

This announcement contains inside information

18 March 2025

Boku, Inc.

("Boku", the "Company" or the "Group")

Audited Results for the year ended 31 December 2024

Delivered robust revenue and adjusted EBITDA growth while strategically investing in future business growth

Expecting medium term organic revenue growth exceeding 20% (CAGR) and adjusted EBITDA margin of greater than 30% accreting from 2026

Boku (AIM: BOKU), a global network of localised payment solutions, is pleased to announce its audited results for the year ended 31 December 2024 ("FY 2024").

Financial Highlights	FY 2024	FY 2023	% change
	'000	'000	
DCB Revenue	73,322	66,100	+11%
Other LPM Revenue	25,951	16,620	+56%
Total Revenue	99,273	82,720	+20% & +24% at CER ¹
Adjusted EBITDA¹	31,412	25,799	+22%
Adjusted EBITDA Margin¹	31.6%	31.2%	+4bps
Operating Profit	6,156	9,716	-37%
Cash Balances	177,333	150,859	+18%
Average Cash Balances¹	153,941	131,665	+17%
Own Cash¹	80,249	72,919	+10%

Financial Highlights

- Total Group revenues increased organically by 20% to 99.3 million (FY 2023: 82.7 million), or c.24% on a constant exchange rate basis.¹
- Direct Carrier Billing ("DCB")² revenues grew by 11% to 73.3 million (FY 2023: 66.1 million), representing 7% growth in DCB payments² and c.50% growth in DCB bundling².
- Revenue from other Local Payment Methods ("LPMs")² - Digital Wallets² and Account to Account schemes ("A2A")² - increased by 56% to 26.0m (FY 2023: 16.6m) accounting for 26% of total revenues (FY 2023: 20%). Other LPM revenue contributed 27% of total revenues in H2 2024, increasing to 30% by the end of 2024.
- Adjusted EBITDA¹ increased by 22% to 31.4 million (FY 2023: 25.8 million), reflecting an adjusted EBITDA margin¹ of 31.6% (FY 2023: 31.2%). This is in line with our commitment to deliver an adjusted EBITDA margin of above 30% while we continue to undertake important investment initiatives in both our product offering and delivery capability to support future business growth.
- Operating profit of 6.2 million (FY 2023: 9.7 million). Reduction in operating profit, despite a 5.6m increase in adjusted EBITDA, primarily due to increases in foreign exchange revaluation losses on non-USD balances (largely JPY) and share based payment expenses driven by increases in both the number of awards granted, to a growing number of staff, and the Boku share price.

- A fair value loss on the Amazon warrants of 3.4m was recognised (FY 2023: fair value gain of 0.1m) reflecting increases in the Boku share price.
- Interest income increased to 3.7 million (FY 2023: 1.9 million) due to higher average cash balances and more funds being placed on interest bearing and/or longer-term deposits.
- Total Group cash increased by 18% to 177.3 million at 31 December 2024 (31 December 2023: 150.9 million). Average cash balances ¹ during the year increased by 17% to 153.9m (2023: 131.7m). The Group remains debt free.
- Boku's own cash ¹ increased by 10% to 80.2 million at 31 December 2024 (31 December 2023: 72.9m). This balance includes the impact of repurchasing 4.7 million shares in the year at a cost of 10.7m and the receipt of 3m from Danal relating to the exercise of warrants granted upon acquisition. Excluding these items Boku's underlying own cash ¹ increased by 21% in the year.

Operational Highlights

- Monthly Active Users ("MAUs") ² of the Boku platform in December 2024 increased by 29% to 87.1 million (December 2023: 67.4 million).
- 83.1m new users made their first payment or bundling transaction through the Boku platform during the year (FY 2023: 66.1 million).
- Total Payment Volumes ("TPV") ² reached 12.4 billion, up 18% from 10.5 billion in FY 2023. On a constant exchange rate basis ¹ this represents a c.23% increase year on year.
- Continued strong growth in other LPMs with new users increasing by over 50% year on year.
- Boku completed more than 100 new connections across various jurisdictions, demonstrating our capability to link our issuer network with the world's largest global tech giants.
- Highlights during the year include Boku's first e-commerce launch in Japan together with the addition of BLIK as a form of payment in Poland. The latter represented our first LPM connection for one of the world's largest merchants, extending our already strong DCB relationship.
- Take rate ² increased by 1 basis point to 0.80% reflecting a growing percentage of our business coming from LPMs with higher take rates (FY 2023: 0.79%).
- Continued investment in scaling systems and people with key senior hires in the year including three new executives adding significant depth and scale to the existing team.

Current Trading and Outlook

We have started 2025 strongly and have a healthy and increasing pipeline of opportunities. Consequently, the Board expects greater than 20% revenue growth in FY25, significantly exceeding current consensus ³ expectations, with an adjusted EBITDA margin of greater than 30%.

In addition, while annual growth rates may vary, we are expecting organic revenue growth exceeding 20% on a compound annual growth rate (CAGR) basis over the medium term. We are also expecting an adjusted EBITDA margin exceeding 30% with progressive accretion from 2026 as we benefit from the operational leverage generated by our ongoing investments. The future is bright as we continue on our journey to becoming the world's best localised payments partner for global commerce.

¹ These represent alternative performance measures (APMs) for the Group. Refer to the APM section at the end of this announcement for a summary of APMs used, together with their definitions.

² For a full list of definitions and abbreviations used by the Group, refer to the Glossary at the end of this announcement.

³ FY 2025 Consensus as of Monday 17 March 2025 is Revenue 109.6m and adjusted EBITDA 36.0m.

Stuart Neal, Chief Executive of Boku, commented, "Boku's strong financial health and positive momentum reaffirms our position as a leader in Local Payment Methods (LPMs). With robust organic revenue and adjusted EBITDA growth, we continue to invest in capabilities that will drive future business expansion. Our deepening partnerships with global tech giants highlight the growing need for them to offer broader payment options to consumers beyond traditional payment cards. By consistently delivering for these merchants at scale with reliability, compliance, and innovation, we have strengthened our role as a key partner in their own market expansion. We are excited to be on the path to becoming the world's best localised payments partner for global commerce."

Board Update

The Board is committed to orderly and structured succession planning. Given the current Chair, Dr Richard Hargreaves is approaching nine years in office the Board has agreed to commence an initial search for a new Chair. Dr Hargreaves has agreed

to remain as Chair until a suitable successor is identified and appointed to the Board

Analyst Briefing

The Company's management will be hosting a presentation for analysts today at 9.30 a.m. GMT. Those analysts who wish to attend the briefing and have not already registered should contact Florence Staton at florence.staton@investor-focus.co.uk or on +44(0)20 3934 6636.

Investor Presentation

The Company will provide a live investor presentation relating to the results via a Zoom webinar at 5.30 p.m. GMT today. The presentation is open to all existing and potential shareholders. Those wishing to attend should register via the following link:

https://us02web.zoomus/webinar/register/WN_8JyQM3mT1yn_v4OOBcJRw

There will be the opportunity for participants to ask questions at the end of the presentation. Questions can also be emailed to boku@investor-focus.co.uk ahead of the presentation.

The information contained within this announcement is deemed by Boku to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 (as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018) ("MAR"). On the publication of this announcement via a Regulatory Information Service, such information is now considered to be in the public domain. For the purposes of MAR, the person responsible for arranging for the release of this announcement on behalf of Boku is Robert Whittick, Chief Financial Officer.

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Note to Editors:

Boku Inc. (AIM: BOKU) is a leading global network of localised payment solutions. Boku's mobile-first payments network, including digital wallets, direct carrier billing, and A2A (account to account)/real-time payments schemes, reaching over 7 billion mobile payment accounts through a single integration.

Customers that trust Boku to simplify sign-up, acquire new paying users and prevent fraud include global leaders such as Amazon, Meta, Google, Microsoft, Netflix, Sony, Spotify and Tencent.

Boku Inc. was incorporated in 2008 and is headquartered in London, UK, with offices in the US, India, Brazil, China, Estonia, France, Germany, Indonesia, Japan, Singapore, Spain, Taiwan and Vietnam.

To learn more about Boku Inc., please visit: <https://www.boku.com>

Chair's Statement

As our Annual Report demonstrates, Boku has continued its strong momentum, delivering impressive growth in revenue, adjusted EBITDA and cash, with operating profit seeing a modest decline in the year. Boku has also enhanced its global footprint and broadened its capabilities in Local Payment Methods (LPMs) to support the world's leading digital merchants. These are achievements of which the Boku team can be very proud.

During the year, we significantly strengthened and expanded the management team and made considerable investment in the

future development of LPMs which is where we expect to see much of our future growth. As stated elsewhere in this report, our overall goal is to become the world's best localised payments partner for global commerce. An ambitious but, we believe, achievable goal.

Leadership, Governance and Shareholder Engagement

As anticipated in my report last year, 2024 was a year of significant transition. Having now had over a year in post as CEO, I am thrilled to confirm that Stuart Neal's return to Boku (having previously been CFO at the time of the IPO and then CEO of the Identity division which we sold in 2022) has been a great success. He has deep sector and institutional knowledge, strategic acumen, and leadership experience - all of which are needed as we continue down our ambitious growth path.

We have also strengthened our leadership team by welcoming Rob Whittick (Chief Financial Officer), Vic Rodgers (Chief People Officer), and Paul Jarrett (Chief Treasury and Banking Officer). Their expertise, acquired at much larger companies, will be instrumental as Boku scales to become the world's best localised payments partner for global commerce.

Our Board has eight directors, two are executives and six are non-executives (four of whom the Board considers to be independent). I believe the Board has the right mix of industry expertise, regulatory knowledge, and strategic insight to support Boku's ambitious expansion plans.

I have been privileged to be one of Boku's non-executive directors since before our IPO and to have played my small part in Boku's development over nearly nine years. In the UK, that is generally seen as the time limit beyond which a non-executive's, independence is questioned. With this in mind, I have notified the Board of my intention to retire from the Board once we have found a suitable replacement. The Board has set a demanding specification for this role and finding the right person with the appropriate skillset and experience for the next phase of growth at Boku is seen as more important than the timing. We have commenced an externally facilitated search process and will update the market at the appropriate time on progress.

Compliance in all we do remains central to our operations, and we continue to strive for the highest standards of regulatory adherence and risk management. We also welcome the recent revisions to the QCA Corporate Governance Code. Ahead of its due date we have adopted the recommended practice of submitting all directors for annual election by shareholders at the AGM.

We are also acutely aware of the challenges facing the London public markets - and AIM in particular. Limited share liquidity is an issue facing most companies quoted in London, and to help ease the impact on our own liquidity and where we consider shares to be undervalued we have established a share buyback plan which our cash generation allows us to do. I am also very pleased to see that the last Budget did not completely remove the Inheritance Tax planning benefits of investing in the AIM market, even though the benefit was reduced.

We have worked hard on shareholder engagement. Our shareholders mainly come from the UK, Europe and the USA and Stuart Neal and Rob Whittick have regularly met with institutional shareholders and prospective shareholders. I am always available to speak to any shareholder or analyst. We are pleased that our shareholders have given us strong support and encouragement as our growth plan continued to develop.

Investing for Scale and Future Growth

To support our ambitious expansion, in addition to our strengthened leadership team, we have invested heavily in technology, automation, finance and compliance. Ongoing enhancements to our platform include improving levels of straight-through processing, global treasury capabilities, and real-time cross-border money movement, all of which are critical for handling higher transaction volumes efficiently.

As part of our ambitious growth plan and following shareholder consultation the Board asked for, and received, shareholder approval of an additional long-term incentive scheme for the executive management team. This Stretch Restricted Share Unit (SRSU) Plan is designed to reward exceptional shareholder value growth between March 2024 and the date on which the results announcement for the 2027 financial year is released (expected to be March 2028) with a holding period until vesting, in two instalments after which they convert into common shares. They will only start to vest if the share price reaches 541.2p (GBP) or more and they are capped at a share price of 902p (GBP). We appreciate our shareholders' valuable input in shaping the final plan, ensuring it aligns with our long-term goals while incentivising exceptional performance from which all stakeholders will benefit.

Commitment to Culture

Boku's success is driven by its people and culture. We have a diverse workforce spread around the world and I am proud of the dedication and innovation they continue to display. Despite significant operational expansion and leadership transitions, our team has embraced change with passion and agility. It is worth noting that our largest customers include many of the largest US technology companies who are some of the most demanding customers we could have, so the team's commitment to exemplary customer service is crucial to our success. That, in turn, offers the team high levels of work satisfaction which, I believe, is one reason why they show such dedication and enthusiasm.

Looking Ahead - An Exciting Future

Boku has had a great year, with strong financials, a growing market presence and a powerful strategic vision.

As we move through 2025, our focus and investment will be aligned with our five growth pillars:

- Grow core and develop new revenue streams
- Drive product innovation
- Increase operational efficiency
- Strengthen compliance and risk management
- Be a great place to work

The Board remains highly confident in Boku's future and its ability to capitalise on the ongoing transformation in global payments.

Finally, I would like to express my gratitude to our employees, executive team, board members, and shareholders for their continued support and commitment. Boku is on an exciting journey, and I am proud to be part of it.

Richard Hargreaves

Non-Executive Chair

18 March 2025

Chief Executive Officer's Report

As I reflect on my first year as Boku CEO, I must say that I am pleased with the progress that we have made against our multi-year journey to become the world's best localised payments partner for global commerce. We delivered strong financials with continued organic revenue growth together with solid and sustained adjusted EBITDA margin, whilst also investing meaningfully in core capabilities that will pave the way for the company to grow substantially over the coming years. The company is in robust financial health, is cash generative and has capacity to self-fund future growth.

We have once again been proud to support many of the world's largest tech giants, as they continue to grow their businesses into new markets and penetrate deeper into existing ones, by allowing them to offer greater payment choice to consumers. These days, merely offering Visa and MasterCard as a method of payment will not necessarily enable all consumers in a market to pay for your products/services.

Throughout 2024, these existing merchants continued to deepen their partnerships with us, expanding their access to consumers by offering more Local Payment Methods (LPMs) via the Boku network. This sustained growth reflects the trust we have built through consistent execution, reliability, and a seamless payment experience. Our ability to deliver at scale, coupled with our commitment to compliance and innovation, has reinforced our position as a key partner for these industry leaders as they extend their reach in existing and new markets.

It is a pivotal time for the Payments industry, where payment methods previously referred to as "alternative" are now breaching into the mainstream.

I recently wrote an article about how the piano top life raft, a parable first floated (excuse the pun) by American architect Buckminster Fuller in the 1900s is a useful analogy for the way the payments industry is changing. The piano top parable goes like this: imagine you're shipwrecked and adrift on the ocean. The ship's grand piano floats by. You grab onto it, and it keeps you afloat. From that moment on, because the piano top saved your life, it becomes your go-to life raft.

The traditional plastic card-based payment systems that have dominated global commerce for 50 years are like the piano top life raft. They did a great job, but now there is a wave of new rafts tailored to modern businesses and their customers.

In today's world of global commerce, a range of LPMs, including Digital Wallets, Account to Account (A2A) payments and Direct Carrier Billing (DCB), designed initially for facilitating payments domestically, have flooded the scene offering greater convenience and opportunity.

Boku is therefore benefiting from three concurrent tailwinds relating to LPMs:

- i. the rapid consumer adoption of LPMs across all continents (i.e. phones and not plastic)
- ii. the repatriation of payment systems by central banks away from Visa and MasterCard domination a "pull" from larger global merchants who want to get paid cheaper and faster, avoiding the multi-lateral interchange fees and other associated scheme fees of the card processors.
- iii.

At Boku, we have been anticipating that these trends would unfold for many years as we have steadily been adding more LPMs to our original network of DCB connections. These LPMs help our merchants to grow their businesses into new markets and cross-border. Our global network now incorporates over 250 LPMs, including increasingly popular payment methods in Italy (Satispay), Poland (BLIK), India (UPI), Nigeria (NIBSS) among many others. The Company is at an inflection point as the rapid growth in Digital Wallet and A2A payment adoption becomes a progressively meaningful part of our business.

It is pleasing to see how the slick, tokenised checkout experience for DCB remains a popular way to buy digital content in many countries and consequently continues to show good growth in mature markets such as Taiwan, Japan, Germany, UK and Switzerland. We are also seeing adoption momentum in newer markets in the Middle East where a short-term, interest free line of credit to consumers (provided by Mobile Network Operators) is proving popular in markets such as Saudi Arabia and Iraq.

