and £1,761 (2023: £23,079) for discontinued operations. Administrative expenses were lower at £470,392 for all operations (2023: £605,884). The reductions were across the board reflecting particularly the lower staff numbers and the general scale down in operations within the Group.

The loss per share for continuing operations was 0.4 pence (2023: 0.8 pence loss per share).

The Group had cash and cash equivalents of £44,356 at 31 October 2024 (31 October 2023: £135,445). The Group's convertible loan note facility remains in place and the loan notes have been reclassified from non-current liabilities in the previous year to current liabilities as extension terms were finalised post year end. In addition, during the year, the Group secured an interest-free unsecured loan, repayable on demand, from Li Chun Chung, a Director of the Company, amounting to £147,309 as at 31 October 2024, and, which post year end, was extended by c. £170,000. The loan note holders have confirmed to the Company that they do not intend to convert, and do not expect repayment of, the loan notes in the next 12 months from the approval of these financial statements.

Key Performance Indicators

The following key performance indicators ("KPIs") have been selected as the most appropriate measures of strategy execution for the Group. The Directors review the KPIs on an ongoing basis to ensure they remain relevant:

- Revenue

  Reflects the element of billings generated and recognised during the period from all operations and measures the Group's overall performance at a sales level. Revenues for the year to 31 October 2024 for continuing operations totalled £304,233 (2023: £207,209). The increase in revenues was largely due to a project taken on to develop a gaming application representing 87% of the total revenue for the year. The Group assisted the customer with the concept for the video game app and its technical development.

- Pipeline sales

  The Group tracks the number of qualified sales opportunities (that is, the prospective buyer has a credible intent to purchase) and projected sales value. As the Group is at an early stage in the development of its business, the number of new opportunities is an important indicator of the potential success of its strategy. The projected sales value represents the health of that pipeline. As at the date of the signing of these financial statements, the Group's pipeline is larger in value than at the same point in the prior year, but continues to be based on a very small number of potential projects.

- Administrative expenses

  *Indirect expenditure on running the business, which reflects cost effectiveness and cost management and which is of key importance while the Group is developing its revenue streams. Administrative expenses for the year for continuing and discontinued operations were lower at £*470,392 *(2023: £605,844).*

- Cash

  The Group's cash balance provides a measure of the Group's financial strength and self-sufficiency to support operations while revenue streams are still in development. As at year end, cash and cash equivalents were £44,356 (31 October 2023: £135,445), which reflects the Group's losses.

Going Concern

The Group incurred losses of £273k during the year and experienced operating cash outflows of £240k. As at 31 October 2024, the Group had net current liabilities of £749k and cash of £44k. The Group's cash position was approximately £73k at 31 January 2025.

In assessing whether the going concern assumption is appropriate, the Directors take into account all available information for the foreseeable future, in particular for the 12 months from the date of approval of the financial statements. This information includes management prepared cash flows forecasts for the Group.

The Directors have assessed that to meet its forecasted cash requirements, the Group is dependent on cash generated from the new revenue contracts, continued support from the directors and loan note holders and/or obtaining further funding in the form of debt/equity. The Group is currently bidding for new revenue contracts, evaluating different options of fund raising and the loan note holders have confirmed a further extension of maturity. The Directors believe that the actions required to maintain the going concern position of the Group can be achieved as successfully demonstrated in the past. As a result, the Board continues to adopt the going concern basis of accounting in preparing the financial statements.

The uncertainty around management estimation of winning new revenue contracts and/or obtaining additional funding gives rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the auditors make reference to going concern by way of material uncertainty within their audit report.

Principal Risks and Uncertainties

The Directors consider the principal risks and uncertainties facing the Group and a summary of the key measures taken to mitigate those risks are as follows:

Financial

The key financial risk is that of funding the continued development of the business with the current cash reserves whilst protecting shareholder value. The Board manages this risk by maintaining close oversight of the cash position to enable it to take action as necessary. Taking its cash position into account and the forecasts and projections, as well as possible mitigating actions available to the Group, the Directors are satisfied that the Company and the Group has adequate resources to continue in operational existence for the foreseeable future and for a period of not less than 12 months from the date of signing the financial statements. Further discussion of the Group's financial risk management can be found in Note 22 to the financial statements.

Competition

The success of the Group is dependent on its ability to secure and deliver IT consultancy projects. The key risk to these activities is competition from other IT service providers, which may prevent the Group from winning business and/or result in pricing pressure.

The Group manages this risk through its business development and product functions tracking the activities of its competitors and this insight is used by management to quickly adapt the go-to-market strategy. The Group always seeks to differentiate itself from the competition and has increased its focus on product marketing, pricing and packaging to support this. In addition, the Group intends to continue to enhance its service provision and product portfolio through a mix of internal development, forming partnerships and making acquisitions.

Suppliers

Another key operational risk is non-supply by a major supplier. Some of the Group's technical infrastructure and software is sourced from third-party suppliers and partners. The removal from the market of one or more of these third-party suppliers or interruption in supply could quickly and adversely affect the Group's operations and result in the loss of revenue or additional expenditure. To mitigate this risk, the Group's business development and management teams work strategically to prevent over reliance on any one key supplier. Suppliers are carefully selected to minimise risk of supplier failure or insolvency and the Group ensures that team members are aware of supplier requirements or restrictions to minimise the risk of loss of a supplier due to a breach of contractual obligations. In addition, the Group is seeking to form business partnerships to enhance its offerings but also help to ensure its 'production capability'.

People

The key risk to the Group's ability to deliver IT consultancy projects is ineffective succession planning and failure to retain skills. The Group operates in very competitive markets and the skills that its employees possess are attractive to other employers. Not having the right people and skills could negatively impact the Group's ability to service its customers and grow the business. It is important that the Group maintains high levels of employee engagement to ensure that it is able to retain and attract the best talent. Employee engagement is monitored along with attrition rates in order to identify issues and, where necessary, take restorative action.

Task Force on Climate-Related Financial Disclosures

The disclosure framework that was created by the Taskforce on Climate-related Financial Disclosures ("TCFD") is structured around four thematic areas that are core to how organisations operate: governance, strategy, risk management and metrics and targets. There are 11 recommended disclosures under these four themes that support the building of transparent and accurate reporting, the management of risk and a strategic planning approach that takes into consideration climate-related issues.

Below the Group has provided certain disclosures in accordance with the TCFD framework. Based on the very limited nature of the Group's operations during the period under review, the very limited resources at the Group's disposal and the very difficult market environment, which challenged the Group's newly adopted strategy, climate change was not considered a principal risk or uncertainty for the year ended 31 October 2024. For these reasons, the Group has not made full disclosures in line with the recommendations and recommended disclosures of the TCFD.

Should conditions improve and operations scale up in future years, the Board is committed to enhancing the Group's processes to consider its impact on the environment and the risks it faces, and opportunities provided by, climate change and to making fuller disclosures in the annual report for the year ending 31 October 2025. If resources allow, the Board would also engage specialist ESG consultants to support this endeavour. Should the markets not turn favourable in the near-term, as noted in the Chairman's Statement, the Board is keeping all its strategic options open, and would seek to incorporate climate-related planning into that process as applicable.

Governance and risk management

- Based on the limited nature of the Group's operations, all risks and opportunities are assessed and managed together – rather than a separate process for climate-related matters. Management is responsible for day-to-day and operational risk assessment and management, and will raise key risks and opportunities with the board who will then monitor as required.
- As described above, climate change was not regarded as a key risk or opportunity in the year under review, but the Board is committed to enhancing its processes – including introducing a more formalised risk management process – and making full disclosures, commensurate with the size of its operations, in the annual report for the year ending 31 October 2025.

Strategy

- For the year under review and to date, climate-related risks and opportunities have not been considered material to the Group's strategy, business or financial planning. The Board acknowledges that as an IT solutions provider to digital-based industries, floods, storms and extreme heat threaten the resilience of the digital infrastructure that the Group relies on to deliver its services. In addition, supplier energy price rises could impact the Group's margins and those of its customers, which could reduce the market appetite. However, based on the Group's current status, and the challenges that its strategy has faced, these climate-related risks are not currently material.
- The Group has not conducted climate-related scenario analysis. The Board does not expect to be in a position to be able to meaningfully do this in the current financial year, but should the Group's prospects improve and its strategy and business become stabilised, it would appoint ESG consultants to advise on this topic to be able to make the requisite disclosures in the annual report for the year ending 31 October 2025.

Metrics and Targets

- Given the very limited nature of its operations and resources during the year under review, it has not been practical to measure the Group's greenhouse gas ("GHG") emissions. The Group has also not adopted metrics to measure climate-related risks and opportunities and, accordingly, cannot set targets.
- As a specialist area, an ESG consultant would be appointed when resources allow to assist in measuring the Group's GHG emissions as well as advise on appropriate metrics and targets for climate-related risks, opportunities and performance measurement.

Li Chun Chung
Executive Director
25 February 2025

DIRECTORS' REPORT

The Directors present their report on the Group, together with the audited consolidated financial statements of the Group, for the year ended 31 October 2024.

Principal activities

The principal activity of the Group is an information technology (IT) solutions provider, currently focused on the provision of IT consultancy in Asia.

Results and dividends

The results of the Group are set out in detail in the financial statements.

The Directors do not propose to recommend a dividend for the year ended 31 October 2024. Given the losses incurred to date, it is unlikely that the Board will recommend a dividend in the near term.

Business review and future developments

Details of the business activities and developments made during the period can be found in the Strategic Report.

Financial instruments and risk management

Disclosures regarding financial risk are provided within the Strategic Report and Note 22 to the financial statements.

Capital structure and issue of shares

Details of the Company's share capital are set out in Note 18 to the financial statements. The Company has one class of ordinary shares, which carry no right to fixed income.

Post balance sheet events

On 17 February 2025, the strike off process to dissolve Alchemist Codes Sdn Bhd, a former subsidiary of the Company, was completed.

The Company secured interest-free unsecured loans, repayable on demand, from Li Chun Chung, a Director of the Company, amounting to c. £170k.

The Company agreed with the loan note holders to extend the maturity of the Company's convertible loan note facility to 31 January 2027.

