



OXPAY FINANCIAL LIMITED

(Company Registration Number: 200407031R)

(Incorporated in the Republic of Singapore)

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN IN THE INDEPENDENT AUDITOR'S REPORT ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

In compliance with Rule 704(4) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”), the board of directors (the “**Board**” or “**Directors**”) of OxPay Financial Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s independent auditors, Foo Kon Tan LLP, have included a material uncertainty related to going concern in their report (the “**Independent Auditor’s Report**”) on the audited consolidated financial statements of the Group for the financial year ended 31 December 2025 (the “**Audited Financial Statements**”). The opinion of the Company’s independent auditors is not modified in respect of this matter.

An extract of the Independent Auditor’s Report together with the extract of the relevant note to the Audited Financial Statements is annexed to this announcement.

In the opinion of the Directors, the Group is able to continue as a going concern as the Directors are of the reasonable view that the Group has sufficient cash flow at least for the next 12 months from the date of the Independent Auditor’s Report (being 10 April 2026) to enable the Company to continue its operations and meet its financial obligations as and when they fall due based on the 12-month cash flow forecast prepared by the management of the Company, having considered the following:

- a. the liquidity of the existing assets of the Group;
- b. the entry into a revised convertible loan agreement dated 28 May 2025 with Oxley Capital Management Pte. Ltd. (the “**Lender**”) pursuant to which the Lender has agreed to grant to the Company a convertible loan facility of a principal amount of up to S\$2,500,000 on and subject to the terms and conditions of the convertible loan agreement. The date on which the conditions to the aforesaid agreement are to be satisfied has been extended to 28 May 2026;
- c. the entry by the Company into share subscription agreements on 31 March 2026 to allot and issue an aggregate of 30,841,000 new ordinary shares in the capital of the Company for an aggregate amount of approximately S\$997,089; and
- d. the financial support from the controlling shareholder of the Company for a period of at least 12 months from the date of approval of the Audited Financial Statements (being 10 April 2026).

Please refer to the extract of the relevant note to the Audited Financial Statements annexed to this announcement, for more information. This is consistent with the notes to the unaudited condensed interim consolidated financial statements of the Group for the financial year ended 31 December 2025, which were released on the SGXNet on 1 March 2026.

The Company will be convening an extraordinary general meeting in due course to seek the relevant shareholders’ approval for the aforesaid convertible loan facility.

The Board is of the view that sufficient information has been disclosed for the trading of the Company’s securities to continue in an orderly manner and the Board confirms that all material disclosures have been provided for the trading of the Company’s shares to continue. The Independent Auditor’s Report and a complete set of the Group’s Audited Financial Statements form part of the Company’s annual

report for the financial year ended 31 December 2025, which will be released on the SGXNet and on the Company's corporate website on 13 April 2026. Shareholders of the Company are advised to read this announcement in conjunction with the aforesaid annual report in their entirety.

Shareholders and potential investors of the Company are advised to exercise caution when dealing or trading in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

By Order of the Board

Chin Mun Chung

Executive Director and Chief Executive Officer

13 April 2026

This announcement has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Goh Mei Xian, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OXPAY FINANCIAL LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of OxPay Financial Limited (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). 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 Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. 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 2(a) to the financial statements, which indicates that the Group incurred a net loss after tax for the year of \$3,155,000 and reported net operating cash outflows of \$3,108,000 for the financial year ended 31 December 2025. As at the reporting date, the Group and the Company had net current liabilities of \$1,062,000 and \$1,003,000 respectively, and net liabilities of \$1,875,000 and \$2,258,000 respectively. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group’s and the Company’s ability to continue as a going concern.

The ability of the Group and the Company to continue as a going concern is dependent on funds to be received under the second convertible loan agreement with Oxley Capital Management Pte. Ltd., share placement exercise on the issuance of 30,841,000 new ordinary shares for an aggregate amount of approximately S\$997,089 and the continued financial support from the controlling shareholder.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OXPAY FINANCIAL LIMITED

Material Uncertainty Related to Going Concern (Cont'd)