During the year we added capability to support online retail (e-commerce), a market with more complex dynamics and requirements to that of digital. In the world of e-commerce, the demands on the payment provider are greater and include processing significant volumes of refunds and handling the split between authorisation of a payment at the time of order and capture of the funds at the time of despatch. The ability for Boku to bring LPMs into the broader world of online retail gives us the right to play in an addressable market that is predicted to be valued at > 10 trillion by 2028 (source: Juniper research¹).

With this added functionality, Boku now supports cross-border payments not only for digital streaming subscriptions and gaming (note - not gambling), but also broader e-commerce, online advertising, subscription software and online travel.

It is because of this sizable market opportunity that we are making necessary ongoing investments into scaling internal processes as well as upgrading systems, adding increased product functionality and introducing a global treasury and banking capability. These investments in automation will continue throughout 2025 and will deliver the potential to process larger transaction volumes at higher velocity across our platform. We will also be able to automate the segregation of funds to ensure we continue to meet regulatory requirements, increase levels of automation within the reconciliation and settlement of money flows in and out of our growing network of global banking partners and exchange currencies real time all over the world.

Our investment in scaling systems is being matched by scaling efforts with our people, having added significantly to the talent pool during 2024, combined with ongoing expansion of the licensing, risk management, compliance and finance functions - all key and necessary components for being a scale global payments player. During 2024, three new executives were added to the Boku leadership team: Rob Whittick, Chief Financial Officer (formerly NatWest), Vic Rodgers, Chief People Officer (formerly AO.com) and Paul Jarrett, Chief Treasury & Banking Officer (formerly Zepz). These new additions to the exec table have added a huge amount of depth and scale experience to the existing leadership team.

Clearly, achieving all the above would not be possible without the collective talent, passion and hard work from every Boku employee from around the world. Despite our relatively small size, our organisation spans the globe, with over 450 employees in over 30 countries. We know how to be truly global - executing at pace for our merchants, with a clear global approach matched by local knowledge and expertise. This exceptional team have embraced a huge amount of change over the past 18 months, with changes at the leadership table, and increased ambition and growth agenda, culminating in our newly articulated Vision to become the world's best localised payments partner for global commerce.

Whilst we grow and scale, adding organisational rigour, process and governance become increasingly important, but we actively fight to preserve the vibrant culture that has successfully enabled Boku to reach this point.

Looking Ahead To 2025 And Beyond

Looking ahead, our strategy will revolve around five core pillars-growing revenues, product innovation, driving operational efficiencies, maintaining a robust risk and compliance framework, and being a great place to work. Within these there are three material vectors of growth for Boku over the coming years:

- Continuing to be a strategic growth partner to our existing global merchants, helping them fulfil their own global expansion ambitions, by connecting them to more LPMs across more markets. This expansion will include launching PIX in Brazil during 2025 and leveraging our recently obtained cross-border permissions for UPI in India. We will continue to add new capabilities in MENA and be a partner of choice for LPMs in our heartlands of APAC and Europe.
- Attracting new global and regional enterprise merchants to the network by introducing direct sales capacity and/or partnering up to grow our presence in the wider market. We hugely value our existing merchant base - names to die for - and we also see potential to attract more big names to our network. The value of LPMs is not simply attractive to the very largest companies.
- Creating margin opportunity by adding new functionality to our product offering, for example helping merchants repatriate funds cross-border from difficult places will add value over and above core payment processing. It is surprising how even some of the largest global companies struggle with money movement cross-border. Having the right entities, licenses, banking partners and "know how" in the right places will be a differentiating factor for Boku going forward.

We have started 2025 strongly and have a healthy and increasing pipeline of opportunities. Consequently, the Board expects greater than 20% revenue growth in FY25, significantly exceeding current consensus² expectations with an adjusted EBITDA margin of greater than 30%.

In addition, while annual growth rates may vary, we are expecting organic revenue growth exceeding 20% on a compound annual growth rate (CAGR) basis over the medium term. We are also expecting an adjusted EBITDA margin exceeding 30% with progressive accretion from 2026 as we benefit from the operational leverage generated by our ongoing investments. The future is bright as we continue on our journey to becoming the world's best localised payments partner for global commerce.

We look forward to presenting our progress and outlining the next phase of our growth strategy during our upcoming Capital Markets Day on 2 June 2025 of which we will share details in due course.

¹ Boku & Juniper Research, 2024. 2024 Global Ecommerce Report. Available at <https://www.boku.com/boku-knows/2024-boku-global-e-commerce-report>

² FY 2025 Consensus as of Monday 17 March 2025 is Revenue 109.6m and adjusted EBITDA 36.0m.

Stuart Neal
Chief Executive Officer
18 March 2025

Chief Financial Officer's Report

Delivering robust revenue and adjusted EBITDA growth, while strategically investing in future business growth

Introduction

I am pleased to present Boku's full-year results for the year ended 31 December 2024. This has been a year of significant progress for Boku, evidenced, in part, by our strong financial performance. Revenues increased by 20% (or 24% on a Constant Exchange Rate¹ (CER) basis) to 99.3m (FY 2023: 82.7m) driving a 22% increase in adjusted EBITDA to 31.4m (FY 2023: 25.8m) and an adjusted EBITDA margin of 31.6% (FY 2023: 31.2%). We have delivered an operating profit in the year of 6.2m (FY 2023: 9.7m).

This financial performance has been underpinned by strong operational metrics. A year-on-year increase of 18% (or 23% on a CER basis) in Total Payment Volumes (TPV) driven by a 29% increase in Monthly Active Users (MAU).

Our journey to becoming the world's best localised payments partner for global commerce is advancing rapidly. Our position as a market leader in Direct Carrier Billing (DCB) continues to be reinforced with revenues growing by 11% in the year. In addition,

we continue to diversify our revenue streams by investing in other, higher growth, Local Payment Methods (LPMs) - Digital Wallets and Account to Account (A2A) - where we have seen meaningful revenue growth of 56% in the year. These products now represent 26% of total revenues.

We remain committed to undertaking important investment initiatives in both our product offering and delivery capability to support future business growth. Whilst making this investment we have delivered on our commitment to maintain an adjusted EBITDA margin of over 30%, reporting an adjusted EBITDA margin of 31.6% (FY 2023: 31.2%). We continue to generate cash through our business activities with our year end own cash balance increasing by 10% to 80.2m from 72.9m in the prior year. This 10% increase is after 10.7m related to the purchase of our own shares under our ongoing share buyback program and 3m of cash received from Danal relating to the exercise of warrants - excluding these items our own cash increased 21% in the year.

The achievements of this past year reflect the ever-increasing strength of our platform, the value we deliver to our global merchants, and the growing demand for localised payment solutions. I am excited about the opportunities ahead as we continue to deliver for our merchants and shareholders alike.

Expanding user base driving increased volumes and diversified revenue growth

Our robust revenue growth was underpinned by strong operational metrics and strategic network development, reflecting our focus on scalable future business growth.

Revenue Performance	FY 2024	FY 2023	% change
	'000	'000	
DCB Revenue	73,322	66,100	+11%
Other LPM Revenue	25,951	16,620	+56%
Total Revenue	99,273	82,720	+20% & +24% CER

Operational Highlights	FY 2024	FY 2023	% change
Total Payment Volumes (TPV)	12.4bn	10.5bn	+18% & +23% CER
Take Rates	0.80%	0.79%	+1bp
Monthly Active Users (MAU) in December	87.1m	67.4m	+29%
New users for 12 months to December	83.1m	66.1m	+26%

As Boku continues to connect our merchants into our issuer network, our MAUs have increased by 29% to reach 87.1 million in December 2024 (December 2023: 67.4 million). Likewise, new users for the 12 months to December grew by 26% during the year, totalling 83.1 million (FY 2023: 66.1 million).

These increased user numbers reflect the success of our ongoing efforts to develop connections across our network providing more value to our merchants. We have also continued to develop our geographic footprint, further enhancing our ability to support new and existing merchants globally. Alongside this, we completed more than 100 new connections across various jurisdictions, demonstrating our capability to link our issuer network with the world's largest merchants. Highlights in 2024 include our first e-commerce launch in Japan together with the addition of BLIK as a form of payment in Poland. The latter represented our first LPM connection for one of the world's largest merchants, extending our already strong DCB relationship. This progress has contributed to a 23% increase in TPVs on a CER basis which now stand at 12.4 billion (FY 2023: 10.5 billion).

As part of our focus on operational efficiency, we have made the strategic decision to disconnect certain merchants and close selected LPMs that are not economically viable for our business. Additionally, we have seen some consolidation of LPMs during the year.

Our take rate increased by 1 basis point to 0.80% in 2024 (FY 2023: 0.79%) reflecting a growing percentage of our business coming from LPMs with higher take rates.

Looking at the product mix, DCB, which includes DCB payments and DCB bundling, delivered revenue growth of 11% and we expect growth at a similar level in the near term. Within that, there has been a 7% growth in DCB payments and c.50% growth in DCB bundling. We continue to see merchants launching DCB connections including in key markets such as Taiwan, Turkey and the Middle East.

At the same time, other LPMs continue to gain momentum with revenue growing by 56% year on year. These products now

At the same time, other LPMs continue to gain momentum, with revenue growing by 30% year on year. These products now account for 26% of our total revenue, up from 20% in 2023 - notwithstanding an 11% growth in DCB. This growth is driven by strong operational metrics in other LPMs, with new users rising by 57% to 21.5 million (FY 2023: 13.7 million). This illustrates the progress we are making in delivering new LPMs and developing existing connections that continue to diversify our revenue streams towards higher growth products. This is something we are well positioned to do given our long standing DCB relationships with many of the world's largest tech giants who are working with us to connect them to other LPMs around the world. This is a trend we expect to continue going forward. Other LPM revenue contributed 27% in H2 2024 increasing further to 30% as we exited 2024.

Investing in our future

Our adjusted operating expenditure rose to 65.4 million (FY 2023: 54.9 million) whilst maintaining our commitment to an adjusted EBITDA margin of above 30%. We continue to take a disciplined and strategic approach to investment, ensuring that our resources are channelled into initiatives that drive scalability, foster innovation, and secure future business growth.

These investment initiatives include:

- Our first retail (e-commerce) launch, which required enhancing the functionality of our platform to support this type of payment activity
- Achieving authorisation from the Reserve Bank of India to operate as a Payment Aggregator for Unified Payments Interface (UPI)
- Connecting increasing numbers of LPMs to some of the world's largest online merchants
- Enhancing our platform to enable increasing levels of straight through processing
- Expansion of our foreign exchange and money movement capabilities
- Submitting an authorisation request to the FCA to offer both account information services and payment initiation services in the United Kingdom which was subsequently obtained early in 2025.

Operating Performance	FY 2024	FY 2023	% change
	'000	'000	
Adjusted EBITDA ³	31,412	25,799	+22%
Adjusted Operating Expenses ⁴	65,442	54,871	+19%
Adjusted EBITDA Margin ⁵	31.6%	31.2%	+4bps
Operating Profit	6,156	9,716	-37%

³ Adjusted EBITDA is an alternative performance measure (APM) calculated as operating profit before non-recurring other income, depreciation, amortisation, share-based payment expense, foreign exchange gains/ (losses) and exceptional items (see the APM section of this report for further details).

⁴ Defined as gross profit less adjusted EBITDA.

⁵ Calculated as adjusted EBITDA over revenue for the year.

Review of Other Operating Expenses and Other Items

Boku reported an operating profit of 6.2 million for the year (FY 2023: 9.7 million). This reduction in operating profit, despite a 5.6 million increase in adjusted EBITDA can be explained as follows:

- Share-based payment charges have increased to 10.5m from 7.6m in the prior year primarily due to the increased number of share awards granted as staff numbers rise and an increase of more than 30% in our share price. Boku operates a number of different award schemes:
 - Restricted Stock Unit (RSU) awards are granted to all staff and vest in full over 3 years.
 - Performance RSU (PRSU) awards are granted to executive employees and vest after 3 years subject to certain performance conditions; and
 - Stretch RSU (SRSU) awards relate to a new executive plan which was approved by shareholders during the year. The awards vest in 2028 and 2029 depending on Boku's share price performance following the 2027 results. 25% of the awards granted vest if the share price reaches three times the base price of 180.4p (541.2p), rising on a straight-line basis to 100% if it reaches five times 180.4p (902p). See note 22 for more details.
- Foreign exchange losses of 6.0m were reported in the year compared to losses of 1m in FY 2023. These are largely driven by losses on the revaluation of non-USD balances (largely JPY) during the first half of FY 2024.
- Exceptional items of 0.9m related to finance transformation costs, a one-off refund from an issuer and employee restructuring expenses (FY 2023: nil).
- Depreciation increased from 1.8m in FY 2023 to 2m in FY 2024 due to a new operating lease and increased capital expenditure driven by increasing staff numbers and the related IT equipment costs.
- Amortisation of internally generated intangibles has increased from 3.6m in FY 2023 to 4.5m in FY 2024 reflecting the increase in capitalised expenditure on developments for recent e-commerce launch. This was

reflecting the increase in capitalised expenditure (e.g. developments for recent & completed games). This was offset in part by a decrease in amortisation of acquired intangibles from 2.2m to 1.4m owing to a catch-up of accelerated decommissioning charges in the prior year.

Other items below the operating profit line include:

- A fair value loss on the Amazon warrants of 3.4m was reported in FY 2024 compared to a fair value gain of 0.1m in FY 2023 reflecting increases in our share price. See note 18 for further detail.
- Interest income increased to 3.7m in FY 2024 from 1.9m in FY 2023 due to higher average cash balances and more funds being placed on interest bearing and/or longer-term deposits.

The Group reported a Basic Earnings Per Share (EPS) of 0.01 (FY 2023: 0.03) and a Diluted EPS of 0.01 (FY2023: 0.03).

Strengthening Our Financial Position

Boku continues to operate debt-free and generate strong cash flows, providing flexibility for future investment opportunities.

Cash Metrics	FY 2024	FY 2023	% change
	'000	'000	
Group Cash Balances	177,333	150,859	+18%
Average Cash Balances⁶	153,941	131,665	+17%
Own Cash⁷	80,249	72,919	+10%

⁶ Average cash balances are an alternative performance measure calculated as the average cash balance for each day

⁷ Own cash is an alternative performance measure calculated as cash held plus gross amounts due from issuers and merchants less amounts owed to merchants

Cash Generation

Group cash balances increased by 18% to 177.3m (FY 2023: 150.9m) and average cash balances increased by 17% to 153.9m (FY 2023: 131.7m). Boku's own cash now stands at 80.2m representing a 10% increase from 72.9m in FY 2023. The year end cash balance includes the following notable items excluding which our own cash increased by 21% in the year:

- an outlay of 10.7m relating to our ongoing share buyback which is discussed in more detail below (FY 2023: 9.8m)
- 3m of cash received from Danal relating to the exercise of warrants granted upon acquisition (FY 2023: nil). See note 18 for further details.

When deriving our own cash balance, we exclude merchant and issuer related balances, which comprise issuer receivables, merchant payables, and merchant receivables, thus providing a clearer view of the Group's own cash position.

In the current year, we have enhanced the disclosure of our financial statements to provide greater clarity and transparency. Specifically, we have separately identified issuer receivables and merchant payables in the notes to the financial statements, providing better visibility into merchant-related balances. Further details on these changes can be found in notes 16 and 20.

Share Buyback

The cash balance above is after the purchase of 4.7 million of Boku's own shares during the year for a total consideration of 10.7m. This purchase took place under Boku's 2022 and 2024 share buyback programmes as we consider it to be the most appropriate use of our cash when we believe shares are undervalued. See note 3.13 for further details.

Intangibles

At 31 December 2024, the Group had goodwill of 41.3m (FY 2023: 42.2m) and other intangibles of 15.2m (FY 2023: 14.4m). No impairment was required at year end. See note 13 for further details.

Deferred Tax Asset

Our deferred tax asset increased to 16.1m from 15.3m in the prior year. See note 10 for further details.

Current Trading and Outlook Guidance

As we look ahead, we remain committed to strengthening our network and enhancing value for our merchants and stakeholders. Our focus continues to be on optimising our payments network, ensuring that each connection operates at maximum productivity and efficiency. By investing in our products and continuing to develop our infrastructure and processes, we aim to drive greater value while maintaining a seamless, secure, and scalable service.