Directors

The Directors of the Company who have served during the year and to the date of this report (unless otherwise stated) are:

Director	Role	Date of appointment	Board Committee
Harry Chathli*	Independent Non-Executive Chairman	09/01/2018	N/A/R
Dwight Mighty	Independent Non-Executive Director	06/10/2022	N/A/R
Charles Yong Kai Yee	Executive Director	26/03/2020	
Li Chun Chung	Executive Director	30/12/2020	

** Assumed the role of Chairman of the Company on 6 October 2022, having previously been a Non-Executive Director*
Board Committee abbreviations: N = Nomination Committee; A = Audit Committee; R = Remuneration Committee

The Board comprises two executive and two non-executive directors. Details of the current Directors are:

Harry Chathli, Independent Non-Executive Chairman

Mr Chathli is a capital markets specialist with significant experience in advising global companies, organisations and government agencies. Currently, he is a director of Gracechurch Group, an independent communications consultancy, and a number of early-stage businesses.

For over 25 years he has been advising public companies listed on the London Stock Exchange's Main Market and on AIM as well as on NASDAQ and other international bourses. This includes working on international M&A deals, IPOs, MBOs, crisis communications as well as financial PR starting in 1998 at Brunswick Group, a global partnership advising on business critical issues to companies worldwide. In 2004, he established a financial PR company, Corfin, which was acquired by Luther Pendragon in 2011. After eight years at Luther, he conducted an MBO to set up the company now trading as Gracechurch Group. Prior to his career in financial PR, Harry worked for Adam Smith International, a global advisory and consulting business, advising governments in emerging nations with their economic reform policies.

Li Chun Chung, Executive Director

Mr Li has over 20 years' experience in assisting companies with their strategic growth. As an experienced investment consultant and Certified Financial Planner, he began his career working for several financial planning and wealth management consultancies based in Hong Kong. Since 2016, Mr Li has provided business advisory and mentorship services to companies across a range of industries related to e-commerce and digital business primarily in Australia and China. This includes helping companies prepare for the public market; overseeing development such as through business model construction and optimisation, company reorganisation and recruitment; fundraising; and assisting with establishing a digital business presence.

Charles Yong Kai Yee, Executive Director

Charles Yong Kai Yee is Chief Executive Officer and Founder of Alchemist Codes. He founded Alchemist Codes in 2018 and his initial efforts were focused around the development of an enterprise messaging applications for corporate users. Prior to founding Alchemist Codes, Charles was the lead developer of MM Intelligence Technology Sdn Bhd where he headed a CMS system project and was responsible for managing and leading a team of mobile and backend developers and performing Research & Development on related new technologies. In 2012, Charles was the Senior Design Engineer at Itrimech Technology (M) Sdn Bhd where he was actively involved in leading and delivering large scale Internet of Things applications for multiple institutions and corporations in Malaysia, including Taylor University and Sunway Group. Charles obtained a Bachelor's degree in Engineering with First Class Honours in Electrical Engineering from the University of Bradford, UK.

Dwight Mighty, Independent Non-Executive Director

Mr Mighty holds an MBA in Finance from Henley Management College and is an Associate of the Chartered Institute of Bankers in England. Dwight specialises in private company and private equity advisory, with a focus of the leisure/sport and media sectors. He has spent over 15 years in the private equity sector, latterly as a senior director with Gresham Private Equity and prior to this with HSBC Private Equity. He was one of the founders of AIM-listed company, TLA Worldwide plc, a sports marketing and management business, where he was Chief Operating Officer until 2019.

Directors' interests in shares

Directors' interests in the shares of the Company as at 31 October 2024 and as at the date of this report are disclosed below. There are no requirements for Directors to hold shares in the Company.

Director	Ordinary Shares held	% held
Harry Chathli	-	-
Charles Yong Kai Yee	1,679,755	2.59
Li Chun Chung	1,425,500	2.20
Dwight Mighty	-	-

In addition, Li Chun Chung holds convertible loan notes worth £250,000. If converted, based on the Company's share price prevailing as at 24 February 2025, being the last practicable date prior to the signing of the financial statements, Li Chun Chung would be issued with 6,250,000 ordinary shares, which would result in his shareholding increasing to 7,675,500 ordinary shares, representing 11.9% of the Company's enlarged issued share capital. Further details on the loan notes can be found in Note 21 to the financial statements.

Substantial interests

Except as referred to below, the Directors are not aware of any person who, as at 20 February 2025, was interested in 3% or more of the issued share capital of the Company or could directly or indirectly, jointly or severally, exercise control.

Name	Number of ordinary shares	Percentage of issued share capital
GBS Infinity Holding Ltd[1]	11,766,650	18.17
ML Infinity Holding Ltd[2]	11,766,650	18.17
Soctech Capital Fund[3]	8,398,876	12.97
Securities Services Nominees Ltd	6,417,017	9.91
James Brearley Crest Nominees Ltd	3,025,500	4.67

[1] GBS Infinity Holding Ltd is wholly and beneficially owned by Soon Beng Gee. In addition, Soon Beng Gee holds convertible loan notes worth £125,000, which if converted as at 24 February 2025, would result in him being issued with 3,125,000 ordinary shares, bringing his total holding to 14,891,650 ordinary shares representing 23.0% of the Company's enlarged issued share capital.

[2] ML Infinity Holding Ltd is wholly and beneficially owned by Lee Chong Liang. In addition, Lee Chong Liang holds convertible loan notes worth £125,000, which if converted as at 24 February 2025, would result in him being issued with 3,125,000 ordinary shares, bringing his total holding to 14,891,650 ordinary shares representing 23.0% of the Company's enlarged issued share capital.

[3] Soctech Capital Fund is wholly and beneficially owned by Teon Tiek Wah, who, combined with holdings in his own name, has a total interest in the Company of 8,786,516 ordinary shares representing 13.57% of the Company's issued share capital.

Donations

No political or charitable donations have been made in the period.

Provision of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no information relevant to the audit of which the Company's auditors are unaware; and
- each Director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

Independent auditors

A resolution for the appointment of PKF Littlejohn LLP as auditor of the Company is to be proposed at the next Annual General Meeting.

Duty to promote the success of the Company

The likely consequences of any decisions in the long-term

In making its decisions, the Board considers its priority of making the Group profitable alongside the interests of its staff and the need to keep pace with market initiatives and technological changes so the business is appropriately positioned to take best advantage of market conditions and remain viable for the long-term.

Engagement with employees

The Group's policy is to consult and engage with employees, by way of meetings and through personal contact by Executive Directors and other senior executives, on matters likely to affect employees' interests. Information on matters of concern to employees is given in meetings, handouts, letters and reports, which seek to achieve a common awareness on the part of all employees on the financial and economic factors affecting the Group's performance. Management maintains oversight of their performance through a development review process. The Group values employees' thoughts and ideas and two-way communication is actively sought and encouraged.

Business relationships with customers, suppliers and others

The Group's customers, suppliers and business partners are key to the long-term success of the business. The Group seeks to maintain and grow its relationships with all parties through regular dialogue as a means of enhancing its reputation and to help achieve its growth ambitions. The Group sets out its relationship with business partners in terms of business or service level agreements. The Group maintains oversight of these arrangements as well as making sure customers receive appropriate levels of feedback.

The impact of the Company's operations on the community and environment

AIQ seeks to be a responsible member of its community and take its environmental impact into account.

The desirability of the Company maintaining a reputation for high standards of business conduct

The Group communicates with shareholders through financial results on a yearly and half-yearly basis. The Group also provides the required press releases to ensure compliance with the UK Listing Rules.

Annual General Meeting

The Company will issue notice of its Annual General Meeting for 2025 in due course.

Signed by order of the Board

Li Chun Chung
Executive Director
25 February 2025

CORPORATE GOVERNANCE REPORT

The Board of AIQ Limited considers sound governance to be a critical component of the Company's success and understands that it is the Board's job to ensure that, through good decision-making, the Company is managed for the long-term benefit of all its stakeholders.

The Board has endeavoured to establish financial controls and reporting procedures that are appropriate given the size, early stage and structure of the Group. The Board reviews these controls regularly and adjusts as required.

The Board meets regularly throughout the year (either in person or by video conference call). Additionally, special meetings will take place or other arrangements will be made when Board decisions are required in advance of regular meetings.

During the year ended 31 October 2024, a total of 11 Board meetings were held. All Directors were in attendance at these meetings, either in person or by video conference call, except for two meetings where Charles Yong Kai Yee was absent, two meetings where Li Chun Chung was absent and one meeting where Harry Chathli was absent.

Corporate Governance Code

The Company is not required to adopt the UK Corporate Governance Code (the "Code"), as a company with a listing on the Equity Shares (Transition) category of the Official List. The Company has not adopted the Code, but has chosen to follow certain guidelines of the Code that the Directors consider are appropriate for the size of the Group at present.

The corporate governance structures and practices will be kept under review and communicated to shareholders as changes are required and made.

The Directors consider each of Harry Chathli and Dwight Mighty to be independent. Whilst the business has been at early stage, it has not been considered appropriate to appoint a full-time FD/CFO.

The Board has an audit committee, remuneration committee and nomination committee with formally delegated duties and responsibilities, as described below.

Board of Directors

The Board is responsible for formulating, reviewing and approving the Group's strategy, budgets and corporate actions.

In accordance with the early stage of the Group's development, the Board conducts an informal evaluation of its performance, which includes identifying the Board's ability to assess the operating environment, think strategically and adapt as necessary. As the Group develops and its operations expand, the Board intends to adopt a more comprehensive and formal performance evaluation process.

It is the responsibility of the Chairman and the Company Secretary to ensure that Board members receive sufficient and timely information regarding corporate and business issues to enable them to discharge their duties.

The Board considers that there is an appropriate balance between the Executive and Non-Executive Directors and that no individual or small group dominates the Board's decision making. The Board's members have a wide range of expertise.

