

ASIABROAD LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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FOR THE YEAR ENDED 31 DECEMBER 2024

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(EXPRESSED IN EUROS)

ASIABROAD LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present herewith the report and the audited financial statements for the year ended 31 December 2024.

PRINCIPAL ACTIVITY

The principal activity of the Company is provision of student exchange arrangement services during the year.

BUSINESS REVIEW

The Company falls within the reporting exemption for the year and is exempted from preparing a business review under Section 388(3)(a) of the Hong Kong Companies Ordinance.

RESULTS AND APPROPRIATIONS

The results of the Company for the year ended 31 December 2024 and the state of its affairs at that date are set out in the financial statement on pages 6 to 13.

The Directors have declared an interim dividend of EUR10 per ordinary share, totalling EUR100,000, which have been paid during the year.

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 9 to the financial statements.

DIRECTORS

The names of persons who were the directors of the Company during the year and up to the date of this report were:

Kauppinen Tuomas Kalle	
Olbergsveen Roar	(Appointed on 22 March 2024)
Suominen Harri Juhani Oskari	(Appointed on 22 March 2024)
Miard Fabien	(Appointed on 22 March 2024)

In accordance with the Company's Articles of Association, the remaining director shall retire and, being eligible for re-election.

MANAGEMENT CONTRACTS

No contracts of significance concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or subsisted during the year.

EQUITY-LINKED ARRANGEMENTS

During the financial year, the Company entered into no equity-linked agreement.

At the end of the reporting period, the Company subsisted of no equity-linked agreement.

PERMITTED INDEMNITY PROVISIONS

At no time during the financial year were there any permitted indemnity provisions in force for the benefit of one or more directors of the Company.

At the time of approval of this report, there are no permitted indemnity provisions in force for the benefit of one or more directors of the Company.

ASIABROAD LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

AUDITOR

A resolution to reappoint Messrs. Kung Yuet Mei Certified Public Accountant (Practising) as auditor of the Company will be put at the forthcoming annual general meeting.

For and on behalf of the Board



Kauppinen Tuomas Kalle
Chairman
Hong Kong, 30 January 2025

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIABROAD LIMITED
(INCORPORATED IN HONG KONG WITH LIMITED LIABILITY)**

Opinion

We have audited the financial statements of Asiabroad Limited (the "Company") set out on pages 6 to 13, which comprise the statement of financial position as at 31 December 2024, the income statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the Company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") and with reference to PN 900 (Revised) "Audit of Financial Statements Prepared in Accordance with the Small and Medium-Sized Entity Financial Reporting Standard" issued by the HKICPA. 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 Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

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

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

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

The directors are responsible for the preparation of the financial statements in accordance with SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

KUNG YUET MEI 龔月薇
Certified Public Accountant (Practising) 執業會計師
Unit 1709, 17/F, Horizon East,
No.1 Tsat Po Street, San Po Kong, Kowloon, Hong Kong
Tel: 2117 3379

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIABROAD LIMITED
(INCORPORATED IN HONG KONG WITH LIMITED LIABILITY)
(CONTINUED)**

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. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

(to be cont'd)

KUNG YUET MEI 龔月薇
Certified Public Accountant (Practising) 執業會計師
Unit 1709, 17/F, Horizon East,
No.1 Tsat Po Street, San Po Kong, Kowloon, Hong Kong
Tel: 2117 3379

***INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ASIABROAD LIMITED
(INCORPORATED IN HONG KONG WITH LIMITED LIABILITY)
(CONTINUED)***

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



Kung Yuet Mei
Certified Public Accountants (Practising)
Practising Certificate Number: P06956
Hong Kong, 30 January 2025