We will continue to leverage our geographic footprint, regulatory expertise, and network optimisation efforts to support growth and innovation. By staying agile and responsive to industry shifts, we are confident in our ability to drive long-term value for all stakeholders.

We have started 2025 strongly and have a healthy and increasing pipeline of opportunities. Consequently, the Board expects greater than 20% revenue growth in FY25, significantly exceeding current consensus⁸ expectations with an adjusted EBITDA margin of greater than 30%.

In addition, while annual growth rates may vary, we are expecting organic revenue growth exceeding 20% on a compound annual growth rate (CAGR) basis over the medium term. We are also expecting an adjusted EBITDA margin exceeding 30% with progressive accretion from 2026 as we benefit from the operational leverage generated by our ongoing investments.

Through disciplined execution, strategic investment, and an unwavering focus on efficiency and innovation, we believe we are well-positioned to capitalise on market opportunities and sustain profitable growth in the years ahead. We look forward to presenting our progress and outlining the next phase of our growth strategy during our upcoming Capital Markets Day on 2 June 2025 of which we will share details in due course.

Thank you for your continued trust as we work together to build on our successes and deliver value to all of our stakeholders.

⁸ FY2025 Consensus as of Monday 17 March 2025 is Revenue 109.6m and adjusted EBITDA 36.0m.

Robert Whittick
Chief Financial Officer
Date: 18 March 2025

Strategic Report

Mission	Vision	Purpose
To simplify global expansion for our merchants by providing seamless access to the world's most popular payment methods	To be the world's best localised payments partner for global commerce	To give people the freedom to buy what they want, the way they want

When "Alternative" payment methods hit the mainstream: The rise of the Local Payment Methods continues

Boku continues to be at the forefront of global payments, with a network incorporating unique connections to over 250 distinct and emerging payment methods across more than 70 countries. During 2024 we added notable new connections in India, Nigeria, Colombia, Italy, Poland, and our first online retail (e-commerce) connection in Japan. We have created this incredible network to help solve a simple problem for our large global merchants: how do they continue to grow and monetise globally. The Global E-commerce Report⁹, commissioned by Boku in collaboration with Juniper Research in 2024, identified some key long term macro trends in global payments. The most notable is that, by 2028, 59% of global e-commerce will happen using payment methods that are not traditional credit or debit cards (including card-linked wallets). This is a powerful trend and a profound shift in global buying behaviours that is not always recognised in big western markets such as the US and UK.

Across the world, the march of the new "local" payment methods continues. This is not purely an emerging markets phenomenon, it is a global trend. New payment methods and domestic schemes are becoming increasingly popular all over the world: WeChatPay China (1,935 million users), UPI India (350 million users), NIBSS Nigeria (219 million users), PIX Brazil (165 million users), PayPay Japan (67 million users), Bizum Spain (26 million users), Nequi Colombia (18 million users), BLIK Poland

(17 million users), Satispay Italy (5 million users) to name just a small sample.

Put simply, companies wishing to expand into new international markets have to offer greater payment choice than solely traditional card payment methods if they wish to access more than 40% of consumers in those markets. In many cases, these new Local Payment Methods (LPMs) are focused primarily on enabling digital commerce within their domestic markets. Cross-border commerce is often something of an afterthought. That's where Boku comes in. We enable merchants to grow internationally by helping them to seamlessly access the fragmented world of LPMs, either cross-border or within their own market. One connection to Boku can open up access to billions of paying consumers.

⁹ Boku & Juniper Research, 2024. 2024 Global Ecommerce Report. Available at <https://www.boku.com/boku-knows/2024-boku-global-ecommerce-report>

Why are LPMs taking off?

LPMs are rapidly gaining traction due to their benefits for consumers, merchants, and governments alike:

- Consumers: LPMs offer a seamless, mobile-first payment experience by integrating directly into app ecosystems and eliminating reliance on plastic cards giving consumers more control and more choice.
- Merchants: benefit from faster, more secure and lower-cost transactions, easier expansion into international markets, relief from multi-lateral interchange fees and the dominance of global card networks.
- Governments: may view LPMs as a means to reclaim control over their domestic payment infrastructure, promote financial inclusion by expanding access to secure digital payments, enhance transaction transparency, and improve regulatory oversight of financial flows.

These combined factors are driving the rapid adoption of LPMs worldwide.

Different types of LPM are attracting different use cases

Direct Carrier Billing (DCB)

DCB continues to demonstrate strong value, with growth expanding across multiple continents. As the original Buy Now Pay Later solution for digital purchases, DCB payments remains a popular non-interest-bearing line of credit, allowing consumers to spend up to 1,000 per month in some countries. We continue to see merchants adopting DCB as a payment method in new markets while seeing incremental subscribers in mature markets. With approximately 200 connections to mobile operators, Boku continues to play a key role in driving the adoption and expansion of DCB globally.

DCB bundling continues to gain traction as a powerful distribution channel, enabling merchants to integrate their services into consumers' everyday digital experiences. Via Boku's bundling solutions, merchants can leverage established third-party ecosystems to reach new customers and drive new user acquisition and engagement. Boku provides seamless access to a vast network of digitally engaged consumers. As demand for embedded commerce solutions grows, bundling remains a key strategy for merchants looking to scale efficiently.

Digital Wallets & Account to Account (A2A)

Digital Wallets and A2A payments are central to digital commerce, seamlessly integrating payment capabilities within broader digital ecosystems. Digital Wallets are often embedded within SuperApps such as ride-hailing, messaging, and e-commerce platforms—these payment methods connect to a vast, digitally engaged user base, offering significant marketing potential. With direct funding from bank accounts or linked payment sources, they provide enhanced convenience and greater user control. Both merchants and consumers benefit from integrated features like loyalty programs and promotions, driving higher engagement and retention.

As the future of payments, A2A transactions enable direct transfers from banking systems to merchants via Boku, offering a regulated alternative to traditional payment methods. Designed to be instant, affordable, and secure, A2A is becoming increasingly popular for cross-border transactions and offers an alternative to expensive international wire transfers and card-based fees. These innovations also promote financial inclusion, enabling more consumers to make digital payments without requiring credit cards or third-party payment services.

With over 60 connections to Digital Wallet and A2A schemes, Boku is accelerating the adoption of seamless payments in the global financial ecosystem.

Boku's portfolio approach to global, diversified payments

Boku is a truly global and diversified payments provider, enabling seamless transactions on a pan regional basis across multiple countries supporting a broader span of industry verticals.

- **Pan-regional:** we are present across APAC, EMEA and LATAM. Global merchants benefit from working with a partner that is truly global
- **Multi-country:** we have a broad presence within each region and typically have multiple payment methods connected within each country, without over-reliance on one single market or product.
- **Industry verticals:** we offer a broad range of payment choices which has attracted merchants in multiple industries, from digital and gaming (not gambling), prepaid advertising, online travel and online retail (e-commerce).

Providing a multi-layered solution is the route to adding value

Companies wishing to win in global payments in the future will need to find new ways to add value for merchants over and above payment facilitation in an increasingly competitive market. To achieve this, businesses must focus on key areas such as optimising payment connections, ensuring regulatory compliance, and providing efficient fund settlement solutions that address the evolving needs of merchants globally.

Optimising payment connections

Being the best at connecting merchants to LPMs at scale and cross-border requires attention to detail and an increasing amount of analytical intelligence:

- Conversion rates are key - better conversion rates drive quality connections.
- Dealing with complexity and the nuances within each industry segment e.g. refunds are a significant part of e-commerce.
- Utilising data is essential to continuously optimise payment processes and detect fraud or inefficiencies, leading to better decision-making and improved merchant success.

Regulatory compliance

An essential part of our success depends upon having the right licenses in the right countries:

- Payments is a regulated business and needs to be taken seriously.
- The growth in A2A payments, bank owned and run schemes, drive increasing amounts of governance.

Efficient fund settlement solutions

Being able to settle money back to merchants quickly, in whatever currency they prefer:

- Global expansion cannot be achieved if merchants cannot repatriate the revenues they have generated in specific markets.
- Licensing, combined with an extensive network of global banking partners, enables swift and seamless settlement of funds in the preferred currency, while maintaining compliance with international financial regulations, and minimising currency conversion risk and cost.

Driving growth through investment in our capabilities and our people

In 2024, Boku continued to invest in its workforce, which now exceeds 450 employees in over 30 global locations. This investment includes an infusion of top-tier talent from leading financial institutions, bringing valuable expertise in secure and efficient money movement while also enhancing our finance, compliance, and technology functions. This positions Boku to handle greater transaction volumes, support more merchants, and manage increasingly complex settlement structures as the company continues to grow.

We are making ongoing investments to expand our product functionality including the introduction of global treasury and banking capabilities and the extension of our global banking network to facilitate real-time currency exchange and movement worldwide.

In addition, Boku has significantly expanded its regulatory reach across several key markets:

- **Japan:** Boku's Japanese entity received approval from the Ministry of Economy, Trade, and Industry as a Registered Payment Service Provider. This allowed the company to secure its first major e-commerce partnership with a global online retailer via a prominent Japanese e-wallet, while also enhancing its compliance technology, to screen hundreds of thousands of end-merchants.
- **India:** After sustained investment, Boku's Indian subsidiary was authorised by the Reserve Bank of India as a Payment Aggregator in 2024. In November, it went live on India's Unified Payments Interface (UPI) with a ride-hailing firm.
- **UK & EU:** In early 2025, the company bolstered its presence in the UK by obtaining approval from the Financial Conduct Authority (FCA) as a Payment Institution (PI) and as a Money Service Business (MSB).

the Financial Conduct Authority for its Payment Initiation Service Provider (PISP) and Account Information Service Provider (AISP) applications. Work is also underway to secure a similar authorisation in the EU through its authorised entity there.

- **Brazil:** Boku is continuing to invest in Brazil and has applied for authorisation from the Brazilian Central Bank as an electronic money issuer and payment initiator which will enable it to join the PIX A2A payment scheme in 2025.

Boku's strong foundation for future growth

Boku's success is built on several essential components-robust products, strong merchant and issuer relationships, a global banking network, reliable settlement systems, comprehensive payment licences, and top-tier talent-all of which require continuous investment. As global commerce increasingly shifts towards LPMs, Boku's strengthened regulatory footprint, growing banking network, and deeper market presence position it for sustained long-term success.

Looking ahead, the company will focus on its five growth pillars-growing revenues, product innovation, driving operational efficiencies, maintaining a robust risk and compliance framework, and being a great place to work. With its solid foundation in place, Boku is not only keeping pace with the future of payments-it is helping to define it.

Grow core and develop new revenue streams	<ul style="list-style-type: none"> • Add value to existing global merchants and extend the LPM network • Expand the network to new merchants via direct selling and channel partnerships
Drive product innovation	<ul style="list-style-type: none"> • Lead the market with cutting edge LPM products • Drive transaction volumes with secure, expert money movement
Increase operational efficiency	<ul style="list-style-type: none"> • Scale the platform with enhanced treasury capabilities for real time settlements • Automate back-office functions for seamless, high-volume processing
Strengthen compliance and risk management	<ul style="list-style-type: none"> • Grow in a controlled, compliant and low-risk manner • Strengthen regulatory, data privacy and scalable compliance frameworks
Be a great place to work	<ul style="list-style-type: none"> • Attract, retain, and develop top talent • Foster a strong, inclusive culture that supports scalable growth

Consolidated statement of profit or loss and other comprehensive income

For the Year Ended 31 December 2024

	Note	2024 '000	2023 '000
Revenue	5	99,273	82,720
Cost of providing services	6	(2,419)	(2,050)
Gross profit		96,854	80,670
Administrative expenses	7	(90,698)	(71,057)
Other income		-	103
Operating profit		6,156	9,716
Fair value (loss)/ gain on warrants	18	(3,403)	53
Finance income	9	3,654	1,887
Finance expense	9	(221)	(249)
Profit before tax		6,186	11,407
Income Tax expense	10	(2,407)	(1,321)
Profit for the year		3,779	10,086
(all attributable to equity holders of the parent)			
Other comprehensive (expense)/income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(2,228)	1,572

Other comprehensive (expense)/income for the year, net of tax	(2,228)	1,512
Total comprehensive income for the year (all attributable to equity holders of the parent)	1,551	11,658
Earnings per share	11	
Basic EPS ()	0.01	0.03
Diluted EPS ()	0.01	0.03
Alternative performance measures		
Adjusted EBITDA ¹	31,412	25,799

¹ Adjusted EBITDA is an alternative performance measure (APM) calculated as operating profit before non-recurring other income, depreciation and amortisation, share-based payment expense, foreign exchange gains/(losses), and exceptional items (see the APM section of this report for further details).
The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2024

	Note	2024 '000	2023 '000
ASSETS			
Non-current assets			
Property, plant, and equipment	12	776	758
Intangible assets	13	56,485	56,620
Right-of-use assets	14	2,433	2,784
Warrant contract assets	18	1,806	1,840
Deferred tax assets	10	16,096	15,306
Total non-current assets		77,596	77,308
Current assets			
Issuer, trade and other receivables	16	151,197	146,914
Warrant contract assets	18	208	122
Cash and cash equivalents	17	177,333	150,859
Total current assets		328,738	297,895
Total assets		406,334	375,203
LIABILITIES			
Non-current liabilities			
Warrant liabilities	18	9,130	5,511
Lease liabilities	14	1,612	1,682
Other non-current liabilities	19	1,676	979
Deferred tax liabilities	10	239	182
Total non-current liabilities		12,657	8,354
Current liabilities			
Merchant, trade and other payables	20	252,882	231,441
Short-term lease liabilities	14	1,035	1,370
Current tax liabilities		2,019	509
Total current liabilities		255,936	233,320
Total liabilities		268,593	241,674
EQUITY			
Share capital		29	29
Other reserves		261,049	255,249
Foreign exchange reserve		(6,946)	(4,718)
Treasury share reserve		(10,728)	(6,628)
Accumulated losses		(105,663)	(110,403)
Total equity (all attributable to equity holders of the parent)	21	137,741	133,529
Total equity and liabilities		406,334	375,203

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

The consolidated financial statements were approved by the Board for issue on 18 March 2025 and signed on its behalf by:

Stuart Neal
Chief Executive Officer

Rob Whittick
Chief Financial Officer

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2024

	Note	Share capital '000	Other reserves '000	Foreign currency translation reserve '000	Treasury shares '000
Equity as at 1 January 2023		29	252,385	(6,290)	(1,835)
Profit for the year		-	-	-	-
Other comprehensive income		-	-	1,572	-
Total comprehensive income for the year (all attributable to equity holders of the parent company)		-	-	1,572	-
Transactions with owners of the Company					
Issue of share capital upon exercise of stock options and RSUs		-	406	-	-
Share-based payments	22	-	7,467	-	-
Taxation on share-based payments		-	-	-	-
Acquisition of treasury shares		-	-	-	-
Issue of treasury shares to employees		-	(5,009)	-	-
Equity as at 31 December 2023		29	255,249	(4,718)	-
Profit for the year		-	-	-	-
Other comprehensive expense		-	-	(2,228)	-
Total comprehensive income for the year (all attributable to equity holders of the parent company)		-	-	(2,228)	-
Transactions with owners of the Company					
Issue of share capital on exercise of warrants	18	-	3,000	-	-
Issue of share capital upon exercise of stock options and RSUs		-	495	-	-
Share-based payment expense	22	-	8,903	-	-
Taxation on share-based payment		-	-	-	-
Acquisition of treasury shares		-	-	-	-
Issue of treasury shares to employees		-	(6,598)	-	-
Equity as at 31 December 2024		29	261,049	(6,946)	-

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

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Note	2024 '000	2023 '000
Cash flows from operating activities			
Cash generated from operations	23	42,659	40,935
Income taxes paid		(646)	(338)
Net cash generated from operating activities		42,013	40,597
Cash flows from investing activities			
Interest received		3,635	1,887
Purchase of property, plant, and equipment		(529)	(434)
Payments for internally developed software		(7,016)	(5,430)
Proceeds from discontinued operations (net of cash disposed)		-	5,600
Net cash (used in)/generated from investing activities		(3,910)	1,623
Cash flows from financing activities			
Payment on lease liabilities		(1,747)	(1,649)
Issue of share capital on the exercise of options and RSUs		495	406
Payments for the acquisition of treasury shares		(10,698)	(9,802)
Proceeds from warrant exercise		3,000	-
Proceeds from the sale of treasury shares		-	2,333
Interest paid on loan		(37)	(78)
Net cash used in financing activities		(8,987)	(8,790)
Net increase in cash and cash equivalents		29,116	33,430
Cash and cash equivalents at the beginning of the year		150,859	116,513
Effect of foreign exchange rate changes		(2,642)	916
Cash and cash equivalents at the end of the year		177,333	150,859

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

Notes to the Consolidated Financial Statements
For the Year ended 31 December 2024

1. Corporate information

Boku, Inc. (the Company or the Parent) is a public limited company incorporated and domiciled in the United States of America. The shares of the Company are quoted on AIM, a market of the London Stock Exchange Group plc. The Company's registered office is at 660 Market Street, Suite 400, San Francisco, CA 94104, United States.