The Company requires each Director to devote as much time to their duties and responsibilities as is necessary to conduct those duties and responsibilities on behalf of the Company. Li Chun Chung, Executive Director, is full-time and the Non-Executive Directors provide their services on a part-time basis. Charles Yong Kai Yee, Executive Director, was full-time until June 2021 and subsequently provides his services on a part-time basis as required.

Ensuring that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Directors also expect to receive technical updates, compliance and governance training as needed by attending courses and relevant events to stay up to date in terms of regulatory changes and technological developments.

The Directors bring a diverse range of skills and capabilities based on their experience across different industries and geographies. The Board appreciates the importance of gender diversity and would look to address this at the appropriate time.

The Board is satisfied that, between the Directors, it has an appropriate balance of up-to-date skills and experience for the Group's stage of development. Additional experience will be added as and when it is considered necessary. Biographical details of the Directors are included in the Directors' Report above.

Board and executive management diversity

The Company's compliance with the UK Listing Rules with regards to Board and executive management diversity as at 31 October 2024 was as follows:

Target	Complied	Explanation
At least 40% of the Board directors are women	No	The Company has always maintained a small Board and which has not included female directors. Based on the Company's stage of development and its financial position, the Board is not seeking to add to its members at this time. The Board recognises the importance of gender diversity and will seek to address gender balance at the appropriate time.
At least one of the senior Board positions (Chair, CEO, Senior Independent Director or CFO) is held by a woman	No	(See above.)
At least one member of the Board is from a minority ethnic background (as defined by the UK Listing Rules)	Yes	All of the Directors are from minority ethnic backgrounds.

As required under UK Listing Rules, the breakdown of the gender identity and ethnic background of the Company's Directors and executive management as at 31 October 2024 is set out in the tables below. Given the small size of the Board and executive management team, each Director and executive manager was asked directly to compile this data.

Gender identity	No. of board members	% of the board	No. of senior positions on the board*	No. in executive management	% of executive management
Men	4	100	1	2	100
Women	-	-	-	-	-
Not specified/prefer not to say	-	-	-	-	-

Ethnic background	No. of board members	% of the board	No. of senior positions on the board*	No. in executive management	% of executive management
White British or other White (including minority-white groups)	-	-	-	-	-
Mixed/Multiple ethnic groups	-	-	-	-	-
Asian/Asian British	3	75	1	2	100
Black/ African/ Caribbean/ Black British	-	-	-	-	-
Other ethnic group	1	25	-	-	-
Not specified/prefer not to say	-	-	-	-	-

* Chair, CEO, CFO, Senior Independent Director

Appointment, removal and re-election of Directors

The Board makes decisions regarding the appointment and removal of Directors, and there is a formal procedure for appointments.

In accordance with the Company's Articles of Association, there is no requirement for Directors to retire from office by rotation.

There is a minimum requirement of two Directors who have the power to fill a vacancy on the Board, or to add another Board member.

All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense. In addition, the Directors have direct access to the advice and services of the Company Secretary.

Directors' responsibilities

The Board comprises two executive and two non-executive directors. All Directors bring a wide range of skills and international experience to the Board. The Non-Executive Directors may hold meetings without the Executive Directors present. The Non-Executive Chairman is primarily responsible for the working of the Board of the Company and oversight of Corporate Governance. The Executive Directors are primarily responsible for the running of the business and implementation of the Board's strategy and policy.

High-level strategic decisions are discussed and taken by the full Board. Investment decisions are taken by the full Board. Operational decisions are taken by the Executive Directors within the framework approved in the annual financial plan and within a framework of Board-approved authorisation levels.

The Board regulations define a framework of high-level authorities that map the structure of delegation below Board level, as well as specifying issues that remain the Board's preserve. The Board typically tries to meet at least each month (either in person or by conference call), with the Company Secretary in attendance, to consider a formal schedule of matters including the operating performance of the business and to review the Group's financial plan and business model.

It is the responsibility of the Chairman and the Company Secretary to ensure that Board members receive sufficient and timely information regarding corporate and business issues to enable them to discharge their duties.

Strategy and business model

The Group is focused on the provision of IT consultancy for the delivery of digital infrastructure and platforms. The Group is targeting the Asian, Australasian and Middle Eastern markets to leverage the relationships with its established partners. The Group performs the role of project manager for its contracts, with the technical delivery being subcontracted.

Meeting shareholders' needs and expectations

The Directors seek to build on a mutual understanding of objectives between the Company and its shareholders by offering meetings to discuss long-term issues and receive feedback, and issuing updates to the market as appropriate. The Board also seeks to use the Annual General Meeting to communicate with its shareholders, who are encouraged to attend, and to meet and ask questions of Directors and to discuss the development of the business.

The Company operates a website at www.aiqhub.com. The website contains details of the Company and its activities; regulatory announcements; interim financial statements, preliminary statements and Annual Reports.

Shareholder relations are managed primarily by the Chairman with the support of Gracechurch Group. The Board is also kept informed of shareholder views and concerns through its Financial Adviser, Guild Financial Advisory Limited.

Each of the Directors is available to meet with shareholders (in person or via video conference) if required to discuss issues of importance or concern.

Our stakeholders

Our key stakeholders include shareholders, suppliers, regulators and creditors. The principal ways in which their feedback is gathered are via one-to-one meetings and conversations with stakeholders with an open dialogue. In particular, shareholders may communicate directly with the Chairman and the Directors. In all cases, the Company's ethos is to act on feedback and to respond in a timely manner.

The Board does not support discrimination of any form, positive or negative, and all appointments are based solely on merit.

Risk management – Internal controls

In applying the principle that the Board should maintain a system of internal control to safeguard shareholders' investment and the Group's assets, the Directors recognise that they have overall responsibility for ensuring that the Group maintains systems to provide them with reasonable assurance regarding effective and efficient operations, internal control and compliance with laws and regulations and for reviewing the effectiveness of those systems. However, there are inherent limitations in any system of control and accordingly even the most effective system can provide only reasonable and not absolute assurance against material misstatement or loss, and that the system is designed to manage rather than eliminate the risk of failure to achieve the business objectives.

The key features of the internal control system are described below:

- *Financial controls*

The Board takes responsibility for reviewing and approving all financial budgets and business plans. These are reviewed and updated where necessary to reflect changes in the business environment or internal strategy changes.

The Group has implemented control procedures designed to ensure complete and accurate accounting for financial transactions and to limit the exposure to loss of assets and fraud.

The Board is supported by the Audit Committee in respect of its responsibilities to prepare financial reports to shareholders. This includes an assessment of the appropriateness of key accounting policies, internal controls and regulatory compliance.

- *Non-financial controls*

Non-financial controls are considered as important as financial controls and these encompass risk management and fraud, IT and business continuity, regulatory compliance, health and safety and corporate social responsibility.

The key elements of these non-financial controls are set out below:

- Control environment: the Group is committed to high standards of business conduct and there are also processes in place to provide Board oversight of business conduct.
- Risk identification: Management is responsible for the identification and evaluation of key risks applicable to their areas of business. These risks are assessed on a continual basis – however, a formal risk register is not currently maintained – and may be associated with a variety of internal and external sources, including investment risk and regulatory requirements.

The Audit Committee reviews the scope and scale of any non-audit services undertaken by the auditors in order to ensure that their independence and objectivity is safeguarded.

Market Abuse Regulations

The Board recognises the importance of complying with the Market Abuse Regulations (“MAR’’) relating to the disclosure of inside information and disclosure of deals by persons discharging managerial responsibilities (“PDMR”) and persons closely associated (“PCA”). The Company has adopted an appropriate share dealing policy.

Anti-Corruption and Bribery Policy

The Board recognises the importance of having and operating effective anti-corruption and bribery practices and safeguards.

The Group’s internal control processes are reviewed at least annually as a means of ensuring they remain fit for purpose as the business evolves.

Relations with shareholders

The Directors seek to build on a mutual understanding of objectives between the Company and its shareholders by being available to meet to discuss long-term issues and receive feedback. The Board also seeks to use the Annual General Meeting to communicate with its shareholders.

Fair, balanced and understandable assessment of position and prospects

The Board is committed to presenting fair, balanced and comprehensible assessments of the Group’s position and prospects. The Board has applied the principles of good governance relating to Directors’ remuneration as described below. The Board has determined that there are no specific issues that need to be brought to the attention of shareholders.

Board Committees

The Board maintains three standing committees, being the Audit, Remuneration and Nomination Committees. The minutes of all sub-committees are circulated for review and consideration by all relevant Directors, supplemented by oral reports from the Committee Chairmen at Board meetings.

Audit Committee

The Audit Committee comprises Dwight Mighty, who chairs the Committee, and Harry Chathli. The Committee held four meetings during the year ended 31 October 2024, which were held to approve the annual report for the period ended 31 October 2023 and interim report for the six months ended 30 April 2024 and for the purpose of discussing timing of the audit. Further details on the Audit Committee are provided below in the Report of the Audit Committee.

Remuneration Committee

The Remuneration Committee comprises Harry Chathli, who chairs the committee, and Dwight Mighty. There were two meetings of the Remuneration Committee held during the financial year. Further details on the Remuneration Committee are provided below in the Report of the Remuneration Committee.

Nomination Committee

The Nomination Committee comprises Harry Chathli, who chairs the Committee, and Dwight Mighty. There were no meetings of the Nomination Committee held during the financial year. Further details on the Nomination Committee are provided below in the Report of the Nomination Committee.

Report of the Audit Committee

The Audit Committee has written terms of reference and provides a mechanism through which the Board can maintain the integrity of the financial statements of the Group and any formal announcements relating to its financial performance; to review the Group's internal financial controls and its internal control and risk management systems; and to make recommendations to the Board in relation to the appointment of the external auditor, their remuneration both for audit and non-audit work, the nature, scope and results of the audit and the cost effectiveness, independence and objectivity of the auditors. Provision is made by the Audit Committee to meet the auditors at least twice a year.

The Group is reliant on the Audit Committee to perform various reporting requirements particularly with regards to the preparation of supporting accounting papers for audit purposes.

During the year, the Audit Committee reviewed, considered and agreed the scope and methodology of the audit work to be undertaken by the external auditors and fees and agreed the terms of engagement for the audit of the financial statements for the year ended 31 October 2024.