If the Group and the Company were unable to continue in operational existence, the Group and the Company may be unable to discharge their liabilities in the normal course of business, and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and the Company may need to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. No such adjustments have been made to the financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment of non-financial assets (Note 3, Note 4 and Note 5)	
<p><u>Risk identified:</u></p> <p>We identified the impairment of non-financial assets, comprising the Group's plant and equipment and intangible assets and the Company's investments in subsidiaries, as a key audit matter as the estimation of recoverable amount involves complex and subjective management estimates based on management's judgement.</p> <p>As at 31 December 2025, indicators of impairment had been identified as OxPay SG Pte. Ltd, the underlying payment service cash-generating unit, incurred losses for the financial years ended 31 December 2025 and 2024.</p> <p>Management estimated the recoverable amount of plant and equipment and intangible assets, including those included as part of net assets of OxPay SG Pte. Ltd., based on fair value less costs of disposal which was higher than value-in-use, with the involvement of independent valuers (the "Management's Experts").</p>	<p><u>Our response:</u></p> <p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> - Evaluated the objectivity, independence, qualification and competency of the Management's Expert who assisted in the valuations. - Assessed the appropriateness of using value in use or fair value less costs of disposal models as the basis for determining the recoverable amounts. - With the assistance of the auditor's expert, challenged the appropriateness of the inputs and assumptions adopted by the Management's Experts to determine the recoverable amounts. - Evaluated the appropriateness of the inputs used and adjustment factors applied for the plant and equipment valued using the depreciated replacement cost method.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OXPAY FINANCIAL LIMITED

Key Audit Matters (Cont'd)

Impairment of non-financial assets (Note 3, Note 4 and Note 5)	
<p>The fair value of plant and equipment was assessed using the depreciated replacement cost method under the cost approach.</p> <p>The intangible assets were valued using the Relief from Royalty Method under the income approach, which applied a discounted cash flow model. The assumptions with the most significant impact on the valuation of the intangible assets include the discount rate, royalty rate and growth rate.</p> <p>As at 31 December 2025, the carrying amounts of plant and equipment and intangible assets were \$332,000 and \$132,000, respectively. As at the same date, the carrying amount of the Company's investments in subsidiaries of \$448,000 related to the cost of investment in OxPay SG Pte. Ltd. (Note 5), net of impairment loss. The recoverable amount of the investment in OxPay SG Pte. Ltd. was determined based on the revalued net asset value as at the reporting date.</p>	<ul style="list-style-type: none"> - Evaluated the reasonableness of the comparable companies, discount rate, royalty rate, and growth rate applied, and tested the mathematical accuracy and underlying data used by management in the discounted cash flow model. - Assessed management's procedures for determining the fair value of financial assets and financial liabilities of OxPay SG Pte. Ltd. at the reporting date, and reasonableness of valuation input related to discount for lack of marketability. - Checked arithmetic accuracy of management's calculations. - Assessed the appropriateness of presentation and disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OXPAY FINANCIAL LIMITED

Key Audit Matters (Cont'd)

Valuation of financial asset at fair value through other comprehensive income ("FVOCI") (Note 6)	
<p>Risk identified:</p> <p>The Group owns a 3.42% equity interest in PT Iforte Payment Infrastructure ("PT Iforte") and accounts for this as a financial asset measured at FVOCI (the "Investment").</p> <p>The determination of the fair value of the unquoted investment is inherently subjective due to the absence of an active market.</p> <p>We have identified this as a key audit matter due to the significant judgement and assumptions required, including the selection and determination of unobservable inputs, in valuing the Investment.</p>	<p>Our response:</p> <p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> - Evaluated the objectivity, independence, qualification and competency of the Management's Expert who assisted in the valuations. - Assessed the appropriateness of using fair value less costs of disposal model as the basis for determining the recoverable amounts. - With the assistance of the auditor's expert, challenged the appropriateness of the valuation approaches and methodologies adopted by the Management's Expert to determine the recoverable amounts. - Evaluated reasonableness of valuation inputs used by the Management's Expert in determining the fair value of the Investment, including recent transaction price, market multiples and discount rate. - Considered the adequacy of the disclosure in the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OXPAY FINANCIAL LIMITED

Key Audit Matters (Cont'd)

Allowance for expected credit losses of trade and other receivables (Note 7)	
<p><u>Risk identified:</u></p> <p>The collectability of trade and other receivables is considered a key audit matter as it represents a major element of the statement of financial position, accounting for approximately 22% of the total assets, or 49% of the total assets excluding cash and cash equivalents as at 31 December 2025.</p> <p>The Group uses a provision matrix to calculate expected credit loss for trade receivables. The provision matrix is based on the Group's historical loss rates, which are calculated using a "roll rate" method based on 3-year historical loss data for each aging band. This method takes into account the migration of receivable balances through the various aging bands to determine the appropriate credit loss rate for each aging band. The roll rates are adjusted to reflect current conditions and forward-looking information.</p> <p>Key areas of judgment include the evaluation of the model and methodology used to measure expected credit losses; the assumptions used in the forward-looking information; and the determination of whether there has been a significant increase in credit risk since initial recognition.</p> <p>We consider this to be a key audit matter due to the significant judgments and estimates involved in the application of the expected credit loss model.</p>	<p><u>Our response:</u></p> <p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> - Analysed the aging of trade and other receivables, obtained an understanding of the background information on past due trade receivables. - Tested subsequent receipts of trade and other receivables post balance sheet date. - Assessed the appropriateness of management's identification of significant increase in credit risk and impairment triggers for trade and other receivables, and significant input data, such as historical payment pattern of customers, latest correspondence with customers, and cash receipts post year end. - Tested the accuracy and completeness of underlying data used in the determination of loss rates and the mathematical accuracy of the expected credit loss model. - Considered the adequacy of the disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OXPAY FINANCIAL LIMITED