These consolidated financial statements comprise the Company and its subsidiaries (the Group or collectively Boku).

The principal activity of Boku is the provision of digital payment solutions to its merchants, allowing consumers to make purchases through Local Payment Methods (LPMs), such as Direct Carrier Billing (DCB), Digital Wallets, and Account to Account (A2A) payments. These solutions support a broad range of payment preferences and enable Boku's merchants to acquire new customers and accept payments from consumers who prefer alternatives to traditional payment methods.

Boku operates through its subsidiaries under various regulatory licenses across multiple jurisdictions, each allowing operations within the respective territories. In the European Economic Area (EEA), Boku is authorised as a Payment Institution by the Central Bank of Ireland, permitting cross-border services across EEA member states. In the United Kingdom, Boku is authorised as an Electronic Money Institution by the Financial Conduct Authority, facilitating operations within the UK market. Similarly, Boku holds regulatory approvals in Hong Kong, India, the Philippines, Singapore, Taiwan, Argentina, Malaysia, the United States, and Japan, enabling it to provide payment services in those jurisdictions.

These consolidated financial statements for the year ended 31 December 2024 were approved by the Board of Directors and authorised for issue on 18 March 2025

2. Basis of preparation

2.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) as issued by the International Accounting Standards Board (IASB).

2.2 Basis of measurement

These consolidated financial statements are prepared under the historical cost convention except when otherwise disclosed in the accounting policies and in accordance with the accounting policies set out herein. These policies have been consistently applied to all years presented unless otherwise stated.

2.3 Basis of presentation

The consolidated financial statements are presented in USD, which is the Company's functional currency. All amounts are rounded to the nearest thousands (expressed as '000) unless otherwise indicated.

2.4 Going concern

Boku finances its day-to-day working capital requirements through its own cash balances. The directors have undertaken a detailed going concern assessment, evaluating Boku's current and projected financial performance and position, including forecast cash flows. This assessment included a downside scenario, which considered a potential revenue decline between 11.6% and 36.5% against forecasts, over a 5-year period, which would bring net profits to break even. The downside scenario, outlining the impact of a severe but plausible adverse case, shows sufficient headroom for liquidity for at least the next 12 months from the approval date of these

consolidated financial statements. Given the strength of our cash generation and position the 10m revolving credit facility previously available to the group was not renewed following its expiry on 17 September 2024. This facility remained undrawn throughout the year.

Based on this assessment, the directors are satisfied that Boku has adequate resources to continue operations for the foreseeable future and meet its financial obligations as they fall due for a period of at least 12 months from the date of approval.

Accordingly, these consolidated financial statements have been prepared on a going-concern basis.

2.5 Alternative performance measures (APMs)

Management uses APMs internally to understand, manage, and evaluate the business performance and make operating decisions. These measures are among the primary factors management uses in planning for and forecasting future periods. The primary APMs are adjusted EBITDA, adjusted operating expenses, constant exchange rate revenues, own cash and average cash balances which management considers relevant in understanding the Boku's financial performance. Further information about these APMs is disclosed in the APM section of this report.

2.6 Critical accounting judgments and key sources of estimation uncertainty

In preparing these consolidated financial statements, management has made judgments and estimates about the future that affect the application of Boku's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed regularly, and revisions are recognised prospectively.

Judgements

Significant judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements are as follows:

- Assessing the likelihood of future taxable profits to support the recognition of deferred tax assets (Note 3.5 and 10)
- Determining whether development costs meet the capitalisation criteria under IAS 38 (Notes 3.7 and 13)
- Determining the appropriate cash-generating units (CGUs) for goodwill impairment testing (Notes 3.7 and 13)

Estimates

Key assumptions and estimation uncertainties at the reporting date, which could result in material adjustments to the carrying amounts of assets and liabilities within the next financial year, include:

- Fair value estimation of share-based payment awards and the associated expense for each year (Notes 3.4 and 22)
- Estimating future taxable profits and changes in temporary differences for deferred tax calculations (Note 3.5 and 10)
- Fair value estimation of warrants (Note 18)

2.7 New and amended standards and interpretations

New and amended standards issued and effective

The following new and amended standards have been adopted in the consolidated financial information.

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants (Amendments to IAS 1)
- Lease Liability in Sale and Leaseback (Amendments to IFRS 16)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

There has been no material impact on Boku's consolidated financial statements upon the adoption of the above new and amended standards.

New and amended standards issued but not yet effective

At the date of these consolidated financial statements, the following standards, amendments, and interpretations have not been effective and have not been early adopted:

New and amended standards not effective and not yet adopted by Boku	Effective date
Lack of Exchangeability (Amendments to IAS 21)	1 January 2025
Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	1 January 2026
Subsidiaries without Public Accountability: Disclosures (IFRS 19)	1 January 2027

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements. Management is currently assessing the detailed implications of applying the new standard on the Boku's consolidated financial statements. Boku will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

Other new and amended standards are not expected to have a significant impact on Boku's consolidated financial statements.

3. Material accounting policies

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below.

3.1 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company, where control is defined as having power over the investee, exposure to variable returns, and the ability to influence those returns through power.

Subsidiaries are consolidated from the date effective control is transferred to the Company and excluded from consolidation from the date that control ceases. Intercompany transactions, balances, and any unrealised income and expenses (except for foreign currency transaction gains or losses) between Group entities have been eliminated in the consolidated financial statements. For more information on the Company's subsidiaries, refer to Note 15.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

3.2 Foreign currency

Foreign currency transactions and balances

The functional currency of each subsidiary is determined based on the primary economic environment in which it operates (its functional currency). The main functional currencies for the Company's subsidiaries are US Dollar, Euro, Japanese Yen, and Pound sterling. Transactions in foreign currencies are translated into the respective functional currencies of the Group companies at the exchange rate prevailing at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences arising from settlement or translation are recognised in profit or loss within administrative expenses.

Foreign operations

The assets and liabilities of foreign operations with functional currencies other than USD are translated into the presentation currency (USD) at the exchange rate prevailing at the reporting date. The income and expenses of foreign operations are translated into USD at average exchange rates for the year unless exchange rates fluctuate significantly.

Exchange differences arising on translation are recognised in other comprehensive income and accumulated in the

Exchange differences arising on translation are recognised in other comprehensive income and accumulated in the foreign currency translation reserve within equity.

On disposal of a foreign operation, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

3.3 Revenue from contracts with customers

Boku provides digital payment solutions by acting as an agent between merchants and Local Payment Methods (LPMs or issuers), including mobile network operators (MNOs), Digital Wallets, Account to Account (A2A) schemes and aggregators. Boku's revenue is derived from service fees for facilitating payment transactions between the merchant and their end users and related services.

Boku's contracts with merchants clearly outline the transaction price and typically involve a single performance obligation, i.e. processing payment transactions from merchant's customers. However, certain contracts may have additional, distinct performance obligations based on the settlement preferences of the merchants. Revenue is recognised at a point in time upon the completion of the underlying transaction. Boku does not have deferred revenue as of 31 December 2024 (31 December 2023: Nil), as all performance obligations are fulfilled when completing each transaction.

The different types of service fees can be categorised as follows:

i. Settlement fees

Settlement fees represent contractual fees earned where Boku acts as an intermediary collecting funds from issuers and remitting them to merchants, thereby facilitating transactions from merchants' customers. The contractually agreed service fee is the difference between the amount collected from issuers and the amount remitted to merchants, and it is recognised at the time of the transaction.

ii. Transactional fees

Transactional fees represent fees earned from merchants who receive payments directly from issuers. Boku provides technical integration and charges a fee, which is recognised at the time of the transaction. Where discounts for early settlement are offered, Boku estimates the expected discount at the time of the transaction and accounts for it as a reduction in the service fee.

iii. Other revenue

Other revenue includes:

- Advance Payment Service (APS): Fees charged for early settlement to merchants before Boku receives funds from issuers.
- Foreign Exchange (FX) Fees: Fees charged when a merchant requests settlement in a currency different from the original transaction currency, based on agreed mark-up percentages.
- Merchant Integration Fees: Fees charged to merchants for setting up new integrations.
- Amazon warrant revenue: As part of a multi-year agreement signed with Amazon in 2022, Boku issued warrants under a stock warrant agreement tied to the revenue generated from payment processing services provided to Amazon. These warrants represent both a derivative financial instrument, accounted for at fair value through profit or loss (FVPL) in accordance with IAS 32 and IFRS 9, and non-cash consideration payable to a customer under IFRS 15. The non-cash consideration is initially measured at fair value and amortised to revenue as a reduction over the vesting period. For more information, refer to Note 18.

3.4 Employee Benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if Boku 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.

Share-based payments

Boku operates equity-settled share-based payment arrangements, including share options and Restricted Stock Units (RSUs), awarded to employees and other eligible participants. The accounting treatment depends on the type of award and the conditions attached to vesting.

i. Measurement and Recognition

Share Options: The fair value of share options is determined at grant date using appropriate valuation models, such as Black-Scholes or Monte Carlo Simulation, which incorporate assumptions including expected volatility, risk-free interest rates, and the likelihood of meeting market-based performance conditions. The expense is recognised in profit or loss over the vesting period, with a corresponding credit to equity.

RSUs with non-market vesting conditions: The fair value of RSUs with non-market vesting conditions is based on the market value of the underlying equity at the grant date. Adjustments are made to reflect service conditions (e.g. continued employment) and where relevant non-market performance conditions (e.g. financial or operational targets). These conditions are reassessed at each reporting date, with the cumulative expense adjusted to reflect the number of awards expected to vest.

RSUs with Market-Based Conditions: RSUs with market-based conditions, such as share price targets, are valued at the grant date using appropriate valuation models (e.g. Monte Carlo Simulation). The expense is recognised over the vesting period and adjustments are made to reflect service conditions (e.g. continued employment). No adjustments are made for changes in the likelihood of meeting the market-based conditions.

ii. Modifications, Forfeitures, and Cancellations

When terms or conditions of share options or RSUs are modified before vesting, any increase in the fair value, measured immediately before and after the modification, is recognised over the remaining vesting period. If awards are cancelled during the vesting period, any remaining unrecognised expense is accelerated and recognised in profit or loss in the period of cancellation. Unvested awards forfeited due to employee departures result in the reversal of the cumulative share-based payment expense as of the forfeiture date.

In cases where the grant date is delayed until the vesting date, where material the fair value of the award is estimated at each reporting date from the date that services are provided and final measurement occurs at the end of the vesting period.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received.

Share options and RSUs which will incur future employer payroll taxes on exercise, are accrued for the future cost of Employer's National Insurance from the point the options are granted over their vesting period. This liability is then amended at each subsequent reporting date under IFRS 2.

Retirement Benefits: Defined contribution schemes

Boku operates defined contribution pension schemes across various jurisdictions. Under these plans, Boku pays fixed contributions to publicly or privately administered pension funds on a mandatory, contractual, or voluntary basis. Once the contributions are paid, Boku has no further payment obligations, as it bears no legal or constructive liability for insufficient fund assets to meet employee benefits.

In the United States, Boku operates a 401(k) plan, a defined contribution scheme. Eligible employees may defer a portion of their salary, subject to regulatory limits. Boku matches contributions to the plan, with matching contributions made for the years ended 31 December 2024 and 2023.

Contributions are recognised as employee benefit expenses and are recognised in profit or loss in the year to which they relate.

3.5 Income Tax

The income tax expense represents the sum of the tax currently payable and deferred tax. Deferred tax relating to the timing differences arising on share-based payments recognised in equity, is also recognised in equity and not as a tax expense.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current taxes are calculated according to local tax rules, using tax rates enacted or substantially enacted at the reporting date.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The Group's method for calculating the tax provision under IFRS on an individual entity basis for the year ending 31 December 2024, involves the following approach.

Entities are categorised according to a materiality threshold, considering current tax impacts and deferred tax effects from categories such as share-based payments, carried forward losses, and Property, Plant and Equipment. Tax provisioning calculations for immaterial entities utilise profit/(loss) before tax figures multiplied by foreign tax rates. Material entities include corporations in the UK and USA. These entities undergo a more detailed calculation process, with US and UK group entities preparing the tax provision closely aligned with their actual tax return. This approach ensures that the Group's tax provision aligns accurately with its tax obligations under IFRS on an individual entity basis.

Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilised.

The amount of the deferred asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities or assets are settled or recovered. Deferred tax balances are not discounted.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable group company; or
- different company entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets and liabilities are expected to be settled or recovered.

3.6 Property, plant, and equipment

Property, plant, and equipment are stated at cost less accumulated depreciation and any impairment losses. Cost comprises acquisition and other directly attributable costs.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Boku and the cost of the item can be measured reliably. All other repairs and maintenance costs are recognised in profit or loss during the period in which they are incurred.

Depreciation is provided on a straight-line basis and is recognised in profit or loss to write off the depreciable amount of each asset over its estimated useful life as follows:

Office equipment and fixtures and fittings	3-5 years
Computer equipment and software	3 years
Leasehold improvement	3-5 years or over the lease term

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

Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted if appropriate. Carrying amounts are reviewed on each reporting date for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

3.7 Intangible assets

Goodwill

Goodwill arising on consolidation represents the excess of the cost of an acquisition over the fair value of Boku's share of net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is initially recognised as an asset at cost and subsequently measured at cost less any accumulated impairment losses.

Goodwill is not amortised but is tested annually for impairment or more frequently if events or changes in circumstances indicate potential impairment. Impairment losses are recognised in profit or loss and are not subsequently reversed.

For impairment testing, goodwill is allocated to the cash-generating unit (CGU), which represents the lowest level within Boku, at which the goodwill is monitored for internal management purposes. The goodwill arising from acquisitions is allocated to the Payment Services operating segment, which is the identified CGU.

Impairment is assessed by comparing the carrying amount of the CGU with its recoverable amount. The recoverable amount is determined using value-in-use calculations, which involve estimating future cash flows and applying a pre-tax discount rate to calculate their present value. See note 13 for further details.

Internally generated intangible assets - Development costs

Boku develops software that is used to provide its services. Development costs directly attributable to the design, development, and testing of internally developed software and or substantial enhancements to existing software controlled by Boku are capitalised if all of the following conditions are met:

- an asset is created that can be identified;
- it is probable that the asset created will generate future economic benefits and
- the development cost of the asset can be measured reliably.

Capitalised costs include direct costs of materials, services, and payroll for employees involved in the development. Costs are capitalised from the point when criteria are met until the asset is ready for use. Development costs not meeting these criteria are expensed as incurred, and previously expensed development costs are not reclassified as assets. Subsequent expenditure is capitalised only when it increases the asset's economic benefits. All other expenditures, including those related to internally generated goodwill and brands, are expensed as incurred.

Trademarks

Trademarks are not amortised due to their indefinite useful life, as they retain value indefinitely with continued use and contribute to cash inflows without a set expiration.

Other intangible assets

Other intangible assets include domain names, developed technology, and merchant relationships. Intangible assets acquired through business combinations are initially measured at their fair value at the acquisition date, while separately acquired intangible assets are recognised at their purchase cost.

Following initial recognition, these intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses and amortised on a straight-line basis over their estimated useful lives.

The carrying values are tested for impairment when there is an indication that the value of the assets might be impaired.

Amortisation rates

Amortisation is recognised in profit or loss within administrative expenses. Significant intangible assets and their estimated useful economic lives are as follows:

Intangible asset	Useful economic life
Trademarks	Indefinite life - not amortised

Intangible assets	Intangible intangible - not amortised
Merchant relationships	5 -10 years
Developed technologies	2-10 years
Domain names	10 years
Internally developed software	3 years

3.8 Leases

Right of use asset

Boku assesses whether a contract is or contains a lease at the inception of the contract. If Boku assesses that a contract contains a lease and meets the requirements of IFRS 16, Boku recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

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

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, Boku's incremental borrowing rate. Generally, Boku uses its incremental borrowing rate as the discount rate.