Significant matters considered by the Audit Committee during the year included the auditor's scope and methodology for the audit of the financial statements, in particular determining the areas at greatest risk of material misstatement (whether or not due to fraud or poor internal controls). This included consideration of risks that might impact results for the period, the going concern assessment, net assets at the end of the period and the disclosures in the financial statements.

Following the Audit Committee's recommendation, the Board considers the internal control system to be adequate for the Group. The Audit Committee reviews the scope and scale of the non-audit services undertaken by the auditors in order to ensure that their independence and objectivity is safeguarded. The Directors recognise the business will increase in complexity as it grows and they will review the internal control system to ensure it responds to any change.

Report of the Remuneration Committee

The Remuneration Committee monitors the remuneration policies of the Group to ensure that they are consistent with its business objectives. Its terms of reference include the recommendation and execution of policy on Director and executive management remuneration and for reporting decisions made to the Board. The Committee determines the individual remuneration package of the executive management of the Board.

The duties of the Committee are to:

- determine and agree with the Board the framework or broad policy for the remuneration of the Chairman, Executive Directors, Non-Executive Directors and any employees that the Board delegates to it;

- within the terms of the agreed policy, determine individual remuneration packages including bonuses, incentive payments, share options, pension arrangements and any other benefits;
- determine the contractual terms on termination and individual termination payments, ensuring that the duty of the individual to mitigate loss is fully recognised;
- in determining individual packages and arrangements, give due regard to the comments and recommendations of the Listing Rules;
- be told of and be given the chance to advise on any major changes in employee benefit structures in the Group; and
- recommend and monitor the level and structure of remuneration for senior managers below Board level as determined.

The Committee is authorised by the Board to:

- seek any information it requires from any employee of the Group in order to perform its duties;
- be responsible for establishing the selection criteria and then for selecting, appointing and setting the terms of reference for any remuneration consultants providing advice to the Committee, at the Group's expense; and
- obtain, at the Group's expense, outside legal or other professional advice where necessary in the course of its activities.

The Group's Remuneration Policy is designed to provide remuneration packages to motivate and retain high-calibre executives and to attract new talent as required. The Committee takes into account the principles of sound risk management when setting pay and takes action to ensure that the remuneration structure at AIQ Limited does not encourage undue risk. The Remuneration Policy is unaudited.

Executive Directors' fees

Purpose – a core element of remuneration, used to attract and retain executive directors of the calibre required to develop and deliver our business strategy.

Operation and opportunity – fees for executive directors are reviewed annually, although an out-of-cycle review may be conducted if the Remuneration Committee determines it appropriate. A review may not necessarily lead to an increase in fees.

Performance measures or basis of payment – whilst there are no formal performance measures to determine fee levels, general individual and business performance are taken into account. For the executive directors, changes to fees may be made under certain circumstances such as increase in the scope or responsibility of an individual's role.

Non-Executive Directors' fees

Purpose – core element of remuneration paid for fulfilling the relevant role.

Operation – non-executive directors receive a basic fee, paid quarterly in arrears, in respect of their board duties. Further fees may be paid for chairmanship or membership of board committees. Additional fees may be paid for travelling regularly from overseas to board and committee meetings. Non-executive directors are not eligible for annual bonus or other benefits. Expenses incurred directly in performance of non-executive duties for the Group may be reimbursed or paid directly on their behalf.

Opportunity – fees are set at a level which is considered appropriate to attract or retain non-executive directors of the calibre required by the Group. Fee levels are normally set by reference to amounts paid to non-executive directors serving on the boards of similar sized UK-listed companies, taking into account the size, responsibility and time commitment of the role.

Termination

The Executive Directors were appointed for a minimum period of twenty-four months, after which the service agreement may be terminated by either party giving not less than three months' prior written notice to the other party.

Each of the Non-Executive Directors were appointed for a minimum period of twelve months, after which the service agreement may be terminated by either party giving not less than three months' prior written notice to the other party.

There are no additional financial provisions for termination.

Annual remuneration

The remuneration of the Directors for the year ended 31 October 2024 was as follows:

	Year ended 31 October 2024 £	Year ended 31 October 2023 £
Executive Directors		
Li Chun Chung	19,320	19,320
Charles Yong Kai Yee	14,400	16,547
Non-executive Directors		
Harry Chathli	25,300	25,460
Dwight Mighty	25,300	24,753
	84,320	86,080

All of the above amounts comprised fees paid in accordance with each Director's service agreement. No pension contributions or other allowances were paid. None of the above remuneration was performance related. There are no additional financial provisions for termination.

None of the Directors were entitled to any other cash or non-cash benefits or pension entitlements. There were outstanding monies owed at the year end to directors of £12,216 (2023: £5,947).

Details of Directors' shareholdings are disclosed in the Directors' Report.

In addition to the remuneration above, other costs incurred in relation to services provided by related parties of Directors (as detailed in Note 24 on related party transactions) were as follows:

- A total of £36,170 (2023: £37,350) was paid during the year to Gracechurch Group for financial PR services, a company in which Harry Chathli and Dwight Mighty are directors and shareholders.
- A total of £18,000 (2023: £18,000) was paid to Ever Billions International Limited for general management services, a company in which Li Chun Chung is a director.

There were no outstanding monies owed in relation to services provided by related parties of directors at the year end (2023: £Nil).

Report of the Nomination Committee

The function of the Nomination Committee is to provide a formal, rigorous and transparent procedure for the appointment of new directors to the Board. In carrying out its duties, the Nomination Committee is primarily responsible for:

- identifying and nominating candidates to fill Board vacancies;
- evaluating the structure and composition of the Board with regard to the balance of skills, knowledge and experience and making recommendations accordingly;
- reviewing the time requirements of Non-Executive Directors;
- giving full consideration to succession planning; and
- reviewing the leadership of the Group.

As noted above, there were no meetings of the nomination committee during the year.

Signed by order of the Board

Li Chun Chung
Executive Director
25 February 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

The Directors of the Group are responsible for preparing the financial information in accordance with UK adopted internal accounting standards (IFRSs).

The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

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

Directors' Responsibility Statement Pursuant to Disclosure and Transparency Rules

The Directors confirm to the best of their knowledge:

- the financial statements have been prepared in accordance with IFRSs and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and
- the management 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.

Signed by order of the Board

Li Chun Chung
Executive Director

25 February 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIQ LIMITED

Opinion

We have audited the financial statements of AIQ Limited (the 'group') for the year ended 31 October 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 a summary of 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 affairs as at 31 October 2024 and of its loss for the year then ended; and
• have been properly prepared in accordance with UK-adopted international accounting standards.

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 3(c) in the financial statements, which indicates that the group is not currently generating substantial revenues and therefore an operating loss and operating cash outflows have been reported. New contract wins, cost management, continued support from the loan note holders and directors and/or further funding in the form of debt/equity are required to meet liabilities as they fall due. Whilst management are confident that these will occur and are in active discussions to secure new revenue contracts, there is no guarantee that these conditions will come to fruition within the required timelines. As stated in note 3(c), these events or conditions, along with the other matters as set forth in note 3(c), indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

• reviewing management's going concern memorandum and assessment and discussing with management the future strategic plans of the group and availability of funding;

• reviewing the cash flow forecasts covering at least twelve months from the date of approval of these financial statements and assessment thereof;

• obtaining corroborative supporting evidence for the key assumptions and inputs used in the cashflow forecast;

• performing a sensitivity analysis on the cash flow forecast prepared by management and challenging the reasonableness of the key assumptions and inputs included thereto;

• checking the mathematical accuracy of the cashflow forecast;

• performing look back assessment on the cashflow forecast provided during prior year against the actual performance to assess reasonableness of the management's estimation process;

• reviewing post balance sheet events as they relate to the Group's ability to raise funds; and

• reviewing the adequacy and completeness of disclosures in the financial statements.

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

Our application of materiality

For the purposes of determining whether the financial statements are free from material misstatement, we define materiality as a magnitude of misstatement, including omission, that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed, or influenced. We have also considered those misstatements including omissions that would be material by nature and would impact the economic decisions of a reasonably knowledgeable person based our understanding of the business, industry and complexity involved.

We apply the concept of materiality both in planning and throughout the course of the audit, and in evaluating the effect of misstatements. Materiality is used to determine the financial statements areas that are included within the scope of our audit and the extent of sample sizes during the audit.

We also determine a level of performance materiality which we use to assess the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

In determining materiality and performance materiality, we considered the following factors:

- our cumulative knowledge of the group and its environment;
- the change in the level of judgement required in respect of the key accounting estimates;
- significant transactions during the year;
- the stability in key management personnel; and
- the level of misstatements identified in prior periods.

The materiality and performance materiality for the significant components are calculated considering the same factors as for group.

Materiality for the financial statements was set at £12,800 (2023: £28,600). This was calculated as a percentage of loss before tax. Using our professional judgement, we have determined this to be the principal benchmark within the financial statements as the principal focus of the stakeholders is profitability as the group is currently undertaking activities to successfully implement its business strategy by closely monitoring costs.

Materiality for the significant components of the group ranged from £7,200 to £12,000 (2023: £15,900 to £27,000) calculated as a percentage of group materiality.

Performance materiality for the financial statements was set at £8,960 (2023: £20,000) being 70% of materiality for the financial statements as a whole. 70% is considered appropriate based on our assessment that there is low to medium risk that the financial statements could be materially misstated.

The performance materiality for the significant components is calculated on the same basis as group materiality.
We agreed to report to those charged with governance all corrected and uncorrected misstatements we identified through our audit with a value in excess of £640 (2023: £1,400) for the group. We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

No significant changes have come to light during the audit which required a revision to our materiality for the financial statements as a whole.

Our approach to the audit

Our audit is risk based and is designed to focus our efforts on the areas at greatest risk of material misstatement, being areas subject to significant management judgement as well as areas of greatest complexity and size. The scope of our audit was based on the significance of components' operations and materiality. Each component was assessed as to whether they were significant to the Group based on financial significance or risk.