Report on the Audit of the Financial Statements (Cont'd)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual 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 Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting processes.

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 SSAs 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OXPAY FINANCIAL LIMITED

Report on the Audit of the Financial Statements (Cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OXPAY FINANCIAL LIMITED

Report on the Audit of the Financial Statements (Cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ong Soo Ann.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore,

10 April 2026

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1 General information

The consolidated financial statements of the Group and statement of financial position of the Company for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company was incorporated as a limited liability company and domiciled in Singapore, and listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") Catalyst.

The registered office and principal place of business is located at 138 Cecil Street, #08-01 Cecil Court, Singapore 069538.

The principal activities of the Company and its subsidiaries are to carry on payment technology solution licensing, development and related hardware sales and rental, and electronic payment processing as aggregator and master merchant.

2(a) Basis of preparation

The financial statements are drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)") including related interpretations. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar ("SGD") which is the Company's functional currency. All financial information has been presented in SGD unless otherwise stated.

The accounting policies set out below have been applied consistently to all years presented in these financial statements, and have been applied consistently by Group entities.

Going concern basis

The Group incurred a net loss after tax for the year of \$3,155,000 (2024 - \$3,147,000) and reported net operating cash outflows of \$3,108,000 (2024 - \$5,212,000) for the financial year ended 31 December 2025. As at 31 December 2025, the Group had net current liabilities of \$1,062,000 (2024 - net current assets of \$465,000) and net liabilities of \$1,875,000 (2024 - net assets of \$795,000) respectively. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's and the Company's ability to continue as a going concern.

Notwithstanding the above, the Directors consider that it is appropriate for the financial statements of the Group to be prepared on a going concern basis, as the Directors have assessed that the Group has sufficient cash flow at least for the next twelve months from the date of this report to enable the Company to continue its operations and meet its financial obligations as and when they fall due, having considered the following:

- the liquidity of its existing assets of the Group;
- the entry by the Company into a convertible loan agreement dated 28 May 2025, together with the extension of the convertible loan agreement dated 26 November 2025 with Oxley Capital Management Pte. Ltd. (the "Lender") pursuant to which the Lender has agreed to grant to the Company a convertible loan facility of a principal amount of up to S\$2,500,000 on and subject to the terms and conditions of the convertible loan agreement. The parties to this convertible loan agreement have agreed to extend the date on which the conditions to the aforesaid agreement are to be satisfied, to 28 May 2026;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2(a) Basis of preparation (Cont'd)

Going concern basis (Cont'd)

- the entry by the Company into share subscription agreements on 31 March 2026 to allot and issue an aggregate of 30,841,000 new ordinary shares in the capital of the Company for an aggregate amount of approximately S\$997,089; and
- financial support from the controlling shareholder for a period of at least 12 months from the date of approval of the financial statements.

The preparation of the financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period in which the estimate is revised and in any future reporting periods affected. The areas involving significant judgement and critical accounting estimates and assumptions used are described below.

(i) Significant judgements used in applying accounting policies

Determination of functional currency

The Group measures foreign currency translation in the respective currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

Income taxes (Note 20)

The Group has exposure to income taxes in Singapore, Malaysia and Thailand. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. As at 31 December 2025, the Group did not recognise a deferred tax asset in respect of unutilised tax losses due to uncertainty over availability of future taxable profits.

(ii) Key sources of estimation uncertainty

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

Depreciation of property, plant and equipment and intangible assets (Notes 3 and 4)

Property, plant and equipment and intangible assets are depreciated on a straight-line basis over their estimated useful lives. Changes in the expected level of usage and technological developments could impact the useful economic lives and the residual values of these assets, therefore future depreciation charges could be revised. A 5% increase/decrease in depreciation rate on property, plant and equipment and intangible assets would not have a material impact on the financial statements.