Lease payments in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee and
- the exercise price under a purchase option that Boku is reasonably certain to exercise, lease payments in an optional renewal period if Boku is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Boku is reasonably certain not to terminate early.

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

Variable lease payments are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Boku has opted not to recognise right-of-use assets for short-term leases, i.e. leases with a term of twelve (12) months or less and applies low-value assets recognition exemption to leases of office equipment with a value below 5,000. Lease payments for short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

For service charges, Boku capitalises fixed service charges as part of the lease liability and right-of-use asset in accordance with IFRS 16. Variable service charges, however, are excluded from the lease liability and are expensed as incurred.

3.9 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash with banks on current, saving, and deposit accounts, restricted cash, and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

3.10 Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when Boku becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for issuer and trade receivables that do not have a significant financing component that are measured at transaction price. 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. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

a) Financial assets

All recognised financial assets are measured subsequently in their entirety at amortised cost, at fair value through profit or loss (FVTPL), and at fair value through other comprehensive income (FVOCI), depending on the classification of the financial assets.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are not reclassified subsequent to their initial recognition unless Boku changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

i. Financial assets at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are subsequently measured at amortised cost under the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses, and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

ii. Fair value through other comprehensive income (FVOCI)

Debt instruments that are held for the collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are subsequently measured at FVOCI. Interest income calculated under the effective interest method, foreign exchange gains and losses, and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. When the financial asset is derecognised, the cumulative gain or loss accumulated in OCI is reclassified from equity to profit or loss.

On initial recognition, Boku may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVOCI. Dividends on these investments are recognised in profit or loss unless the dividends clearly represent a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

iii. Fair value through profit and loss (FVTPL)

All financial assets not classified as measured at amortised cost or FVOCI as described above are subsequently measured at FVTPL. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Boku may irrevocably designate a debt investment that meets the amortised cost or FVOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Recognition and derecognition

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established

by regulation or convention in the marketplace.

Boku's financial assets mainly comprise cash, issuer, trade, and other receivables. For more information on the details and classification of Boku's financial assets, refer to Note24.

Impairment of financial assets

At each balance sheet date, financial assets classified as either amortised cost or FVOCI and contract assets are assessed for impairment based on Expected Credit Losses (ECL). Boku adopts a simplified approach for issuer and trade receivables whereby allowances are always equal to lifetime ECL. The expected credit losses on these financial assets are estimated using a provision matrix based on Boku's historical credit loss experience, adjusted for factors that are specific to the debtors and other receivables, 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. The losses are recognised in profit or loss with a corresponding adjustment to the carrying amount through a loss allowance account.

Other amortised costs assets, including cash and cash equivalents and other receivables, are deemed low risk; hence, credit risk is assumed not to have increased significantly since initial recognition. If Boku identifies evidence of significant increase in credit risk on the assets, lifetime ECL is used to calculate allowance on the asset.

Boku writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on the unavailability of the debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. Subsequent recoveries of amounts previously written off will result in impairment gains.

b) Financial liabilities

All recognised financial liabilities are measured subsequently at amortised cost or FVTPL, depending on the classification of the financial liability.

i. Fair value through profit or loss

A financial liability is classified as FVTPL if it is classified as held-for-trading, it is derivative, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value, and net gains and losses, including any interest expense, are recognised in the profit or loss.

ii. Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Boku's financial liabilities comprise merchant, trade and other payables (excluding other taxes and social security costs), lease liabilities, and warrant liability.

Derecognition of financial liabilities

Boku derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. Boku also derecognises a financial liability when its terms are modified and its cash flows are substantially different, in which case, a new financial liability based on the modified terms is recognised at fair value. On the derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position if Boku has a legally enforceable right to set off the recognised amounts, and Boku either intends to settle on a net

basis or realise the asset and settle the liability simultaneously.

3.11 Provisions

A provision is recognised in the statement of financial position when Boku has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The provision for employer taxes on future employee share instruments is not discounted as it is not considered material. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.12 Contingent liabilities

A contingent liability is disclosed when the Boku has a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of Boku or when the Boku has a present legal or constructive obligation, that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.13 Share Capital

Ordinary shares are classified as equity and are stated at the proceeds received net of direct issue costs. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

a) Share buyback

Buy-back scheme 2024

On 18 November 2024, the Group announced a share buyback programme to repurchase common stock in the capital of the Company (Boku, Inc.) up to a maximum of four million Common Stock. On 11 February 2025, the Company announced an extension to the share buyback programme to repurchase a further four million Common Stock principally as we consider it to be the most appropriate use of our cash when we believe shares are undervalued.

Shares purchased under the buyback programme, held in treasury, may be used to satisfy future obligations concerning the staff equity remuneration programme or warrant holders. The buyback programme is being effected within certain pre-set parameters, including that the maximum price paid per Common Stock shall be no more than 105 per cent of the trailing 5-day average mid-market price, and in accordance with the authority granted by Boku's Board.

The buyback programme is effective from 18 November 2024 and will expire on 30 June 2025 (following the extension), or earlier, if either the maximum aggregate number of Common Stock has been purchased. At that point, the Board intends to assess whether or not to commence a further buyback, within the Board authority to hold up to 5% of the Common Stock in Treasury, based on the circumstances at the time.

Due to the limited liquidity in the issued Common Stock, a buy-back of Common Stock pursuant to the Authority on any trading day may represent a significant proportion of the daily trading volume in the Common Stock on AIM and may exceed 25 per cent of the average daily trading volume. Accordingly, the Company will not benefit from the exemption contained in Article 5(1) of the UK version of the Market Abuse Regulation (Regulation (EU) No 596/2014) as incorporated into UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

Buy-back scheme 2022

On 7 July 2022, the Group announced a share buyback programme to repurchase common stock in the capital of the Company (Boku, Inc.) up to a maximum aggregate consideration of £8 million and up to a maximum of five

the Company (Boku, Inc.) up to a maximum aggregate consideration of 20 million and up to a maximum of five million Common Stock.

The programme aimed to hold the Common Stock in treasury to satisfy future obligations concerning the staff equity remuneration programme. The buyback programme operated within certain pre-set parameters, including that the maximum price paid per Common Stock should be no more than 105 percent of the trailing 5-day average mid-market price, and in accordance with the authority granted by Boku's Board.

The buyback programme became effective on 7 July 2022 with an expiration date of 30 June 2023, or earlier, if either the maximum aggregate number of Common Stock has been purchased, or the maximum aggregate consideration has been reached. On 8 June 2023, it was announced that the buyback programme was to be extended for a further 12 months and would expire on 30 June 2024, or earlier, if either the maximum aggregate number of Common Stock had been purchased, or the maximum aggregate consideration had been reached. The extended programme involved repurchasing of additional Common Stock up to a maximum aggregate consideration of £10.5 million, and up to an additional maximum of 5.25 million Common Stock. The buyback expired on 30 June 2024 and was not renewed.

Due to the limited liquidity in the issued Common Stock, a buy-back of Common Stock pursuant to the Authority on any trading day may represent a significant proportion of the daily trading volume in the Common Stock on AIM and may exceed 25 percent of the average daily trading volume. Accordingly, the Company will not benefit from the exemption contained in Article 5(1) of the UK version of the Market Abuse Regulation (Regulation (EU) No 596/2014) as incorporated into UK domestic law by virtue of the European Union (Withdrawal) Act 2018.

The cost of treasury shares held is presented as a separate reserve (the treasury share reserve) and recorded in equity. Any excess of the consideration received on the sale of treasury shares over the weighted average cost of the shares sold is credited to other reserves.

4. Segment information

Boku operates as a single operating segment - Payments Services. This segment includes all activities related to providing digital payment solutions, allowing consumers to make purchases through Direct Carrier Billing (DCB) or other Local Payment Methods (LPMs), such as Digital Wallets and Account to Account (A2A) payments.

The Chief Operating Decision Maker (CODM), identified as the Global Leadership Team (GLT), monitors the performance of Boku as a whole for the purpose of resource allocation and decision-making. As such, no additional segment reporting disclosures under IFRS 8 are provided.

Boku's revenue by geographical region is disclosed in Note 5. As of the reporting date, the majority of Boku's non-current assets are located in the USA. The geographical breakdown of non-current assets, based on their location, is as follows:

	2024	2023
	'000	'000
Non-current assets by geographical region¹		
Americas	50,210	48,400
Europe, Middle East & Africa (EMEA)	8,289	11,504
APAC	1,195	258
Total non-current assets by geographical region	59,694	60,162

¹ Non-current assets exclude deferred tax and warrant contract assets

5. Revenue

	2024	2023
	'000	'000
Revenue	99,273	82,720

Revenue disaggregation by major geographical market¹ is as follows:

2024	2023
'000	'000

Americas	4,397	3,204
Asia-Pacific (APAC)	57,998	47,230
Europe, Middle East & Africa (EMEA)	36,878	32,286
Total Revenue by geographical market	99,273	82,720

¹ The geographical market depends on the type of service provided and is based either on customer location or the source currency.

In 2024, 4 customers (2023: 4) accounted for more than 10% of the total revenue from Payment Services, contributing 68,594k (2023: 59,890k).

6. Cost of providing services

The cost of sales is primarily related to the monthly fees, service charges from MNOs and other providers, customer service fees, marketing expenses, and bad debts.

7. Administrative expenses

Operating profit is stated after charging:

	Note(s)	2024 '000	2023 '000
Employee benefit expenses	8	52,952	43,514
Depreciation and amortisation	12,13,14	7,899	7,557
Foreign exchange loss		5,964	1,034

8. Employee benefit expenses

Included in administrative expenses are costs related to employee benefits, analysed as follows:

	2024 '000	Restated 2023 '000
Salaries	34,072	28,474
Short-term benefits	2,203	1,767
Social security costs	4,859	4,293
Pension costs	357	249
Other staff costs	935	1,136
Share-based payment expense ¹	10,526	7,595
Total employee benefit expenses ²	52,952	43,514

¹ For more information, refer to Note 22 for details on awards granted to employees and Note 3.4 for the accounting policy on share-based payments.

² In 2024, Boku changed the presentation of the employee benefit expenses to exclude contractor costs from salaries to improve the usefulness of disclosed information. The comparative amounts for 2023 have been re-represented accordingly. For information on the remuneration of key management personnel, refer to Note 25.

The average number of employees (including executive directors) during the year was 452 (2023: 384). As of the reporting date, the total number of employees was 472 (2023: 416).

9. Finance income and expense

	2024 '000	2023 '000
Finance income		
Interest income from bank deposits	3,654	1,887
Total finance income	3,654	1,887
Finance expenses		
Interest on credit facility ¹	(37)	(78)

Interest on lease liabilities	(184)	(171)
Total finance expenses	(221)	(249)
Net finance income	3,433	1,638

¹The 10m revolving credit facility, previously available to the Group, expired on 17 September 2024 and was not renewed. This facility remained undrawn throughout the year.

10. Income tax expense

	2024 '000	2023 '000
Current tax		
Current tax on profits for the year	241	427
Foreign tax	2,133	903
Adjustments in respect of prior years	261	(7)
Total current tax	2,635	1,323
Deferred tax		
Origination and reversal of temporary differences	6	355
Adjustments in respect of prior years	(234)	(357)
Total deferred tax	(228)	(2)
Total tax expense/(credit)	2,407	1,321

The tax assessed for the period is higher (2023: lower) than the standard rate of corporation tax in the US. The Group's effective tax rate (ETR) on profit is 38.9% (2023: 11.6%). The 2024 ETR is 27.6% once the effect of the Estonia distribution tax is removed.

The reasons for the difference between the actual tax charge for the year and the applicable rate of income tax of the US reporting entity applied to the results for the year are as follows:

	2024 '000	2023 '000
Profit before tax	6,186	11,407
Tax rate (US income tax rate)	21%	21%
Profit before tax multiplied by the applicable rate of tax	1,299	2,395
Variance in overseas tax rates	129	28
Impact of change in tax rates	24	(204)
Impact of difference between CT & DT rate	(841)	1,010
Expenses not deductible for tax purposes	1,045	1,003
Utilisation of tax losses	475	(3,532)
Non qualifying depreciation	11	7
Adjustments in respect of prior years	28	(364)
Foreign tax	174	249
Other differences	(677)	288
Distribution tax	698	-
US state taxes/ Withholding taxes	42	441
Total tax (credit)/ expense	2,407	1,321

	2024 '000	2023 '000
Deferred Tax		
Net opening position	15,124	15,518
Net recognition in the year	733	(394)
P&L	228	2
Equity	496	(396)
Foreign exchange revaluation	9	-
Net closing position	15,857	15,124

The net closing position is made up of:

- The deferred tax liability at 31 December 2024 is 239k (2023: 182k) relates primarily to undistributed BNS Estonia OU profits.
- The deferred asset at 31 December 2024 of 16,096k (2023: 15,306k) relates primarily to the recognition of the US and UK available losses which management believe that can be utilised within the next six years. Each year management assesses the recoverability of the deferred tax assets.

A deferred tax asset/ (liability) has not been recognised for the following items:

	2024 '000	2023 '000
Other temporary and deductible differences	-	(7,925)
Unused tax losses	15,494	6,197
Total deferred tax assets	15,494	(1,728)

The Group has carried forward tax losses and other timing differences at the reporting date. In respect of its UK subsidiary, these can be carried forward and offset against UK taxable income indefinitely. In respect of its US entities, net operating loss carry forwards can be carried forward and offset against taxable income for 20 years for losses incurred up to and including 31 December 2017. These expire on various dates through to 2037. All net operating loss carry forwards incurred after 31 December 2017 can be carried forward and offset against US taxable income indefinitely. Utilisation of US net operating loss or tax credit carry forwards may be subject to annual limitations if an ownership change had occurred pursuant to the section 382 Internal Revenue Code and similar state provisions.

Deferred tax assets are recognised to the extent of the deferred tax liability arising on temporary differences in the same entity, and there is a legal right of offset and the temporary differences are expected to unwind in the same entity and period. Remaining deferred tax assets are recognised to the extent there are sufficient taxable profits available in which the temporary difference can be utilised, based on profit forecasts and probability weightings. Management have based the forecasts on the Group's five-year plan, which is aligned with the detailed going concern assessment, evaluating Boku's current and projected financial performance and position, including forecast cash flows.

At the reporting date, undistributed reserves on non-US subsidiaries (excluding BNS Estonia OU) of 3,685k may attract withholding tax. No deferred tax liabilities have been recognised because the timing of any distribution is under the Group's control and there are no plans to distribute in the foreseeable future.

UK corporation tax rates increased from 19% to 25% with effect from 1 April 2023, in accordance with the Finance Act 2021. Current and deferred taxes have been computed at 25%. There have been no significant changes in tax rates enacted or effective in the current or prior year that are expected to have a material impact on the financial statements. The company will continue to monitor any potential changes in tax legislation that may impact its future financial performance.

11. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of ordinary shares issued during the year after deducting shares held in treasury.

Diluted earnings per share is calculated by adjusting basic earnings per share for the potential dilution from share options, RSUs, and warrants. For the purposes of the diluted earnings per share calculation, it is assumed that all performance conditions attached to these schemes have been met as of the reporting date.

The weighted average number of shares in issue during the year and the resulting earnings per share calculations are as follows:

	2024	2023
Profit for the year attributable to shareholders of the Company (,000)	3,779	10,086
Weighted average number of shares in issue	300,389,412	297,942,357
Dilutive effect of share plans (options and RSU's) and warrants ¹	16,569,341	15,337,750
Diluted weighted average number of shares in issue	316,958,753	313,280,107
Basic earnings per share ()	0.01	0.03
Diluted earnings per share ()	0.01	0.03

¹The Amazon Warrants increase the number of diluted shares reported, which has an effect on our fully diluted earnings per share. If Amazon exercises its right to acquire shares pursuant to the Amazon Warrant agreement, it will dilute the ownership interests of existing shareholders and reduce earnings per share.