The group includes the listed parent company, AIQ Limited, and its subsidiaries, Alchemist Codes Sdn Bhd ("Alchemist Codes") and Alcodes International Limited ("Alcodes"), with AIQ Limited and Alcodes being the significant components of the group due to identified risk and size. The group's accounting function is based in Hong Kong.

We performed full scope audit on the significant components. The work on all significant components of the group has been performed by us as group auditor. We have performed specific review procedures on the non-significant component.

In designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements, considering the structure of the group.

We considered those areas which were deemed to involve significant judgement and estimation by the directors, such as management's assessment of going concern. We also addressed the risk of management override of controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

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

In addition to the matter described in the Material Uncertainty Related to Going Concern section we have determined that there are no other key audit matter to be communicated in our report.

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. 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. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

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 obtained an understanding of the group and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, application of cumulative audit knowledge and experience of the sector.

We also selected a specific audit team based on experience with auditing entities within the information technology industry facing similar audit and business risks.

• We determined the principal laws and regulations relevant to the group in this regard to be those arising from:

o London Stock Exchange Rules;
o UK-adopted international accounting standards;
o Disclosure Guidance and Transparency Rules of the FCA;
o Local company, tax and employment laws and regulations applicable in Cayman Island and Hong Kong; and
o Data Protection Act.

The audit team remained alert to instances of non-compliance with laws and regulations throughout the audit.

• We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group with those laws and regulations. These procedures included, but were not limited to:

o Making enquiries of management;
o Obtaining confirmation from AIQ Limited's company secretary on compliance with laws and regulations;
o Reviewing Board minutes;
o Reviewing the nature of legal professional fees; and
o Reviewing Regulatory News Service announcements.

• We also identified the risks of material misstatement of the financial statements due to fraud. Other than the non-rebuttable presumption of a risk of fraud arising from management override of controls, we did not identify any significant fraud risks.

• As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures, which included, but were not limited to: the testing of journals, reviewing accounting, key judgement and estimates for evidence of bias (refer to Material Uncertainty Related to Going Concern section) and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

• Our review of non-compliance with laws and regulations incorporated the listed parent company and significant component. The risk of actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located 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 company's members, as a body, in accordance with our engagement letter dated 05 December 2024. 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.

Wendy Liang

Wendy Liang (Engagement Partner)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
25 February 2025

15 Westferry Circus
Canary Wharf
London E14 4HD

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 OCTOBER 2024

	Note	Year ended 31 October 2024	Year ended 31 October 2023
		£	£
Revenue from continuing operations	5	304,233	207,209
Cost of sales from continuing operations		(73,644)	(73,700)
Gross profit from continuing operations		230,589	133,509
Other income/loss		3,749	(234)
Administrative expenses	7	(468,634)	(580,246)
(Losses) on foreign exchange		(8,361)	(31,230)
Operating loss from continuing operations		(242,656)	(478,201)
Finance costs		(25,000)	(24,997)
Loss before taxation from continuing operations		(267,656)	(503,198)
Taxation	9	(3,484)	-
Loss for the year from continuing operations		(271,140)	(503,198)
Loss on discontinued operation net of tax	12	(1,761)	(23,079)
Loss attributable to equity holders of the Company from continuing and discontinued operations		**(272,901)**	**(526,277)**
Other comprehensive income/(loss) (as may be reclassified to profit and loss in subsequent periods, net of taxes):			
Exchange difference on translating foreign operations from continuing operations		1,209	(430)
Comprehensive loss attributable to equity holders of the Company from continuing and discontinued operations		**(271,692)**	**(526,707)**
Earnings per share basic and diluted (£)	10	(0.004)	(0.008)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2024

	Note	As at 31 Oct 2024 £	As at 31 Oct 2023 £
Assets			
Non-current assets			
Property, plant and equipment	11	4,288	6,884
Right-of-use assets	13	-	-
		4,288	6,884
Current assets			
Trade and other receivables	14	19,779	41,718
Cash and cash equivalents	15	44,356	135,445
Total current assets		64,135	177,163
Total assets		**68,423**	**184,047**
Equity and liabilities			
Capital and reserves			
Share capital	18	647,607	647,607
Share premium		6,019,207	6,019,207
Share warrant reserve	20	12,000	12,000
Foreign currency translation reserve	19	7,207	5,998
Accumulated losses		(7,430,484)	(7,157,583)
Total equity		(744,463)	(472,771)
Liabilities			
Current liabilities			
Accruals and other payables	16	165,577	156,818
Loan	16	147,309	-
Convertible loan notes	21	500,000	-
Total current liabilities		812,886	156,818
Non-current liabilities			
Convertible loan notes	21	-	500,000
Total non-current liabilities		-	500,000
Total equity and liabilities		**68,423**	**184,047**

The accompanying notes form an integral part of these consolidated financial statements. The financial statements were approved and authorised for issue by the Board of Directors on 25 February 2025 and signed on its behalf by:

Li Chun Chung
Executive Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 OCTOBER 2024

	Share capital	Share premium	Share warrant reserve	Foreign currency translation reserve	Accumulated losses	Total equity
	£	£	£	£	£	£
Balance as at 31 October 2022	647,607	6,019,207	12,000	6,428	(6,631,306)	53,936
Total comprehensive loss for the year	-	-	-	(430)	(526,277)	(526,707)
Balance at 31 October 2023	**647,607**	**6,019,207**	**12,000**	**5,998**	**(7,157,583)**	**(472,771)**
Total comprehensive loss for the year	-	-	-	1,209	(272,901)	(271,692)
Balance at 31 October 2024	**647,607**	**6,019,207**	**12,000**	**7,207**	**(7,430,484)**	**(744,463)**

Share premium – Represents amounts received in excess of the nominal value on the issue of share capital less any costs associated with the issue of shares.

Accumulated losses – The accumulated losses reserve includes all current and prior periods retained profits and losses.

Share warrant reserve – Amount arising on the issue of warrants during the year.

Foreign currency translation reserve – The translation reserves includes foreign exchange movements on translating the overseas subsidiaries records, denominated MYR and HK$, to the presentational currency, GBP.

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 OCTOBER 2024

	Year ended 31 October 2024 £	Year ended 31 October 2023 £
Cash flows from operating activities		
Loss before taxation from continuing operations	(267,656)	(503,198)
Loss before taxation from discontinued operations	(1,761)	(23,079)
Loss before taxation	(269,417)	(526,277)
Adjustments for:-		
Taxation	(3,484)	-
Depreciation	2,364	69,920
Loss on disposal of fixed assets	-	2,981
Share based payment charge	-	11,000
Interest expense	25,000	26,924
Foreign exchange	232	7,162
Operating loss before working capital changes	(245,305)	(408,290)
Decrease in receivables	21,939	13,690
Decrease in payables	(16,241)	(24,395)
Net cash used in operating activities from continuing and discontinued operations	(239,607)	(418,995)
Cash flows from investing activities		
Acquisition of plant and equipment	-	(1,651)
Net cash used in investing activities from continuing operations	-	(1,651)
Cash flows from financing activities		
Proceeds from loan	147,309	-
Interest on lease liability	-	(1,924)
Repayment of lease liabilities	-	(78,013)
Net cash inflow/(outflow) in financing activities from continuing operations	147,309	(79,937)
Net decrease in cash and cash equivalents from continuing and discontinued operations	(92,298)	(500,583)
Cash and cash equivalents at beginning of the year	135,445	636,459
Effect of exchange rates on cash and cash equivalents	1,209	(431)
Cash and cash equivalents at end of the year from continuing and discontinued operations	44,356	135,445

The non-cash movement from financing activities is £25,000 (2023: £36,000) on account of accrual of interest on loan notes £25,000 (2023: £25,000) (refer to Note 21) and share-based payment charge £Nil (2023: £11,000) (refer to Note 20).

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

AIQ Limited ("The Company") was incorporated and registered in The Cayman Islands as a public limited company on 11 October 2017 under the Companies Law (as revised) of The Cayman Islands, with the name AIQ Limited, and registered number 327983.

The Company's registered office is located at 5th Floor Genesis Building, Genesis Close, PO Box 446, Cayman Islands, KY1-1106.

On 20 March 2020, the Company completed the acquisition of the entire issued share capital of Alchemist Codes Sdn Bhd ("Alchemist Codes"), (together, the "Group"), a Malaysian incorporated information technology solutions developer focusing on the e-commerce sector.

The Company's ordinary shares are listed on the Equity Shares (Transition) category of the Official List and trade on the Main Market of the London Stock Exchange.

The consolidated financial statements include the financial statements of the Company and its controlled subsidiaries (the "Group") as follows:

Name	Place of incorporation	Registered address	Principal activity	Effective interest	
				31.10.2024	31.10.2023
Alchemist Codes Sdn Bhd	Malaysia	2-9, Jalan Puteri 4/8, Bandar Puteri, 47100 Puchong, Selangor Darul Ehsan Malaysia	Design and development of software	100%	100%
Alcodes International Limited*	Hong Kong	Room 47, Smart-Space FinTech, Level 4, Core E, Cyberport 3, 100 Cyberport Road, Hong Kong	Software and app design and development through the provision of IT consultancy	100%	100%

* Held by Alchemist Codes Sdn Bhd until 1 November 2023.

On 31 October 2023, the Company commenced the strike off process to dispose of its subsidiary Alchemist Codes Sdn Bhd and the company was finally dissolved on 17 February 2025. Alcodes International Limited is now owned directly by the parent company AIQ Limited.

2. PRINCIPAL ACTIVITIES

The principal activity of the Group is an information technology (IT) solutions provider, currently focused on the delivery of blockchain and digital assets platforms in Asia through the provision of IT consultancy.

3. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with UK adopted international accounting standards (IFRSs).

As permitted by Companies Law (as revised) of The Cayman Islands only the consolidated financial statements are presented.

The financial statements are presented in Pound Sterling ("GBP") which is the functional currency of the Company. The functional currencies of the subsidiaries are Malaysian Ringgit and HK Dollar and they have been converted to GBP as explained in note 3(e). All values are rounded to the nearest pound, except where otherwise indicated.

The results for 31 October 2024 are prepared for a 12-month period.