ASIABROAD LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

		1.1.2024 to 31.12.2024 EUR	1.4.2023 to 31.12.2023 EUR
	<u>NOTES</u>		
Turnover	4	2,972,195	1,603,062
Cost of services		<u>(1,032,807)</u>	<u>(624,211)</u>
Gross profit		1,939,388	978,851
Other revenue	4	<u>16,216</u>	<u>2,169</u>
Administrative and other operating expenses			
Accountancy fee		612	3,704
Advertising fee		22,503	5,297
Auditors' remuneration		2,000	1,866
Bank charges		16,666	8,702
Commission paid		621,050	380,800
Computer supplies		25,676	21,073
Director's remuneration		-	24,961
Insurance		1,498	7,321
Legal and professional fee		2,414	1,742
Loss on exchange difference		8,549	20,796
Management fee		15,597	-
MPF contributions		356	2,699
Office supplies		444	7,121
Printing and stationery		89	48
Salaries and allowances		218,941	217,118
Scholarship & sponsorship		1,694	3,034
Secretarial fee		626	-
Staff messing and welfare		38,858	17,779
Telephone & Internet		240	140
Travelling		3,858	9,854
		<u>(981,671)</u>	<u>(734,055)</u>
Profit before taxation	5	<u>973,933</u>	<u>246,965</u>
Taxation	7	<u>(140,557)</u>	<u>(20,998)</u>
Profit for the year / period		<u>833,376</u>	<u>225,967</u>

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

ASIABROAD LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	<u>NOTES</u>	<u>2024</u> EUR	<u>2023</u> EUR
CURRENT ASSETS			
Trade receivables		56,227	28,130
Deposits and prepayment		42,359	174
Amount from immediate holding company	10	20,597	-
Tax recoverable		-	85,515
Cash and bank balances		<u>1,119,390</u>	<u>1,505,150</u>
		<u>1,238,573</u>	<u>1,618,969</u>
CURRENT LIABILITIES			
Accruals and other payables		3,145	8,039
Trade deposit received		436,492	500,412
Dividend payable		-	1,100,000
Tax payable		<u>55,042</u>	<u>-</u>
		<u>(494,679)</u>	<u>(1,608,451)</u>
NET ASSETS		<u>743,894</u>	<u>10,518</u>
SHARE CAPITAL			
Issued and paid up:-			
10,000 Ordinary shares	9	1,106	1,106
RESERVES			
Retained profits		742,788	9,412
TOTAL EQUITY		<u>743,894</u>	<u>10,518</u>

Approved for issued on behalf of the Board of Directors on 30 January 2025.



Kauppinen Tuomas Kalle
 Director



Obergsvén Roar
 Director

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

ASIABROAD LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>Share capital</u> EUR	<u>Retained profits</u> EUR	<u>Total</u> EUR
Balances at 1 January 2024		1,106	9,412	10,518
Profit for the year		-	833,376	833,376
Interim dividend paid	8	-	(100,000)	(100,000)
Balances at 31 December 2024		<u>1,106</u>	<u>742,788</u>	<u>743,894</u>

The accompanying accounting policies and explanatory notes form an integral part of, and should be read in conjunction with, these financial statements.

ASIABROAD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. REPORTING ENTITY

Asiabroad Limited (the “Company”) is a company incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance. The Company’s registered office is located at 14/F, China Hong Kong Tower, 8 Hennessy Road, Wanchai, Hong Kong.

The financial statements are presented in Euros (“EUR”), which is the same as the functional currency of the Company.

2. PRINCIPAL ACTIVITY

The principal activities of the company is provision of student exchange arrangement services during the year.

3. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

- (a) The Company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the Company is a going concern.

The measurement base adopted is the historical cost convention.

The followings are the specific accounting policies that are necessary for a proper understanding of the financial statements:

- (b) Revenue
Revenue is recognized when it is probable that the economic benefits will flow to the Company and when the revenue can be measured reliably. Revenue is measured on the following basis:-
- (i) Service fee income is recognised when the services provided to clients are substantially completed; and
- (ii) Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.
- (c) Related parties
Two parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.
- (d) Taxation
Income tax expense represents current tax expense. The income tax payable represents the amounts expected to be paid to the taxation authority, using the tax rates (and tax law) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is not provided.