12. Property, plant, and equipment

	Computer equipment and software	Office equipment and fixtures and fittings	Leasehold improvement	Property, plant, and equipment Total
	'000	'000	'000	'000
Cost				

At 1 January 2023	1,546	286	228	2,060
Additions	372	62	-	434
Disposals	(37)	(4)	-	(41)
Exchange adjustment	20	12	9	41
At 31 December 2023	1,901	356	237	2,494
Additions	448	56	25	529
Disposals	(353)	(6)	-	(359)
Exchange adjustment	(48)	(16)	(4)	(68)
At 31 December 2024	1,948	390	258	2,596

Accumulated depreciation

At 1 January 2023	992	227	145	1,364
Charge for year	305	38	42	385
Disposals	-	-	-	-
Exchange adjustment	(25)	6	6	(13)
At 31 December 2023	1,272	271	193	1,736
Charge for year	382	47	55	484
Disposals	(349)	(5)	-	(354)
Exchange adjustment	(28)	(13)	(5)	(46)
At 31 December 2024	1,277	300	243	1,820

Net book value

At 31 December 2023	629	85	44	758
At 31 December 2024	671	90	15	776

No impairment has been recorded during the years 2024 and 2023.

13. Intangible assets

	Domain name	Developed technology	Merchant relationships	Trade-marks	Goodwill	Internally developed software	Total
	'000	'000	'000	'000	'000	'000	'000
Cost							
At 1 January 2023	140	5,793	14,899	110	41,733	16,401	79,076
Additions	-	-	-	-	-	5,430	5,430
Exchange adjustment	-	389	444	-	450	(167)	1,116
At 31 December 2023	140	6,182	15,343	110	42,183	21,664	85,622
Additions	-	-	-	-	-	7,016	7,016
Write-offs	-	-	-	-	-	(303)	(303)
Exchange adjustment	-	(355)	(865)	-	(876)	(109)	(2,205)
At 31 December 2024	140	5,827	14,478	110	41,307	28,268	90,130
Accumulated amortisation							
At 1 January 2023	140	2,817	10,204	-	-	9,685	22,846
Charge for year	-	1,276	904	-	-	3,562	5,742
Exchange adjustment	-	383	(15)	-	-	46	414
At 31 December 2023	140	4,476	11,093	-	-	13,293	29,002
Charge for year	-	802	644	-	-	4,461	5,907
Write-offs	-	-	-	-	-	(303)	(303)
Exchange adjustment	-	(9)	(651)	-	-	(301)	(961)
At 31 December 2024	140	5,269	11,086	-	-	17,150	33,645
Net book value							
At 31 December 2023	-	1,706	4,250	110	42,183	8,371	56,620
At 31 December 2024	-	558	3,392	110	41,307	11,118	56,485

Developed technology

In 2023, Boku initiated a project to migrate the merchants acquired through the Fortumo acquisition from the Fortumo platform to the Boku platform. Upon completion, the Fortumo payments platform will become obsolete. The project is expected to conclude in 2025, and the amortisation of the Fortumo payments platform was accelerated in 2023 to reflect its remaining useful life.

Goodwill

This represents the excess of the consideration paid over the fair value of net assets of Mopay AG (Mopay), acquired in October 2014, and Fortumo Holdings Inc., acquired on July 1, 2020, and is allocated to the Payment Services cash-generating unit (CGU). The recoverable amount of the Payments Services CGU was determined to exceed its carrying value, indicating no impairment is required.

14. Leases

Boku's leases relate to offices across locations where it operates.

	2024 '000	2023 '000
Right-of-use assets - Offices		
Cost		
At 1 January	6,249	6,178
Additions	1,292	957
Disposals	(920)	(975)
Exchange adjustment	(173)	89
At 31 December	6,448	6,249
Accumulated depreciation		
At 1 January	3,465	2,945
Charge for year	1,508	1,430
Disposals	(976)	(971)
Exchange adjustment	18	61
At 31 December	4,015	3,465
Net book value - Right-of-use assets	2,433	2,784

The additions related to renewal of India office, together with the 1-year renewal of the office leases for Ireland, Germany, Japan, and Singapore. Additions in the prior year related to the renewal of the Estonia office, together with the 1-year renewal of the office lease for Ireland, Germany, Japan, and Singapore.

Reconciliation for discounted lease liabilities included in the statement of financial position is set out as below:

	2024 '000	2023 '000
Lease Liabilities - Offices		
Lease liabilities as at 1 January	3,052	3,549
Additions	1,213	937
Interest expense	184	171
Payments to lease creditors	(1,747)	(1,649)
Exchange adjustment	(55)	44
Lease liabilities as at 31 December	2,647	3,052
Current portion of lease liabilities	1,035	1,370
Non-current portion of lease liabilities	1,612	1,682

During the year, short-term and small-value leases expensed in other operating expenses amounted to 321k (2023: 329k).

The table below represents the maturity analysis of contractual undiscounted lease payments:

	2024 '000	2023 '000
Less than one year	1,035	1,370
One to five years	1,839	1,692
Over five years	63	-
Total undiscounted lease liabilities as at 31 December	2,937	3,062

The amounts recognised in the consolidated statement of cash flows are presented below:

	2024 '000	2023 '000
Payment of principal	1,563	1,478
Payment of interest	184	171
Total lease cash outflows	1,747	1,649

15. Subsidiaries

The subsidiaries of the Company, all of which have been included in the consolidated financial information, are presented below.

Name	Ownership	Principal activity	Place of Incorporation
Boku Payments, Inc.	100% owned by Boku, Inc.	Holding Company	United States
Boku Network Services, Inc.	100% owned by Boku, Inc.	Holding Company	United States

Boku Account Services, Inc.	100% owned by Boku, Inc.	Holding Company	United States
Boku Account Services UK Ltd.	100% owned by Boku Account Services, Inc.	Digital payment solutions	United Kingdom
Boku Brasil Participações Ltda.	100% owned by Boku Network Services, Inc.	Holding company	Brazil
Boku Network Brasil Instituição De Pagamento Ltda.	100% owned by Boku Brasil Participações Ltda.	Digital payment solutions	Brazil
Boku Network Services GmbH	100% owned by Boku, Inc.	Digital payment solutions	Germany
Boku Network Services UK Ltd	100% owned by Boku Network Services, Inc.	Digital payment solutions	United Kingdom
Boku Network Services AU Pty Ltd	100% owned by Boku Network Services, Inc.	Digital payment solutions	Australia
Boku Network Services IN Pvt. Ltd.	100% owned by Boku Network Services, Inc.	Digital payment solutions	India
Boku Network Services SG Pte. Ltd.	100% owned by Boku Network Services, Inc.	Digital payment solutions	Singapore
Boku Network Services HK Limited	100% owned by Boku Network Services, Inc.	Digital payment solutions	Hong Kong
Boku Network Services Taiwan Branch Office	100% owned by Boku Network Services, Inc.	Digital payment solutions	Taiwan
Boku Network Services Japan Branch Office	100% owned by Boku Network Services, Inc.	Digital payment solutions	Japan
Mopay AG Beijing Representative Branch	100% owned by Boku Network Services AG (Germany)	Digital payment solutions	China
Boku Network Services IE Limited	100% owned by Boku Network Services, Inc.	Digital payment solutions	Ireland
Boku Network Services MY Sdn. Bhd.	100% owned by Boku Network Services, Inc.	Digital payment solutions	Malaysia
Boku Network Services EE Holdings, Inc.	100% owned by Boku Network Services, Inc.	Holding Company	United States
Boku Network Services TH Co Ltd. ¹	49.9% owned by Boku Network Services, Inc.	Digital payment solutions	Thailand
Boku Network Services PH, Inc.	99.99% owned by Boku Network Services, Inc.	Digital payment solutions	Philippines
Boku Network Services MX S. de R.L. de C.V.	50% owned by Boku Network Services, Inc. 50% owned by Boku, Inc.	Dormant	Mexico
Boku Network Services Estonia OÜ (previously Fortumo OÜ)	100% owned by Boku Network Services EE Holdings, Inc.	Digital payment solutions	Estonia
Boku Network Services ES S.L.	100% owned by Boku Network Services Estonia OÜ	Dormant	Spain
Fortumo Mobile Services Pvt. Ltd.	100% owned by Boku Network Services Estonia OÜ	Digital payment solutions	India
Fortumo Singapore Pte. Ltd.	100% owned by Boku Network Services Estonia OÜ	Digital payment solutions	Singapore
Boku Network Services PE S.A.C.	100% owned by Boku Network Services, Inc.	Dormant	Peru
Boku Network Services CO S.A.S.	100% owned by Boku Network Services, Inc.	Digital payment solutions	Colombia
Boku Network Services CL S.P.A.	100% owned by Boku Network Services, Inc.	Dormant	Chile
Boku Network Services ZA (Pty) Ltd	100% owned by Boku Network Services, Inc.	Dormant	South Africa
Boku Network Services KE Limited	100% owned by Boku Network Services, Inc.	Dormant	Kenya
Boku Network Services TZ Limited	99.999% owned by Boku Network Services, Inc. 0.001% owned by Boku, Inc.	Dormant	Tanzania
Boku Network Services AR S.R.L.	95% owned by Boku Network Services, Inc. 5% owned by Boku, Inc.	Dormant	Argentina

Boku Network Services UG Limited	99.95% owned by Boku Network Services, Inc. 0.05% owned by Boku, Inc.	Dormant	Uganda
Boku Network Services UY S.A.	100% owned by Boku Network Services, Inc.	Dormant	Uruguay
Boku Network Services Nigeria Limited	100% owned by Boku Network Services, Inc.	Dormant	Nigeria

¹ Boku Network Services TH Co Ltd is considered a subsidiary of Boku Network Services, Inc. as it has control over its activities under IFRS 10.

16. Issuer, trade and other receivables

	2024 '000	2023 '000
Receivables from issuers ¹	134,672	130,971
Trade receivables	12,122	12,974
Less: allowance for expected credit losses	(1,385)	(2,047)
Net accounts receivable	145,409	141,898
Other receivables	187	125
Deposits held	646	604
Sales taxes receivable	1,266	1,102
Prepayments	3,689	3,185
Total trade and other receivables	151,197	146,914

¹Receivables from issuers represent amounts due from issuers for processed transactions, which are expected to be settled within one year. In 2024, Boku revised the presentation of trade and other receivables to enhance the clarity and usefulness of financial disclosures. As part of this change, trade and other receivables were represented on the statement of financial position as issuer, trade and other receivables and issuer receivables were reclassified from trade and other receivables into a separate line item in the note. Comparative figures for 2023 have been represented to reflect this reclassification.

In 2023, 5,600k was received relating to the final settlement from the sale of the Identity business.

Allowance for expected credit losses:

	2024 '000	2023 '000
Opening balance	2,047	1,238
Increase/(decrease) in loss allowance ¹	(572)	1,017
Utilised during the year ¹	(90)	(208)
Closing balance	1,385	2,047

¹Movements in expected loss provisions and provision utilisation /write-off are recorded in the cost of providing services.

Information about Boku's exposure to credit and market risk and loss allowance for trade receivables is included in Note 24.

17. Cash and cash equivalents and restricted cash

	2024 '000	2023 '000
Cash and cash equivalents	142,308	117,360
Restricted cash	35,025	33,499
	177,333	150,859

The restricted cash primarily includes safeguarded customer funds received but not yet paid to merchants for Boku's licensed entities, cash held at the bank to secure a lease agreement for Boku's San Francisco office, and monies held at a financial institution to collateralise Company credit cards.

18. Warrants

On 16 September 2022, Boku entered into a stock warrant agreement with Amazon in conjunction with a commercial service level agreement for Boku to provide payment processing services to Amazon.

Under the agreement, Boku issued warrants to Amazon allowing them to purchase common stock that will vest incrementally, based on the amount of revenue earned from Amazon via Boku payment processing methods. The

warrant agreement grants Amazon the right to acquire up to 11,215,142 shares of common stock in the Group (equivalent to 3.75% of the Boku's total common stock as at the inception of the warrant agreement). 747,676 warrants of common stock vested immediately on the signing of the warrant agreement on 16 September 2022. 209,350 additional shares of common stock will vest for every 1m of revenue generated by Boku under its service level agreement with Amazon over a 7-year vesting period ending 15 September 2029. During the year 418,700 (2023: 209,350) additional warrants of common stock vested for revenue generated under the agreement. No further warrants will vest after 50m of revenue is generated under the service level agreement, which results in a final vesting increment of 209,316 shares of common stock. The exercise price of vested warrants is 81.20p per share, based on the 30-day volume weighted average trading price as at 16 September 2022.

Boku has determined that the 747,676 warrants of common stock that vested immediately on signing of the warrant agreement, are equity instruments under IAS 32, as they represent a fixed number of shares that will be exercised at a fixed price. The warrants will therefore not be accounted for until they are exercised and paid, at which point share capital and share premium will be recorded.

Boku has determined that the remaining warrants linked to revenue under the service level agreement are within the scope and revenue recognition and financial instruments accounting standards. The warrants represent a derivative financial instrument classified as a financial liability in accordance with IAS 32 and IFRS 9, remeasured to fair value with gains and losses recognised in profit or loss. The warrants also represent non-cash consideration payable to a customer under IFRS 15, which is recorded as a reduction to revenue and measured at fair value, but not subsequently remeasured.

At inception of the warrant, an equal and opposite derivative financial liability and corresponding contract asset are recorded at fair value, based on the total number of warrants expected to vest (linked to forecasted Amazon revenues under the service level agreement) and the fair value of a single warrant.

The contract asset, which effectively represents a prepaid or deferred volume rebate, is amortised to revenue based on Amazon revenues to date as a proportion of total expected Amazon revenues over the 7 year vesting period.

The derivative financial liability is remeasured to fair value at each reporting date. The fair value movement attributable to the change in the number of shares expected to vest due to a change in estimated Amazon revenues over the 7-year vesting period is recorded as an equal and opposite increase to the financial liability and contract asset, based on the fair value of the warrant at inception. The fair value movement attributable to the change in the fair value of the underlying warrants is recognised as gains or losses in profit or loss.

The fair value of warrant obligations as at 31 December 2024 was 9,130k (2023: 5,511k), primarily due to an increase in the spot price of shares on AIM from £1.34 to £1.82 (partially offset by an increase in risk free rate from 3.81% to 4.41%), combined with an increase in the number of warrants expected to vest from 5,334K to 5,571k. The fair value of 1 warrant increased to 1.639 at 31 December 2024 from 1.033 at 31 December 2023. The increase in the number of warrants expected to vest resulted in an increase to the contract asset and financial liability by 216k. The remaining increase in the fair value of underlying warrants of 3,403k represented a charge to the statement of comprehensive income. The warrants are classified as Level 3 derivative liabilities, as they require significant judgement or estimation due to the absence of an active market. The fair value was determined using a combination of Monte Carlo Simulation and Black-Scholes Model valuation methods.

Significant unobservable inputs used in the valuation included an equity volatility of 40% (2023: 40%), revenue volatility of 35% (2023: 30%), a risk-free rate of 4.41% (2023: 3.81%), and forecasted revenue from Amazon over the 7-year vesting period.

A significant change in volatilities would materially impact the fair value of the warrants. At 31 December 2024, a 5% decrease in both equity and revenue volatilities (to 35% and 30%, respectively) would have resulted in a fair value reduction to 8,956k, a decline of 174k. Conversely, a 5% increase (to 45% and 40%, respectively) would have increased the fair value to 9,348k, an increase of 218k.

The movement of the contract asset for Amazon and warrant liabilities during 2024 and 2023 is as follows:

	2024	2023
Warrant contract asset	'000	'000
Balance at January 1	1,962	1,711

Change in the number of warrants expected to vest	216	359
Amortisation to revenue	(164)	(108)
Balance as at 31 December	2,014	1,962
	2024	2023
Warrant Liability	'000	'000
Balance at January 1	5,511	5,206
Change in the number of warrants expected to vest	216	358
Change in fair value of underlying warrants	3,403	(53)
Balance as at 31 December	9,130	5,511

Exercise of other warrants in the year

Danal Company Ltd exercised a total of 1,634,699 warrants (2023: Nil), exercisable at 141p, for a total compensation of 3,000k. As a result, 1,634,699 new common shares of 0.0001 were issued. The warrants were issued as part of the initial consideration in respect of Boku's acquisition of Danal, Inc., announced on 6 December 2018 and completed on 1 January 2019.