Last year, the Group discontinued its operation in Malaysia as part of its consolidation strategy to save cost and focus on operations in Hong Kong and therefore the loss from discontinued operations in the consolidated statement of comprehensive income pertaining to discontinued operations were presented in line with IFRS 5- *Non-current assets held for sale and discontinued operations*

New interpretations and revised standards effective for the year ended 31 October 2024

The accounting policies adopted are consistent with those of the previous financial year except for the following new and amended standards and interpretations during the year that are applicable to the Group.

- Amendments to IAS 8: Accounting policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to IAS 12: Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 1: Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies

New Standards and interpretations in issue but not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the International Accounting Standards Board (IASB) that are effective in future accounting periods which have not been applied in these Financial Statements. The most significant of these are as follows:

- Amendments to IAS 1: Presentation of Financial Statements: Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants

The Directors do not anticipate the adoption of any of the above standards issued and effective/ issued but not yet effective by IASB to have a material impact on the financial statements of the Group.

b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to the end of the reporting period. 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 the investee, and the ability to use its power to affect those variable returns.

The consolidated financial statements present the results of the Company and its subsidiaries as if they formed a single entity. Inter-company balances and transactions between Group companies are therefore eliminated in full. The financial information of subsidiaries is included in the Group's financial statements from the date that control commences until the date that control ceases.

c) Going concern

The Group incurred losses of £273k during the year and experienced operating cash outflows of £240k. As at 31 October 2024, the Group had net current liabilities of £749k and cash of £44k. The Group's cash position was approximately £73k at 31 January 2025.

In assessing whether the going concern assumption is appropriate, the Directors take into account all available information for the foreseeable future, in particular for the 12 months from the date of approval of the financial statements. This information includes management prepared cash flows forecasts for the Group.

The Directors have assessed that to meet its forecasted cash requirements, the Group is dependent on cash generated from the new revenue contracts, continued support from the directors and loan holders and/or obtaining further funding in the form of debt/equity. The Group is currently bidding for new revenue contracts, evaluating different options of fund raising and the loan note holders have confirmed a further extension of maturity. The Directors are confident that the actions required to maintain the going concern position of the Group can be achieved as successfully demonstrated in the past. As a result, the Board continues to adopt the going concern basis of accounting in preparing the financial statements.

The uncertainty around management estimation of winning new revenue contracts and/or obtaining additional funding gives rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the auditors make reference to going concern by way of material uncertainty within their audit report.

d) Revenue

Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer net of sales taxes and discounts. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. The Board believes that the Group has one primary source of revenue from operations - software development income. The Group also earned sub-letting income from sub-leasing office space. The sources of income can be broken down further into distinct revenue streams:

(i) Sub-letting income

Income received from sub-letting is netted off against administrative expenses.

(ii) Software development income

The Group earns project management and coordination revenues. In the current year, these primarily related to blockchain platform development and digital business platform IT solutions for clients. Revenue is recognised progressively over time based on milestones and customers' acceptance by using the input method and output method.

The performance obligations extend over several months with milestone obligations over the term of the service agreement.

In most cases, the measurement of revenue (when recognised over time) will not be the same as amounts invoiced to a customer. In these circumstances, the Group will recognise either a contract asset (accrued income) or a contract liability (deferred income) for the difference between cumulative revenue recognised and cumulative amounts billed for that contract. For income recognised over time for open contracts, management estimates the percentage of work completed by reference to each customer.

e) Foreign currency transactions and translation

Functional and presentational currencies

The presentational currency of AIQ Limited and the Group is Pound Sterling. The functional currency of the Company and Group is also Pound Sterling. This is based on the principal currency of expenditure and the Company's fundraising activities, all being in Sterling.

The functional currency of Alchemist Codes Sdn Bhd is Malaysian Ringgit, being the currency in which the majority of the company's transactions are denominated.

The functional currency of Alcodes International Limited is the Hong Kong dollar, being the currency in which the majority of the company's transactions are denominated.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency 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 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.

In order to satisfy the requirements of IAS 21 with respect to presentation currency, the consolidated financial statements have been translated into Pound Sterling using the procedures outlined below:

- Assets and liabilities where the functional currency is other than Pounds were translated into Pounds at the relevant closing rates of exchange;

- non-Sterling trading results were translated into Pounds at the relevant average rates of exchange; and
- differences arising from the retranslation of the opening net assets and the results for the period are recognised in other comprehensive income and taken to the foreign currency translation reserve.

f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Computers	5 years
Office equipment	5 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

g) Research and development expenditure

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as long-term assets to the extent that such expenditure is expected to generate future economic benefits. Development expenditure is capitalised if, and only if an entity can demonstrate all of the following:

(i) its ability to measure reliably the expenditure attributable to the asset under development;

(ii) the product or process is technically and commercially feasible;

(iii) its future economic benefits are probable;

(iv) its ability to use or sell the developed asset; and

(v) the availability of adequate technical, financial and other resources to complete the asset under development.

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, if any. Development expenditure initially recognised as an expense is not recognised as assets in subsequent periods.

h) Impairment of financial assets

The Group accounts for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. The credit event does not have to occur before credit losses are recognised. IFRS 9 “Financial Instruments” allows for a simplified approach for measuring the loss allowance at an amount equal to lifetime expected credit losses for trade receivables and contract assets.

The expected credit losses are estimated using a provision based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

As the Group is at an early stage and the volume of sales is very low, it does not have significant amounts of historic information on credit losses. Accordingly, only specific provisions are made if required.

The Group considers a financial asset in default when contractual payments are between 30 to 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

i) Impairment of non-financial assets

At each reporting date, the Directors assess whether indications exist that an asset may be impaired. If indications do exist, or when annual impairment testing for an asset is required, the Directors estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's cash-generating unit's fair value less costs to sell and its value-in-use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the Directors consider the asset impaired and write the subject asset down to its recoverable amount. In assessing value-in-use, the Directors discount the estimated future cash flows 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. In determining fair value less costs to sell, the Directors consider recent market transactions, if available. If no such transactions can be identified, the Directors utilise an appropriate valuation model.

When applicable, the Group recognises impairment losses of continuing operations in the "Statements of Profit or Loss and Other Comprehensive Income" in those expense categories consistent with the function of the impaired asset.

j) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of-use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

k) Financial instruments

Financial assets and financial liabilities are recognised in the Consolidated Statement of Financial Position when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, convertible loan notes, loan and trade and other payables.

Convertible loan notes (CLNs)

Each component of the loan note (principal/ interest and conversion feature) are assessed separately. The management has assessed the entire instrument as financial liability. Based on that, convertible loan notes are recorded at their issue price and are carried at their face value. Subsequently, the CLN is accounted for at amortised cost. Any interest due on these CLNs is recorded on accrual basis. On conversion/redemption, the face value of converted CLNs is reduced from the total carried value.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables and loan

Trade and other payables and loan are initially recorded at fair value and subsequently are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. are initially recorded at fair value and subsequently are measured at amortised cost.

l) Financial assets

(i) Initial recognition and measurement

The Group classifies its existing financial assets as financial assets carried at amortised cost. The classification depends on the nature of the assets and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and this designation at every reporting date.

Financial assets carried at amortised cost

Financial assets carried at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than twelve months after the reporting date which are classified as non-current assets. They include cash and bank balances, trade and other receivables and a rental deposit.

Subsequent to initial recognition, these assets are measured at amortised cost using the effective interest rate method, less impairment.

Impairment of financial assets is considered using a forward-looking expected credit loss (ECL) review.

(ii) De-recognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

m) Financial liabilities

The Company's financial liabilities include trade and other payables, accruals and convertible loan notes. Financial liabilities are recognised when the Group becomes a party to the contractual provision of the instrument. All financial liabilities are recognised initially at their fair value, net of transaction costs, and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

The Group derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

n) Loans and borrowings

Loans or borrowings are recognised initially at fair value, net of transaction costs incurred. They are subsequently carried at amortised cost: any difference between the proceeds and the redemption value is recognised in the income statement over the period of the borrowings, using the effective interest method. Borrowings are classified as current liabilities unless the Group or Parent Company has a contractual right to defer settlement of the liability for at least one year after the end of the reporting period.

o) Share capital

Proceeds from issuance of ordinary shares are classified as equity. Amounts in excess of the nominal value of the shares issued are recognised as share premium.

Transaction costs that are directly attributable to the issue of share capital are deducted from share premium.

p) Taxation

Current tax

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the reporting period and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Group's Financial Statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and expected to apply when the related deferred tax is realised or the deferred liability is settled.

Deferred tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

q) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

r) Finance income and expense

Finance income comprises interest receivable on funds invested.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

s) Employee benefits

Short-term benefits

Short-term employee benefit obligations; wages, salaries, paid annual leave, sick leave, bonuses and non-monetary benefits, are measured on an undiscounted basis and are expensed in the profit or loss as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term benefits

Defined contribution plans

The income statement expense for the defined contribution pension plans operated represents the contributions payable for the year. As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"), which is charged to profit or loss in the year to which they relate. Once the contributions have been paid, the Group has no further liabilities in respect of the defined contribution plans.

t) Earnings per share

Basic earnings per share is computed using the weighted average number of shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of shares during the period plus the dilutive effect of dilutive potential ordinary shares outstanding during the period.

u) Share warrants

Equity-settled share-based payments against services received are measured at fair value at the date of grant (i.e. date of agreement) by reference to the fair value of the services received. The fair value determined at the grant date is expensed on a straight-line basis over the service period with a corresponding adjustment is made to equity as share warrant reserve.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparation of financial information in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The key estimates and underlying assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period 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.

During the year, the management estimates and judgements were involved in revenue recognition from software development projects and cashflow forecast for going concern assessments.

5. REVENUE

	Year ended 31 October 2024 £	Year ended 31 October 2023 £
Software development income	304,233	207,209
Total	304,233	207,209

All revenues were generated in Asia.

During the year ended 31 October 2024, one customer accounted for £265,069 (87%) (2023: one customer accounted for £132,911 (64%)) of the Group's revenues. There were three customers in all during the year and the second highest customer accounted for 7% of the turnover.