ASIABROAD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

3. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(e) Foreign exchange

Foreign currency transactions and foreign currency non-monetary items are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Euros using exchange rates applicable at the reporting period. Gains and losses on foreign exchange are recognised in the income statement.

(f) Impairment of assets

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

(g) Trade and other receivables

Trade and other receivables are stated at estimated realisable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

(h) Leases

Leases where substantially all the risks and rewards of ownership of assets are not transferred to the lessee are accounted for as operating leases. Annual rents applicable to such operating leases are charged to the income statement on a straight-line basis over the lease term.

(i) Provisions and contingent liabilities

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

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or nonoccurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

ASIABROAD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

4. *TURNOVER AND OTHER REVENUE*

	1.1.2024 to 31.12.2024 EUR	1.4.2023 to 31.12.2023 EUR
TURNOVER		
Service income	2,972,195	1,603,062
OTHER REVENUE		
Bank interest income	3,659	1,642
Loan interest income	1,733	-
Other income	10,824	527
	<u>16,216</u>	<u>2,169</u>
TOTAL REVENUE	<u>2,988,411</u>	<u>1,605,231</u>

5. *PROFIT BEFORE TAXATION*

	1.1.2024 to 31.12.2024 EUR	1.4.2023 to 31.12.2023 EUR
Profit before tax is arrived at after charging the following items:		
Key management personnel's remuneration	-	24,961
Other staff costs	218,941	217,118
Including: Contributions to the MPF Scheme	356	2,699
Auditor's remuneration	2,000	1,866
Net foreign exchange loss	<u>8,549</u>	<u>20,796</u>

6. *DIRECTORS' EMOLUMENTS*

The following information is disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 and 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation as follows:

	1.1.2024 to 31.12.2024 EUR	1.4.2023 to 31.12.2023 EUR
Fees	-	-
Other emoluments	<u>-</u>	<u>24,961</u>
	<u>-</u>	<u>24,961</u>

ASIABROAD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7. *TAXATION*

Hong Kong profits tax is calculated under the two tiered profits tax regime, with the first HK\$2,000,000 of assessable profits charged at 8.25% and assessable profits thereafter charged at 16.5%.

	1.1.2024 to 31.12.2024 EUR	1.4.2023 to 31.12.2023 EUR
Hong Kong Profits Tax		
Current tax	140,557	20,998
	<u>140,557</u>	<u>20,998</u>

8. *DIVIDENDS*

	1.1.2024 to 31.12.2024 EUR	1.4.2023 to 31.12.2023 EUR
Interim dividends paid		
ordinary shares of EUR10 per share	100,000	1,260,000
	<u>100,000</u>	<u>1,260,000</u>

9. *SHARE CAPITAL*

	2024 EUR	2023 EUR
Issued and fully paid:		
10,000 Ordinary shares	1,106	1,106
	<u>1,106</u>	<u>1,106</u>

There was no change of share capital during the year.

10. *RELATED PARTY DISCLOSURE*

	1.1.2024 to 31.12.2024 EUR	1.4.2023 to 31.12.2023 EUR
Related party transactions		
<i>Fellow subsidiary</i>		
Other income	7,153	-
	<u>7,153</u>	<u>-</u>
<i>Immediate holding company</i>		
Management fee	15,597	-
Loan interest income	1,733	-
	<u>17,330</u>	<u>-</u>
Amounts due from immediate holding company	20,597	-
	<u>20,597</u>	<u>-</u>

The balances due from the immediate holding company are unsecured, interest bearing at EURIBOR plus 8.6% per annum and repayable on demand.

ASIABROAD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

11. ULTIMATE AND IMMEDIATED HOLDING COMPANY

In the opinion of the Directors, the immediate holding company is Keystone Education Group OY which is a company incorporated in the Republic of Finland and the ultimate controlling company is Keystone Education Group AS which is a company incorporated in Norway.