19. Other non-current liabilities

Other non-current liabilities represent accrued taxes on Stock options and RSUs amounting to 1,676k (2023: 979k)

20. Merchant, trade and other payables

	2024	2023
	'000	'000
Payables to merchants ¹	243,878	221,885
Trade payables	1,344	1,644
Total account payable classified as financial liabilities	245,222	223,529
Accruals	5,664	5,357
Other payables including taxes and social security costs	1,268	1,967
Provision for social security costs on stock options & RSUs	728	588
Total current trade and other payables	252,882	231,441

¹Payables to merchants represent amounts due to merchants for processed transactions, which are expected to be settled within one year. In 2024, Boku revised the presentation of trade and other payables to enhance the clarity and usefulness of financial disclosures. As part of this change, trade and other payables were represented on the statement of financial position as merchant, trade and other payables and merchant payables were reclassified from trade and other payables into a separate line item in the note. Comparative figures for 2023 have been represented to reflect this reclassification.

21. Equity

a) Share Capital

Authorised share capital

The authorised share capital comprises 500,000,000 shares (2023: 500,000,000). Boku has a single class of ordinary shares with a par value of 0.0001 each.

Ordinary shares issued and fully paid

Boku's issued share capital is summarised in the table below:

Common shares of 0.0001 each	2024		2023	
	Number of Shares		Number of Shares	
	'000	'000	'000	'000
Opening balance	301,067	29	299,270	29
Issue of share capital	1,635	-	-	-
Exercise of options and RSUs	409	-	1,797	-

b) Nature and purpose of reserves

Below is a description of the nature and purpose of various equity reserves. Movements on these reserves are set out in the consolidated statement of changes in equity.

Other reserves

The other reserves disclosed in the consolidated statement of financial position include a share premium representing the difference between the issue price and the nominal value of the shares issued by Boku. It also includes all stock option expenses reserves.

Foreign currency translation reserve

The foreign currency translation reserve comprises cumulative foreign currency translation differences arising from the translation of financial statements of overseas operations.

Treasury reserve

Treasury reserve relates to the amounts paid to buy back shares from the market. At 31 December 2024, Boku holds 4,548,434 shares in treasury (2023: 4,007,868).

Retained losses

Retained losses represent cumulative net losses in the consolidated income statement.

c) Dividends

No dividends were declared or paid in the current year (2023: Nil).

22. Share-based payment

As part of the total remuneration package, Boku has the following share-based compensation schemes for employees, directors, and non-employees:

- i) 2009 Equity Incentive Plan (2009 Plan)
- ii) 2017 Equity Incentive Plan (2017 Plan)
- iii) Stretch Restricted Share Unit Plan (2024 Plan)

2009 Plan

2009 equity incentive plan (2009 Plan) for the granting of stock options, restricted stock awards (RSA), and restricted stock units (RSU). No options were available to be issued under this plan as at 31 December 2024 or 2023. There are 1,788k options vested but not exercised under this plan as at 31 December 2024 (FY2023: 2,218k).

Movements in the number of share options outstanding and their related weighted average exercise prices under the 2009 plan are as follows:

	<u>2024</u>		<u>2023</u>	
	Number of options (thousands)	Weighted average exercise price per share option (in USD)	Number of options (thousands)	Weighted average exercise price per share option (in USD)
Share options outstanding				
Balance January 1	2,218	0.30	3,771	0.34
Exercise	(420)	0.29	(1,513)	0.31
Forfeited	(10)	0.28	(40)	0.28
Balance 31 December	1,788	0.30	2,218	0.30

The fair value of each option (excluding RSUs) has been estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: expected terms ranging from 4.99 to 6.89 years; risk-free interest rates ranging from 0.73% to 3.05%; expected volatility of 58%; and no dividends during the expected term. The weighted average remaining contractual life of options under the plan is 1.3 (2023: 2.4) years.

2017 Plan

2017 Equity Incentive Plan (2017 Plan) for the granting of stock options and restricted stock units (RSUs). The Group reserved an initial ten million shares of common stock for issue under the plan.

Options were granted in the 2017 Plan only in January 2018. Since then, only RSUs have been granted under the plan. The options granted under this plan vest over 3 years and contain a one-year cliff. Therefore, 25% of the options vest at the end of one year, and from year two, graded quarterly vesting takes place, where each instalment of vesting is treated as a separate stock option grant. Options under the 2017 Plan may be outstanding for periods of up to ten years from the grant date. There are 476k options (FY 2023: 836k) outstanding as at 31 December 2024.

Movements in the number of share options outstanding and their related weighted average exercise prices under the 2017 plan are as follows:

	2024		2023	
	Number of options (thousands)	Weighted average exercise price per share option (in USD)	Number of options (thousands)	Weighted average exercise price per share option (in USD)
Share options outstanding				
Balance January 1	836	1.205	837	1.205
Exercised	(322)	1.205	(1)	1.205
Forfeited	(38)	1.205	-	-
Balance 31 December	476	1.205	836	1.205

The fair value of each option (excluding RSUs) has been estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: expected terms ranging from 5.04 to 6.01 years; risk-free interest rates ranging from 1.87% to 1.92%; volatility of 45%; and no dividends during the expected term. The weighted average remaining contractual life of options under the plan is 3.1 (2023: 4.0) years.

RSUs under the 2017 Plan remain outstanding for periods of up to three years following the grant date. Outstanding RSU grants generally vest over three years in three equal portions or one-third after two years and two-thirds in the third-year anniversary from the grant date. There are 12,570k (2023: 11,597k) RSUs outstanding as at 31 December 2024.

Movements in the number of RSUs awards under the 2017 plan are as follows:

	2024		2023	
	Number of RSUs (thousands)	Weighted-average grant-date fair value (in USD)	Number of RSUs (thousands)	Weighted-average grant-date fair value (in USD)
RSUs outstanding				
Balance January 1	11,597	1.978	10,069	1.919
Granted	5,792	2.131	5,832	1.860
Vested	(3,783)	1.990	(3,290)	1.319
Forfeited	(1,036)	2.003	(1,014)	1.937
Balance 31 December	12,570	2.043	11,597	1.978

The number of available RSUs for future use in the plan at the end of 2024 were 61,423k (2023: 54,259k)

2024 Plan

On 2 October 2024, the Company granted Restricted Share Units (RSUs) under the Stretch Restricted Share Unit Plan (SRSU Plan). The RSUs vest based on a market-based performance condition, requiring the Company's 40-day VWAP share price after the 2027 financial results to reach a specified multiple of the base share price of 180.4p. 25% of the awards vest if the share price reaches 3x the base price, 100% vest if it reaches 5x, and vesting occurs on a straight-line basis for outcomes between these thresholds.

Awards will vest in two instalments:

- 50% in July 2028 (after 4.5 years)
- 50% in July 2029 (after 5.5 years)

The fair value of the RSUs was determined using a Monte Carlo simulation, incorporating market-based performance conditions, with the following assumptions: risk-free interest rates 4.19%; volatility of 33.74%; and no dividends during the expected term.

The expense is recognised over the vesting period using a straight line vesting approach.

Movements in the number of RSUs awards under the 2024 plan are as follows:

	<u>2024</u>		<u>2023</u>	
	Number of RSUs (thousands)	Weighted-average year-end fair value (in USD)	Number of RSUs (thousands)	Weighted-average year-end fair value (in USD)
RSUs outstanding				
Balance January 1	-	-	-	-
Granted	7,220	0.137	-	-
Vested	-	-	-	-
Forfeited	-	-	-	-
Balance 31 December	7,220	0.137	-	-

The breakdown of total share-based payment expense is as follows:

	2024	2023
	'000	'000
Share-based payment expense (excluding national insurance)	8,903	7,467
National insurance benefit/(reversal)	908	(435)
National insurance paid in the year	715	563
Total share-based payment expense	10,526	7,595

23. Cash generated from operations

	Note	2024	2023
		'000	'000
Cash flows from operating activities			
Profit for the year		3,779	10,086
Adjustments for:			
- Depreciation of property, plant, and equipment	12	484	385
- Amortisation of intangible assets	13	5,907	5,742
- Depreciation of right-of-use assets	14	1,508	1,430
- Loss on disposal of property, plant, and equipment		3	1
- Amortisation of warrant contract asset	18	164	108
- Fair value loss/(gain) on warrants	18	3,403	(53)
- Share-based payment expense	22	8,903	7,467
- Net Finance income	9	(3,433)	(1,638)
- Employer taxes on stock options and restricted stock units benefit/(charge)		908	(435)
- Income tax expense	10	2,407	1,321
Changes in net working capital ¹ :			
- Increase in Issuer, trade and other receivables including contract assets		(7,139)	(54,356)
- Increase in merchant, trade and other payables including contract liabilities		25,765	70,877
Cash generated from operations ²		42,659	40,935

¹ Net working capital includes both short-term and long-term items.

² In 2024, Boku changed the presentation of the cash flows relating to operations activities to improve the usefulness of disclosed information. The comparative amounts for 2023 have been re-represented accordingly.

24. Financial instruments - Fair values and risk management

a) Classes and categories of financial instruments and their fair values

Fair value measurements are categorised into Level 1, 2, and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which is as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs)

At the end of each reporting period, Boku categorises its financial assets and liabilities according to the appropriate level of fair value hierarchy, which is summarised in the table below.

	Carrying Amounts					Fair Value (1)
	Amortised Cost	Fair value through profit or loss ⁽³⁾			Total	Total
		Level 1	Level 2	Level 3		
2024						
Cash and cash equivalents	177,333	-	-	-	177,333	177,333
Issuers and Trade receivables -net	145,409	-	-	-	145,409	145,409
Deposits	646	-	-	-	646	646
Total financial assets	323,388	-	-	-	323,388	323,388
Merchant and Trade payables	245,222	-	-	-	245,222	245,222
Lease liabilities	2,647	-	-	-	2,647	2,647
Warrant liability ⁽²⁾	-	-	-	9,130	9,130	9,130
Total financial liabilities	247,869	-	-	9,130	256,999	256,999

	Carrying Amounts					Fair Value (1)
	Amortised Cost	Fair value through profit or loss			Total	Total
		Level 1	Level 2	Level 3		
2023						
Cash and cash equivalents	150,859	-	-	-	150,859	150,859
Issuers and Trade receivables - net	141,898	-	-	-	141,898	141,898
Deposits	604	-	-	-	604	604
Total financial assets	293,361	-	-	-	293,361	293,361
Merchant and Trade payables	223,529	-	-	-	223,529	223,529
Lease liabilities	3,052	-	-	-	3,052	3,052
Warrant liability ⁽²⁾	-	-	-	5,511	5,511	5,511
Total financial liabilities	226,581	-	-	5,511	232,092	232,092

¹ Items carried at fair value are measured at fair value at the end of each reporting period. The fair value of items not carried at fair value is estimated to equal the carrying amount due to limited credit risk and short time to maturity.

² Warrants are classified as Level 3 derivative liabilities and valued using a combination of Monte Carlo Simulation and Black-Scholes Model valuation methods. For more information, refer to Note 18.

³ There were no transfers between levels 1, 2 & 3 for fair value measurements during 2024 and 2023.

b) Financial risk management

The principal financial risks to which Boku is exposed are as follows:

- Market risk (Interest rate risk & Foreign currency risk)
- Credit risk
- Liquidity risk

Risk management within Boku is the responsibility the Board of Directors, whose primary objective is to establish policies that mitigate financial risks. All funding requirements and financial risks are managed in accordance with the policies and procedures approved by the

Board.

Market Risk

Market risk is the risk that the value of financial instruments may fluctuate due to changes in market conditions, including interest rates and foreign exchange rates. Boku faces market risk primarily from foreign currency and interest rate exposures that arise through its operational activities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Although Boku does not have borrowings, it is exposed to interest rate risk primarily through its interest-earning cash balances held across multiple jurisdictions.

Rising interest rates have had a positive effect on Boku's cash position. During 2024, Boku earned bank interest income of 3,654k (2023: 1,887k). A change of 100 basis points in interest rates at the reporting date, with all other variables held constant, would have increased / (decreased) interest income by the amounts shown below:

- Increase of 100 basis points (1%): Increase in interest income by approximately 656k
- Decrease of 100 basis points (1%): Decrease in interest income by approximately 628k

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in exchange rates. This risk arises from transactions denominated in foreign currencies and from receivables and payables that exist due to such transactions. Operating globally, Boku faces both transaction and translation foreign exchange risks.

Boku is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which revenues, receivables, and payables are denominated and Boku's functional currency. To mitigate this exposure, Boku settles payments over short periods and applies mark-up fees to cover currency fluctuations.

Additionally, Boku is exposed to foreign currency translation risk due to subsidiaries that have functional currencies other than the U.S. dollar. As a result, shareholders' equity is subject to fluctuations in exchange rates, with translation differences reported as currency translation adjustments in the consolidated financial statements. This translation risk does not give rise to a cash flow exposure.

Boku operates in 58 currencies (2023: 60 currencies), with primary exposure arising from the Euro (EUR), British pound (GBP), and Japanese yen (JPY). The table below summarises Boku's net exposure (difference between financial assets and liabilities) across these currencies and shows the sensitivity to a potential 10% change in exchange rates, assuming all other variables remain constant:

	2024			
	EUR '000	GBP '000	JPY '000	Others '000
Accounts receivable	39,307	26,903	24,561	53,963
Cash and cash equivalent	36,587	1,028	23,750	27,889
Accounts payable	(61,026)	(21,205)	(35,500)	(77,713)
Net FX exposure	14,868	6,726	12,811	4,139
10% impact +/-	1,652	747	1,423	460

	2023			
	EUR '000	GBP '000	JPY '000	Others '000
Accounts receivable	41,076	15,933	15,042	60,108
Cash and cash equivalent	25,220	8,379	24,238	13,393
Accounts payable	(54,702)	(19,074)	(29,586)	(79,968)
Net FX exposure	11,594	5,238	9,694	(6,467)
10% impact +/-	1,288	582	1,076	(718)

The following significant exchange rates were applied during the year:

	2024		2023	
	Average Rate	Reporting Date Rate	Average Rate	Reporting Date Rate
USD per EURO	1.04759	1.03872	1.09161	1.10372
USD per GBP	1.26401	1.25359	1.26634	1.27314
USD per JPY	0.00650	0.00638	0.00695	0.00709

If the functional currency, at the reporting date, had fluctuated by 10% against the EUR, GBP, and JPY with all other variables held constant, the impact on profit after taxation for the year would have been 4,282k (2023: 2,228k) respectively higher / lower, mainly as a result of exchange gains/losses on translation of foreign exchange denominated financial instruments.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to credit risk from its operating activities (primarily issuer, trade and other receivables) and from its financing activities, including deposits with banks and financial institutions.

The maximum exposure to credit risk by class of financial asset is as follows:

	2024 '000	2023 '000
Cash and cash equivalents	177,333	150,859
Issuer and Trade receivables - net	145,409	141,898
Deposits	646	604
	323,388	293,361

Cash and cash equivalents

The credit risk on liquid funds is limited as counterparties are highly rated banks with credit ratings assigned by reputable credit rating agencies, including Fitch Ratings and Standard & Poor. Boku regularly monitoring their creditworthiness to mitigate financial loss, and while cash and cash equivalents fall under IFRS 9 impairment requirements, no impairments were recognised due to their insignificant risk of value changes. Boku's cash and cash equivalent breakdown by credit ratings is as follows:

	2024 '000	2023 '000
AA-	6,096	3,472
A+	25,314	40,977
A	140,326	103,883
BBB	3,289	2,174
BB+	855	36
D	125	124
Unrated	1,328	193
	177,333	150,859

Issuer and trade receivables

Boku is exposed to credit risk primarily through receivables from issuers and trade receivables. Boku limits its exposure to credit risk from issuer and trade receivables by entering into contracts with creditworthy counterparties and where possible by limiting its liability contractually to merchants in the event of non-payment from issuers. Credit terms for issuer and trade receivables are standard and short-term, with no significant financing component.

Boku applies the simplified approach under IFRS 9 in calculating expected credit losses (ECL) for receivables from issuers and trade receivables, recognising a lifetime ECL as they do not contain a significant financing component. Receivables are grouped by days past due and historical loss experience. The expected credit loss model was updated at year-end, to reflect reasonable and supportable information, including forward-looking

information, available on credit risk of the issuer and trade receivable balances.

For the year ended 2024, the total ECL provision was 1,385k (2023: 2,047k), representing 0.94% (2023: 1.42%) of total receivables. The majority of receivables aged less than 60 days had no significant credit risk, while higher loss rates were applied to older balances based on historical default patterns. Receivables over 150 days past due had the highest loss rate, reflecting increased credit risk. The decrease in provision was primarily due to improved collection patterns and a lower proportion of overdue balances in the high-risk category. The Company continues to monitor credit risk closely, applying adjustments where necessary to reflect changes in the current and future macroeconomic environment and debtor-specific risks.