An analysis of revenue by the timing of the delivery of goods and services to customers for 2024 is as follows:

	31 October 2024	31 October 2023
	Services transferred over time	Services transferred over time
	£	£
Software development income	304,233	207,209
Total	**304,233**	**207,209**

6. SEGMENT REPORTING

IFRS 8 defines operating segments as those activities of an entity about which separate financial information is available and which are evaluated by the Board of Directors to assess performance and determine the allocation of resources. The Board of Directors is of the opinion that under IFRS 8 the Group has only one operating segment, information technology product and services. In addition, the Group is only trading in Asia and therefore there is only one geographical segment. The Board of Directors assesses the performance of the operating and geographical segments using financial information that is measured and presented in a manner consistent with that in the Financial Statements. Segmental reporting will be reviewed and considered in light of the development of the Group's business over the next reporting period.

7. OPERATING LOSS BEFORE TAXATION

Loss from continuing operations has been arrived at after charging:

	Year ended 31 October 2024 £	Year ended 31 October 2023 £
Auditor's remuneration:		
- Group Auditor – accrued fees	43,000	53,500
- Statutory Auditor in Hong Kong	4,670	3,170

Cost of sales:	**Year ended 31 October 2024 £**	**Year ended 31 October 2023 £**
Purchases	73,644	73,700
	73,644	73,700

Administrative expenses:	**Year ended 31 October 2024 £**	**Year ended 31 October 2023 £**
Directors' remuneration	84,320	88,906
Wages and salaries	104,165	148,645
Consultancy fees	36,000	54,750
Depreciation of tangible fixed assets	2,364	1,848
Office costs	8,774	10,985
Professional fees	70,599	82,142
Regulatory fees	33,389	35,164
Property costs	13,386	17,778
Secretarial fees	33,322	32,606
Audit fees	47,670	56,670
Travel. Subsistence and Entertainment	7,375	15,882
Other costs	27,270	34,870
	468,634	**580,246**

8. STAFF COSTS AND KEY MANAGEMENT EMOLUMENTS

	Year ended 31 October 2024	Year ended 31 October 2023
Staff costs:	**£**	**£**
Wages and salaries	184,229	233,355
Social security costs	-	5
Post-employment benefits	4,256	6,646
	188,485	240,006

The wages and salaries includes staff cost pertaining to discontinued operations amounting to £Nil (2023: £2,454).

Key management personnel are considered to be the directors and two senior members of staff. Their remuneration was as follows:

	Year ended 31 October 2024	Year ended 31 October 2023
Key management personnel:	£	£
Wages and salaries (including directors as detailed in the Directors' Remuneration Report on page 15)	161,079	133,419
Social security costs	1,788	5
Post-employment benefits	-	349
	162,867	133,773

Included within accruals is £12,216 (2023: £5,891), which relates to Directors' remuneration yet to be paid.

The average monthly number of employees during the year ended 31 October 2024 was as follows:

	Year ended 31 October 2024 No.	Year ended 31 October 2023 No.
Management	5	5
Administrative	2	2
Operations	2	6
	9	13

9. TAXATION

The Company is incorporated in the Cayman Islands, and its activities are subject to taxation at a rate of 0%. Loss before taxation is £401,868

The income tax rate in Malaysia is calculated at the Malaysian statutory tax rate of 24% of the chargeable income for the year, except for companies with paid-up capital of RM2.5million (approximately £460,000) and below at the beginning of the basis period and gross income from source of business not exceeding RM50million (approximately £9.4 million), the first RM600,000 (approximately £110,000) of chargeable income is subject to tax at a rate of 17%.

A reconciliation of income tax applicable to the loss before taxation at the statutory tax rate to the income tax at the effective tax rate of Alchemist Codes is as follows:

	Year ended 31 October 2024	Year ended 31 October 2023
	£	£
Loss before taxation	(1,761)	(23,079)
Tax calculated at the standard rate of tax applicable to Alchemist Codes of 24% (2023: at 24%)	(423)	(5,539)
Tax effects of:		
Non-deductible expenditure	-	20,527
Taxable profit relieved against tax losses brought forward	-	(14,988)
Unrelieved tax losses carried forward	423	-
Tax charge/(credit)	-	-

The income tax rate used above excludes that of Alcodes International due to the scaling of Hong Kong tax rates making any estimation of tax rate difficult. The profit before taxation for Alcodes International is £130,728 and the tax payable as per the local tax computation amounts to £3,485.

The Group has not recognised deferred tax assets on carried forward tax losses as the management is not certain that it will generate sufficient taxable profits in the near future to absorb such carried forward tax losses.

10. EARNINGS PER SHARE

The Group presents basic and diluted earnings per share information for its ordinary shares. Basic earnings per share is calculated by dividing the loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue during the reporting period. Diluted earnings per share are determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

There is no difference between the basic and diluted earnings per share, as the warrants and loan notes are anti dilutive in nature and therefore the diluted loss per share has not been presented.

	Year ended 31 October 2024	**Year ended 31 October 2023**
Loss attributable to ordinary shareholders (£)		
Continuing operations	(267,656)	(503,198)
Discontinuing operations	(1,761)	(23,079)
Basic - Weighted average number of shares	64,760,721	64,760,721
Basic earnings per share (expressed as £ per share)		
from continuing operations	**(0.004)**	(0.008)
from discontinued operations	**(0.00003)**	(0.0004)

11. PROPERTY PLANT AND EQUIPMENT

	Fixtures and fittings	Office equipment	Computer equipment	Leasehold improvements	Total
	£	£	£	£	£
Cost					
At 1 November 2022	74,526	14,751	5,888	97,060	192,225
Additions	-	1,149	502	-	1,651
Disposals	(74,329)	(5,062)	(4,043)	(97,060)	(180,494)
Currency translation differences	(5)	(597)	(109)	-	(711)
As at 31 October 2023	192	10,241	2,238	-	12,671
At 1 November 2023	192	10,241	2,238	-	12,671
Additions	-	-	-	-	-
Currency translation differences	-	(490)	(24)	-	(514)
As at 31 October 2024	192	9,751	2,214	-	12,157
Accumulated depreciation					
At 1 November 2022	74,526	5,405	2,964	97,060	179,955
Depreciation for the year	-	2,307	1,042	-	3,349
Disposals	(74,329)	(2,081)	(3,839)	(97,060)	(177,309)
Currency translation differences	(5)	(53)	(150)	-	(208)
As at 31 October 2023	192	5,578	17	-	5,787
At 1 November 2023	192	5,578	17	-	5,787
Depreciation for the year	-	1,921	443	-	2,364
Currency translation differences	-	(281)	(1)	-	(282)
As at 31 October 2024	192	7,218	459	-	7,869
Carrying amounts					
At 31 October 2024	**-**	**2,533**	**1,755**	**-**	**4,288**
At 31 October 2023	**-**	**4,663**	**2,221**	**-**	**6,884**

12. DISPOSAL OF SUBSIDIARY

On 31 October 2023, the Company commenced the strike off process to dispose of its subsidiary Alchemist Codes Sdn Bhd.

The loss on discontinued operation, net of tax was:

	Year ended 31 October 2024 £	Year ended 31 October 2023 £
Revenue	-	-
Cost of Sales	-	-
Gross Profit	-	-
Other Income	-	2,821
Administrative Expenses		
Directors' remuneration	-	2,146
Wages and salaries	-	308
Loss on disposal of fixed assets	-	2,981
Depreciation of tangible fixed assets	-	459
Depreciation of right of use assets	-	66,571
Lease restoration costs	-	13,839
Office costs	76	2,881
Professional fees	-	484
Property costs	-	2,053
Secretarial fees	1,066	535
Audit fees	1,171	-
Travel. Subsistence and Entertainment	-	543
Other costs	(555)	4,339
Sub-letting income	-	(71,501)
	1,758	**25,638**
Impairment charge	-	-
(Loss)/Gain on foreign exchange	(3)	1,664
Finance costs	-	(1,926)
Loss on discontinued operation net of tax	**(1,761)**	**(23,079)**
Cashflow from discontinued operating activities	**(1,761)**	**57,283**
Cashflow from discontinued investing activities	**-**	**-**
Cashflow from discontinued financing activities	**-**	**(79,937)**

13. RIGHT-OF-USE ASSETS

	Land and buildings £	Total £
Cost		
At 1 November 2022	292,102	292,102
Disposals	(280,131)	(280,131)
Currency translation differences	(11,971)	(11,971)
As at 31 October 2023	-	-
At 1 November 2023	-	-
Disposals	-	-
Currency translation differences	-	-
As at 31 October 2024	-	-
Accumulated amortisation		
At 1 November 2022	219,076	219,076
Depreciation for the year	66,571	66,571
Disposals	(291,125)	(291,125)
Currency translation differences	5,478	5,478
As at 31 October 2023	-	-
At 1 November 2023	-	-
Depreciation for the year	-	-
Disposals	-	-
Currency translation differences	-	-
As at 31 October 2024	-	-
Carrying amounts		
At 31 October 2024	**-**	**-**
At 31 October 2023	-	-

The lease expired in July 2023 and the option to extend it was not taken up.

The interest paid on lease liability is £Nil (2023: £1,926). The lease rental paid on short-term leases is £Nil (2023: £17,778).

14. TRADE AND OTHER RECEIVABLES

	As at 31 October 2024 £	As at 31 October 2023 £
Prepayments and other receivables	19,779	41,718
	19,779	41,718

15. CASH AND CASH EQUIVALENTS

	As at 31 October 2024 £	As at 31 October 2023 £
Cash at bank	44,173	135,332
Cash in hand	183	113
	44,356	135,445

Cash at bank earns interest at floating rates based on daily bank deposit rates.

16. ACCRUALS AND OTHER PAYABLES AND LOAN

	As at 31 October 2024 £	As at 31 October 2023 £
Trade Payables	927	2,000
Other creditors	33,791	113
Accruals	130,261	101,708
Director’s loan	147,309	-
Deferred revenue	-	51,740
Taxes and social security	598	1,257
	312,886	156,818

Included within accruals is £12,216 (2023: £5,891), which relates to Directors’ remuneration yet to be paid and interest on loan notes of £67,055 (2023: £42,055). An interest free loan repayable on demand was made to the Company by Li Chun Chung, a Director of the Company, amounting to £147,309 as at 31 October 2024.

17. LEASE RESTORATION PROVISION

	As at 31 October 2024 £	As at 31 October 2023 £
Balance b/f	-	18,500
Provision used	-	(18,500)
Balance c/f	-	-

The lease expired in July 2023, and the Group made a provision in the year to 31 October 2022 for 50% of the estimated costs of restoring its Malaysian office to its original specification amounting to £18,500. The balance of the remaining actual costs were expensed in the year to 31 October 2023 as the Company did not renew its lease and the Malaysian subsidiary was closed down.

18. SHARE CAPITAL

	Number	Nominal value £
Authorised		
Ordinary shares of £0.01 each	**800,000,000**	**8,000,000**
As at 31 October 2024	**64,760,721**	**647,607**

	As at 31 Oct 2024 £	As at 31 Oct 2023 £
As at beginning of year	647,607	647,607
Issued during the year	-	-
As at end of year	647,607	647,607

The holders of ordinary shares are entitled to receive dividends as may be declared from time to time and are entitled to one vote per share at meetings of the Company.

19. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve represents cumulative foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries and is not distributable by way of dividends.

20. SHARE WARRANT RESERVE

On 3 October 2022 the Company granted 300,000 warrants to Guild Financial Advisory (“GFA”), the Company’s corporate adviser, exercisable at a price of £0.01 for a period of up to ten years. The warrants were granted in return in part for their corporate financial services carried out for a period of 12 months whereby it was agreed that GFA would provide services for an amount of £24,000 with £12,000 being settled in cash and the balance of £12,000 represented by the issue of the warrants. As a result of this the fair value of the warrants was deemed to be £12,000 spread evenly over the 12-month period of the contract, £1,000 was expensed in October 2022 and £11,000 has been expensed during the year to October 2023 and £12,000 taken to a warrant reserve in October 2022.

21. CONVERTIBLE LOAN NOTES

On 25 January 2022, the Company entered into an unsecured convertible loan note agreement for a total subscription of £500,000 (the “Loan Notes”). Pursuant to this instrument, the Company immediately raised £500,000 through the issue of unsecured convertible loan notes to several existing investors (together the “Noteholders”), including an Executive Director of the Company.

On 31 July 2023, the Company came to an agreement to amend certain terms of the convertible loan note instrument whereby the expiration date of the convertible loan notes was extended by a period of 12 months from 24 January 2024 to 24 January 2025, and, post year end, agreed to extend the expiration date to 31 January 2027. All other details of the Convertible Loan Note Facility remained unchanged, namely and the loan notes can be repaid, in part or in full, by the Company on 31 December in any year prior to the Expiration Date by giving not less than 14 days' written notice to the Noteholders. All outstanding Loan Notes attract interest at a rate of 5% per annum from the date of issue (25 January 2022) to the date of repayment or conversion and is payable on the anniversary of the issue of the Loan Notes.

The Loan Notes shall be convertible into new ordinary shares of the Company at the lesser of 11 pence per ordinary share or the Volume Weighted Average Price of the Company's ordinary shares on the London Stock Exchange in the seven-day period prior to the date on which the Loan Note is converted into ordinary shares. The Loan Notes shall be convertible, in part or in full, at any time from the date of issue until the Expiration Date at the option of the Noteholders by giving to the Company at least one week's written notice.

The Loan Notes have been issued to the Noteholders as follows:

a. £250,000 to Li Chun Chung, an Executive Director of the Company and who has an interest in 1,425,500 ordinary shares in the Company, representing 2.2% of the Company’s issued share capital

b. £125,000 to Soon Beng Gee who has an interest in 11,766,650 ordinary shares, representing 18.2% of the Company’s issued share capital

c. £125,000 to Lee Chong Liang who has an interest in 11,766,650 ordinary shares, representing 18.2% of the Company’s issued share capital

Accrual of interest on loan notes was £67,055 at year end.

22. FINANCIAL RISK MANAGEMENT

a) Categories of financial instruments

The carrying amounts and fair value of the Group's financial assets and liabilities as at the end of the reporting period are as follows:

Financial assets at amortised cost:

	As at 31 October 2024 £	As at 31 October 2023 £
Prepayments and other receivables	19,779	41,718
Cash and cash equivalents	44,356	135,445
	64,135	177,163

Financial liabilities at amortised cost:

	As at 31 October 2024 £	As at 31 October 2023 £
Convertible loan notes	500,000	500,000
Trade payables	927	2,000
Accruals and other payables	164,052	154,818
Director's loan	147,309	-
	812,288	656,818

The financial assets and financial liabilities maturing within the next 12 months approximate their fair values due to the relatively short-term maturity of the financial instruments.

b) Financial risk management objectives and policies

The Group is exposed to a variety of financial risks: market risk (including interest rate risk and currency risk), credit risk and liquidity risk. The risk management policies employed by the Group to manage these risks are discussed below. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risk stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures to minimise operational and legal risks.

i) Interest rate risks

Certain cash holdings and cash equivalents are held in accounts with variable rates. If interest rates were to increase or decrease by 2%, the effect would not be material.

ii) Currency risks

The Group is exposed to exchange rate fluctuations as certain transactions are denominated in foreign currencies.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its financing activities (when cash balances are denominated other than in a company's functional currency).

Most of the Group's transactions are carried out in Pounds, Hong Kong Dollar ('HK$') and United States Dollar ('US$'). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The Group maintains a natural hedge whenever possible, by matching the cash inflows (revenue stream) and cash outflows used for purposes such as capital and operational expenditure in the respective functional currencies.

At 31 October 2024 the Group had £32,181 (2023: £66,345) of cash and cash equivalents in United States Dollar accounts. At 31 October 2024, had the exchange rate between the Pound Sterling and United States Dollar increased/decreased by 10%, the effect on the result in the period would be a gain/loss of £3,218 (2023: £6,634).

iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit allowances are made for estimated losses that have been incurred by the reporting date. No such amounts have been made to date.

Concentrations of major credit risk exist to the extent that the equivalent of £39,171 of the Group's bank balances were held with DBS Bank Limited in Singapore and the equivalent of £334 was held with Standard Chartered Bank in Hong Kong. There are bank balances with other banks totalling to £4,669 where the credit risk is relatively low.

S&P Global Ratings affirmed on 31 October 2024 the issuer credit ratings of DBS Bank Limited at AA- and Standard Chartered at A+.

Accordingly, the Group considers that the credit risk in relation to its cash holding to be low.

iv) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's financial liabilities are primarily the convertible loan notes and trade and other payables. For terms of convertible loan notes refer Note 21. The trade and other payables are unsecured, interest-free and repayable on demand. Details of trade payables are found in Note 16.

23. CAPITAL MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the balance between debt and equity.

The capital structure of the Group as at 31 October 2024 consisted of ordinary shares and equity attributable to the shareholders of the Company, totalling £(756,463) (2023: £(484,771) (disclosed in the statement of changes in equity excluding share warrants reserve).

The capital structure is reviewed on an ongoing basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital.

24. RELATED PARTY TRANSACTIONS

The remuneration of the Directors of the Company is set out in the Report of the Remuneration Committee.

Dwight Mighty’s Director’s fees amounting to £25,300 were paid through his company, Modwenna Sports Advisors Limited.

Included within accruals is £12,216 (2023: £5,947), which relates to Directors’ remuneration outstanding.

In addition to the remuneration, other costs incurred in relation to services provided by related parties of Directors were as follows:

A total of £36,170 (2023: £37,350) was paid during the year to Gracechurch Group for financial PR services, a company in which Harry Chathli and Dwight Mighty are directors and shareholders.

A total of £18,000 (2023: £18,000) was paid to Ever Billions International Limited for general management services, a company in which Li Chun Chung is a director.

A convertible loan note amounting to £250,000 has been issued to Li Chun Chung, an Executive Director of the Company, the details of which are disclosed in Note 21. Interest amounting to £12,500 (2023: £12,500) was accrued and payable to Li Chun Chung.

An interest-free loan was made to the Company by Li Chun Chung amounting to £147,309 as at 31 October 2024.

25. MATERIAL SUBSEQUENT EVENTS

On 17 February 2025, the strike off process to dissolve Alchemist Codes Sdn Bhd, a former subsidiary of the Company, was completed.

The Company agreed with the loan note holders to extend the maturity date of the Company's convertible loan note facility to 31 January 2027.

The Company received interest-free, unsecured loans from Li Chun Chung, a Director of the Company, amounting to c. £170k.

26. ULTIMATE CONTROLLING PARTY

As at 31 October 2024, no one entity or individual owns greater than 50% of the issued share capital, or holds significant control over the Company. Therefore, the Directors have determined the Company does not have an ultimate controlling party.

COMPANY INFORMATION

Directors	Harry Chathli, Independent Non-Executive Chairman Charles Yong Kai Yee, Executive Director Li Chun Chung, Executive Director Dwight Mighty, Independent Non-Executive Director
Company Secretary	MSP Secretaries Limited 27/28 Eastcastle Street London W1W 8DH
Registered office of the Company	Genesis Building, 5th Floor Genesis Close, PO Box 446 Cayman Islands, KY1-1106
Financial Adviser	Guild Financial Advisory Limited 382 Russell Court Woburn Place London WC1H 0NH
Auditors	PKF Littlejohn LLP 15 Westferry Circus London E14 4HD
Registrars	Computershare Investor Services (Cayman) Limited The R&H Trust Co. Ltd. Winward 1, Regatta Office Park West Bay Road Grand Cayman KY1-1103 Cayman Island
Principal Bankers	DBS Bank (Hong Kong) Limited 18th Floor, The Center 99 Queen's Road Central Central Hong Kong Bank of China (Hong Kong) Limited Bank of China Tower 1 Garden Road Central Hong Kong
Financial PR	Gracechurch Group 48 Gracechurch Street London EC3V 0EJ
Company Website	www.aiqhub.com