Liquidity risk

Liquidity risk is the risk that Boku will not be able to meet its financial obligations as they fall due. Boku's approach to managing liquidity is to maintain, as far as possible, sufficient liquidity to meet liabilities when due under both normal and stressed conditions without incurring unacceptable losses or compromising its reputation.

As an intermediary, Boku considers cash flows related to merchant funds as generally balanced from a liquidity perspective. In most cases, merchant payables are settled after cash is collected from issuers; however, for certain merchants, payments can be made before corresponding receipts are received. This mixed payment approach is carefully monitored to ensure liquidity remains adequate. The liquidity risk of each group entity is managed by the Treasury team at the entity level to meet any liquidity obligations.

The following table presents the remaining contractual maturities of Boku's financial liabilities as of the reporting date. These amounts are gross, undiscounted, and include estimated future interest payments where applicable.

	Within 1 year	2-5 years	More than 5 years	Total
31 December 2024	'000	'000	'000	'000
Merchant and Trade payables	245,222	-	-	245,222
Warrant liability	-	-	9,130	9,130
Leases liabilities	1,035	1,839	63	2,937
Total¹	246,257	1,839	9,193	257,289

	Within 1 year	2-5 years	More than 5 years	Total
31 December 2023	'000	'000	'000	'000
Merchant and Trade payables	223,529	-	-	223,529
Warrant liability	-	-	5,511	5,511
Lease liabilities	1,370	1,692	-	3,062
Total¹	224,899	1,692	5,511	232,102

¹ No material difference between discounted and undiscounted fair value.

Capital Management

Boku's capital structure consists of share capital, other reserves, treasury shares, foreign exchange reserve, and retained losses. Boku's objectives in managing capital are:

- To safeguard its ability to continue as a going concern, enabling it to provide returns for shareholders and benefits for other stakeholders and
- To provide adequate shareholder returns by pricing products and services appropriately for the level of risk.

Boku's capital is detailed in the consolidated statement of changes in equity. Boku is debt-free and working capital requirements are met through existing cash resources. Boku manages its capital structure proactively, adjusting to economic conditions and projected cash needs across operational, financing, and investment activities. Factors influencing capital adequacy include capital expenditures, market developments, and potential acquisitions.

25. Related party transactions

Related parties of Boku include its key management personnel, subsidiaries, and entities with significant influence over the Company. Transactions and balances between Boku and its subsidiaries, which are related parties, have

been eliminated on consolidation and are not disclosed in this note. For more information on principles of consolidation and subsidiaries, refer to Note 3.1 and Note 15, respectively.

Transactions and balances between Boku and other related parties are disclosed below.

a) Transactions with key management personnel

Key management personnel include the directors and global leadership team of Boku. Compensation to key management personnel is set out below:

	2024	2023
	'000	'000
Salaries	4,737	5,104
Short-term benefits	119	101
Social security costs	810	1,108
Share-based payments	3,179	3,402
Long-term employee benefits	13	18
Total	8,858	9,733

For further information on the remuneration of each director, refer to the remuneration report.

There were no other transactions with related parties during the year (2023 Nil).

26. Commitments and contingencies

In the normal course of business, the Group may receive inquiries or become involved in legal disputes regarding possible patent infringements. In the opinion of management, any potential liabilities resulting from such claims, if any, would not have a material adverse effect on the Group's consolidated statement of financial position or results of operations.

From time to time, in its normal course of business, the Group may indemnify other parties with whom it enters into contractual relationships, including customers, aggregators, MNOs, lessors, and parties to other transactions with the Group. Boku has also indemnified its Directors and executive officers, to the extent legally permissible, against all liabilities reasonably incurred in connection with any action in which such individual may be involved by reason of such individual being or having been a Director or executive officer. The Group believes the estimated fair value of any obligation from these indemnification agreements is minimal; therefore, these consolidated financial statements do not include a liability for any potential obligations at 31 December 2024 and 2023.

In addition, the Group may provide credit support instruments, including parent guarantees and standby letters of credit, to counterparties as part of its contractual obligations. Management does not expect any claims under these arrangements to have a material impact on the Group's financial position.

The Group had no contractual commitments for the acquisition of property, plant, and equipment and intangible assets in the current year or prior.

27. Events after the reporting date

Management has assessed the events occurring between the reporting date and the date of approval of the financial statements. No material events have been identified that would require adjustment to or disclosure in the financial statements.

Alternative Performance Measures

Management regularly uses Alternative Performance Measures (APMs) internally to understand, manage and evaluate the business performance and make operating decisions. These measures are among the primary factors management uses in planning for and forecasting future periods.

Management present APMs because they believe that these and other similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. It is believed these APMs depict the true performance of the business by encompassing only relevant and controllable events, allowing management to evaluate and plan more effectively for the future. These measures are not defined under the requirements of IFRS and may not be comparable with the APMs of other companies and should be viewed as supplemental to, but not a substitute for, measures presented in the financial

companies are should be treated as supplemental to, and not a substitute for, financials presented in the financial statements which are prepared in accordance with IFRS.

The primary APMs are EBITDA, adjusted EBITDA, adjusted operating expenses, constant exchange rate revenues, own cash, and average cash balances which management considers are relevant in understanding the Group's financial performance. Management calculates APMs by excluding certain non-cash and one-off items from the actual results. The determination of whether non-cash items or one-off items should be excluded, is a matter of judgement and is based on whether the inclusion/exclusion from the results represent more closely the consistent trading performance of the business.

Boku uses the following APMs

APM	Definition
Adjusted EBITDA	A measure of profitability from continuing operations which is calculated as operating profit before non-recurring other income, depreciation and amortisation, share-based payments expense, foreign exchange gains/losses and exceptional items. In calculating adjusted EBITDA we exclude certain non-cash and non-recurring items that we believe are not reflective of our long term performance. Adjusted EBITDA is used internally to establish forecasts, budgets and operational goals to manage and monitor our business, as well as evaluate our underlying historical performance. We believe that adjusted EBITDA is a meaningful indicator of the health of our business as it reflects our ability to generate cash that can be used to fund recurring capital expenditures and growth. We also believe that adjusted EBITDA is widely used by investors, securities analysts and other interested parties as a supplemental measure of performance and liquidity
Adjusted operating expenses	Calculated as gross profit less adjusted EBITDA.
Adjusted EBITDA margin	Calculated as adjusted EBITDA over revenue for the year.
Constant exchange rate revenues	Constant exchange rate is calculated by applying the monthly average foreign exchange rates in the prior year to the current year revenues.
Own cash	Calculated as cash held plus gross amounts due to Boku from issuers and merchants less amounts owed to merchants
Average Cash Balances	Average cash is the average cash balance for each day

	2024	2023
	'000	'000
Alternative performance measures		
Adjusted EBITDA	31,412	25,799
Adjusted EBITDA margin (%)	31.64%	31.19%
Adjusted operating expenses	65,442	54,871
Constant exchange rate revenues	102,408	82,720
Own Cash	80,249	72,919
Average Cash Balances	153,941	131,665

Reconciliation of adjusted EBITDA to operating profit

		2024	2023
	Note	'000	'000
Adjusted EBITDA		31,412	25,799
Other income adjustment (non-recurring)		-	103
Depreciation and amortisation	7	(7,899)	(7,557)
Share-based payments	8	(10,526)	(7,595)
Foreign exchange loss	7	(5,964)	(1,034)
Exceptional items		(867)	-
Operating profit		6,156	9,716

Exceptional items are included in administrative expenses and include the following items:

	2024	2023
	'000	'000
Exceptional Items		
Employee Restructuring Costs	(998)	-
Finance Transformation Costs	(337)	-
One-Off Refund from an Issuer	468	-
Total exceptional items	(867)	-

Adjusted operating expenses calculation

	2024	2023
	'000	'000
Gross Profit	96,854	80,670

Adjusted EBITDA	(31,412)	(25,799)
Adjusted operating expenses	65,442	54,871

Constant Exchange Rate Revenues

	2024 Revenue	2024 Revenue at FY2023 Rates	2023 Revenue	Constant Currency Revenue Growth
Operating Segment	'000	'000	'000	%
Payments Services	99,273	102,408	82,720	24%

Own Cash Calculations

	2024	2023
	'000	'000
Cash and cash equivalents	177,333	150,859
Receivables from Issuers	134,672	130,971
Trade receivables	12,122	12,974
Payable to Merchants	(243,878)	(221,885)
Total own cash	80,249	72,919

Average Cash Balances

	2024	2023
	'000	'000
Average Cash Balances	153,941	131,665

Forward Looking statements

Certain statements contained in this report constitute "forward-looking statements." Forward-looking statements provide Boku's current expectations of future events and trends based on certain assumptions and include any statement that does not directly relate to any current or historical fact. The words "believe," "expect," "expectations," "anticipate," "foresee," "see," "target," "estimate," "designed," "aim," "plan," "intend," "influence," "assumption," "focus," "continue," "project," "should," "is to," "will," "strive," "may," "could," "forecast," or similar expressions as they relate to us or our management are intended to identify these forward looking statements, as well as statements regarding:

- a) business strategies, projects, market expansion, growth management, and future industry trends and our plans to address them;
- b) future performance of our business and any future distributions and dividends;
- c) expectations and targets regarding financial performance, results, operating expenses, cash flows, taxes, currency exchange rates, hedging, cost savings and competitiveness, as well as results of operations including targeted synergies and those related to market share, prices, net sales, income and margins;
- d) expectations, plans, timelines or benefits related to changes in our organisational and operational structure;
- e) market developments in our current and future markets and their seasonality and cyclicity, as well as general economic conditions, future regulatory developments and the expected impact, timing and duration of potential global pandemics and geopolitical conflicts on our business, our customers' businesses and the general market and economic conditions;
- f) our position in the market, including product portfolio and geographical reach, and our ability to use the same to develop the relevant business or market;
- g) any future collaboration or business collaboration agreements or patent license agreements or arbitration awards, including income from any collaboration or partnership, agreement or award;
- h) timing of the development and delivery of our products and services;
- i) the outcome of pending and threatened litigation, arbitration, disputes, regulatory proceedings or investigations by authorities;
- j) restructurings, investments, capital structure optimisation efforts, divestments and our ability to achieve the financial and operational targets set in connection with any such restructurings, investments, and capital structure optimisation efforts;
- k) future capital expenditures or other R&D expenditures to develop or rollout new products; and
- l) sustainability and corporate responsibility.

These statements, which are made on the date of this report, are based on management's best assumptions and beliefs in light of the information currently available to it and are subject to a number of risks and uncertainties, many of which are beyond Boku's control, which could cause actual results to differ materially from such statements. These statements are only predictions based upon our current expectations and views of future events and developments and are subject to risks and uncertainties that are difficult to predict because they relate

to events and depend on circumstances that will occur in the future. Risks and uncertainties that could affect these statements include but are not limited to the risk factors specified under the section "Principal Risks & Uncertainties" of this report. Other unknown or unpredictable factors or underlying assumptions subsequently proven to be incorrect could cause actual results to differ materially from those in the forward-looking statements. We do not undertake any obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

Glossary

Abbreviation	Definition
A2A	Account to Account based payment systems allow payments to be made from one bank account to another, generally in real time. They are contrasted with card-based payment systems where the payment is mediated through a card scheme. In A2As the payment is direct via Boku. A2A payments can be organised as schemes, typically under the jurisdiction of the Central Bank (UPI in India or Pix in Brazil), as interbank initiatives (Twint in Switzerland, Blik in Poland) or as infrastructure (Open Banking access to Faster Payments in the UK).
AGM	Annual General Meeting.
AIM	Alternative Investment Market.
AISP	Under Open Banking, an Account Information Service Provider, with consumer consent can access information about the transactions and balances in the consumer's bank account. AISPs can then provide services that provide a consolidated view of a consumer's activity across multiple banks, or analysis that might not be available from their financial institution. In the UK, AISPs are authorised by the FCA.
APMs	Alternative performance measures are non-GAAP financial measures used by management to assess and monitor the performance of the business.
ATV	The Average Transaction value is the TPV divided by the total number of successful transactions.
CAGR	Compound annual growth rate.
Carriers	Carriers are the consumer's mobile network operator (MNO), through which purchases can be charged to a phone bill. See DCB.
CER	Constant exchange rate is calculated by applying the monthly average foreign exchange rates in the prior year to the current year results.
CEO	Chief Executive Officer.
CFO	Chief Financial Officer.
CGU	Cash generating unit.
COO	Chief Operating Officer.
CT	Corporation tax.
DCB (Bundling)	DCB bundling refers to the distribution of merchant services via third parties, such as telecom providers typically as part of a new tariff or promotional offer (e.g., 'Get six months of streaming music included with your mobile phone plan'). Boku's services facilitate this process by seamlessly connecting the distributor with the entertainment company's systems.
DCB (Payments)	Direct Carrier Billing is a form of payment method whereby consumers can purchase digital goods using their post-paid mobile phone account or pre-paid mobile phone balance.
DEI	Diversity, equity and inclusion.
DT	Deferred tax.
ECL	Expected credit loss.
EGM	Extraordinary General Meeting.
EPS	Earnings per share.
Digital Wallet	A Digital Wallet is a type of payment method that allows a user to undertake transactions online and, sometimes, offline. A user will link their wallet to a funding source which might be a bank account, debit card or cash top up. The balance in the wallet is then used to fund the purchase. In some cases, these wallets will have an auto top up feature that allows funds to be withdrawn from the funding source if there is insufficient balance. Examples include Alipay, PayPal, Dana or Gopay.
GLT	Global Leadership Team.
Gross margin	The difference between revenue and cost of sales divided by revenue.
Group	Boku, Inc. and its controlled entities.
IFRS	International Financial Reporting Standards.
Issuer	The Issuer is the entity within the Boku network who has the relationship with the consumer, issues them with payment credentials, collects the amounts owed by the consumer and settles them. The Issuers within the Boku network include Mobile Network Operators, Digital Wallet providers and A2A schemes.
LPMs	Local Payment Methods are those which typically operate in a single region. They include domestic card schemes, domestic voucher schemes, mobile network operators, Digital Wallets, Account to Account based payment systems and Buy Now Pay Later operators. Local Payment Methods typically operate to their own standard and are not interoperable with other schemes.

LTIP	Long term incentive plan.
MAU	Boku defines a Monthly Active User as one who has undertaken one or more successful payment transactions or who has an active bundle within the month in question. Users who have registered and still have an active payment method on file are not defined as active unless they have successfully transacted.
Merchant	A merchant is a business or entity that sells products or services to consumers and integrates various payment methods.
MNOs	Mobile network operator, see carrier.
Nomad	Nominated adviser.
NPV	Net present value.
Open banking	In Open Banking markets, banks are required to provide interfaces to authorised third parties to access account information (AISP) or initiate payments (PISP).
PISP	Under Open Banking, a Payment Initiation Service Provider, with consumer consent, can initiate payments from the consumer's bank account. In the UK, PISPs are authorised by the FCA.
Platform	The platform that Boku has built to connect Merchants and Issuers via Local Payment Methods.
PPA	Price purchase allocation.
PSP	A Payment Service Provider acts as a technical layer connecting a merchant to various issuers. The base level of service is the transaction model where only technical services are provided. It can be supplemented by the settlement model whereby funds are collected and settled to those merchants.
PwC	PricewaterhouseCoopers LLP.
RCF	Revolving credit facility.
RSU	Restricted Stock/Share Units are share awards subject to a vesting schedule and certain vesting conditions.
Settlement model	In the Settlement model, Boku provides not only technical transaction processing services but also collects the funds due from the Issuers and settles them to the merchant in the currency of their choice.
SID	Senior Independent Director.
SRSU	Stretch restricted share units subject to market based vesting conditions
Take rate	Take rate is defined as revenue divided by TPV. It is a measure of the average price obtained.
TPV	Total Payment Volume is total value transacted through the system quantified in US dollars. For payments, this is the total amount successfully transacted by consumers translated into USD at average FX rates for the month. For bundling transactions, it represents the total retail value of the bundles. In some cases, this value is inferred from revenue.
Transaction model	The Transaction Model is where Boku provides technical connectivity services to a merchant, while the merchant directly arranges settlement with the issuer.
WACC	Weighted average cost of capital.



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