Asia Pacific Internet Development Trust and its controlled entities

Financial Report

For the year ended 31 December 2024

Contents

Trustees' report

The directors of the Trustee company APIDTT Pty Ltd (the "Trustee") present their report on behalf of Asia Pacific Internet Development Trust (the "Trust") and its controlled entities (the "Group") for the year ended 31 December 2024.

The Trust was established by Trust Deed on 13 January 2020.

Trustees

The names of the Trustee's directors in office during the financial year until the date of this report are set out below. Directors were in office for this entire year, unless otherwise stated.

Jun Murai	
Paul Byron Wilson	
Hirochika Asai	(Appointed: 9 March 2024)
Richard Brown	(Appointed: 1 February 2025)
Craig Eesyn Ng	(Appointed: 16 February 2024, Resigned: 31 January 2025)

Principal activities

The principal activities of the Group are to fund internet development initiatives in the Asia Pacific region, including technical skills development and capacity building, improvements to critical internet infrastructure, supporting research and development and improving the community's capability to build an open, global, stable and secure internet.

There were no significant changes in the nature of these activities during the year.

Review of operations

The net profit of the Group for the year ended 31 December 2024 was $9,645,865 (2023: $16,051,532).

Significant changes in the state of affairs

The directors have resolved to suspend the construction project for the Building at 56 Breakfast Creek Road, Newstead. The project has been deferred indefinitely and options will be further considered by the Trust.

In the financial year of 2024, the Trust has granted funding of US$10,307,510 to APNIC Foundation.

There were no other significant changes in the state of affairs of the Group during the year.

Significant events after the reporting period

Subsequent to year end, the Trust has granted funding of US$10 million to APNIC Foundation. Additionally, a new Indefeasible Right of Use (IRU) has been established for the connection between Singapore and Malaysia. The acceptance of the circuit has been confirmed.

There were no other significant events occurring after the reporting year which may affect either the Group's operations or results of those operations or the Group's state of affairs.

Likely developments and expected results

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

Environmental regulation and performance

The Group is not subject to any particular or significant environmental regulation under laws of the Commonwealth or of a State or Territory.

Indemnification and insurance of directors

The Trust holds Management liability insurance in respect of its Directors and executive management of the business. The insurance contract prohibits disclosure of the insurance premium.

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 3 and forms part of the Trustee's report for the financial year ended 31 December 2024.

Trustees' report

Indemnification of auditor

The Trust has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an auditor of the company or of any related body corporate against a liability incurred as such.

Signed in accordance with a resolution of the Trustee.

Paul Byron Wilson
Director

29 April 2025

Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Trustees of Asia Pacific Internet Development Trust and its controlled entities

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2024 there have been:

i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

B E Lovell
Partner

Brisbane
29 April 2025

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2024

	Notes	2024 US$	2023 US$
Other income	4.a	2,189,967	2,911,329
Employee benefits expense	4.d	(302,942)	(274,883)
Grant payments		(10,307,510)	(12,691,292)
Administrative expenses		(1,866,797)	(1,426,741)
Fair value gain on financial assets held at fair value through profit or loss		18,245,513	25,530,917
Other expenses	4.e	(2,961,141)	(1,247,605)
Finance costs	4.b	(18,064)	(8)
Finance income	4.c	4,666,839	3,249,815
Profit for the year		9,645,865	16,051,532
Other comprehensive loss			
Other comprehensive loss may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	13	(67,129)	(55,571)
Total other comprehensive loss		(67,129)	(55,571)
Total comprehensive income for the year		9,578,736	15,995,961

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 31 December 2024

	Notes	2024 US$	2023 US$
Assets			
Current assets			
Cash and cash equivalents	5	3,546,734	4,665,616
Trade and other receivables	6	685,229	1,406,334
Prepayments		235,399	146,027
Financial assets	7	7,553,655	19,494,000
Total current assets		12,021,017	25,711,977
Non-current assets			
Plant and equipment	8	618,163	756,575
Investment properties	9	14,226,385	13,715,095
Financial assets	7	369,998,172	346,617,945
Right-of-use assets	10	5,187,186	5,599,506
Total non-current assets		390,029,906	366,689,121
Total assets		402,050,923	392,401,098
Liabilities			
Current liabilities			
Trade and other payables	11	334,695	268,917
Employee benefit liabilities	12	32,217	25,898
Other current liabilities		14,681	15,689
Total current liabilities		381,593	310,504
Non-current liabilities			
Total non-current liabilities		-	-
Total liabilities		381,593	310,504
Net assets		401,669,330	392,090,594
Trust funds and reserve			
Trust funds		68	68
Reserve	13	(122,700)	(55,571)
Retained surplus		401,791,962	392,146,097
Total trust funds and reserve		401,669,330	392,090,594

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in trust funds and reserve

For the year ended 31 December 2024

	Note	Trust funds US$	Foreign currency translation reserve US$	Retained surplus US$	Total trust funds and reserve US$
At 1 January 2024		68	(55,571)	392,146,097	392,090,594
Comprehensive profit for the year		-	-	9,645,865	9,645,865
Other comprehensive loss	13	-	(67,129)	-	(67,129)
Total comprehensive (loss)/income for the year		-	(67,129)	9,645,865	9,578,736
At 31 December 2024		68	(122,700)	401,791,962	401,669,330
At 1 January 2023		68	-	376,094,565	376,094,633
Comprehensive profit for the year		-	-	16,051,532	16,051,532
Other comprehensive loss		-	(55,571)	-	(55,571)
Total comprehensive (loss)/income for the year		-	(55,571)	16,051,532	15,995,961
At 31 December 2023		68	(55,571)	392,146,097	392,090,594

The above consolidated statement of changes in trust funds and reserve should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the year ended 31 December 2024

	Notes	2024 US$	2023 US$
Operating activities			
Payments to suppliers and employees		(3,490,867)	(1,700,742)
Grant payments		(10,307,510)	(12,691,292)
Net cash flows used in operating activities		(13,798,377)	(14,392,034)
Investing activities			
Purchase of plant and equipment	8	(60,287)	-
Payments for investment property		(461,334)	(2,107,414)
Interest received		1,260,771	136,111
Proceeds from sale of financial assets		-	37,042,873
Proceeds from/(payments for) term deposits		11,940,345	(19,494,000)
Net cash flows from investing activities		12,679,495	15,577,570
Financing activities			
Payment of principal portion of lease liabilities		-	(2,866,759)
Net cash flows used in financing activities		-	(2,866,759)
Net decrease in cash and cash equivalents		(1,118,882)	(1,681,223)
Cash and cash equivalents at 1 January		4,665,616	6,346,839
Cash and cash equivalents at 31 December	5	3,546,734	4,665,616

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

For the year ended 31 December 2024

1. Corporate information

The consolidated financial statements of Asia Pacific Internet Development Trust and its controlled entities (the "Trust") and its subsidiaries (collectively, the "Group") for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Trustee on 29 April 2025.

APIDTT Pty Ltd as corporate Trustee (the "Trustee") for Asia Pacific Internet Development Trust and its controlled entities is a company limited by shares incorporated in Australia.

The registered office and principal place of business of the Trust is 6 Cordelia Street, South Brisbane, QLD 4101.

Further information on the nature of the operations and principal activities of the Group is provided in the Trustees' report. Information on other related party relationships of the Group is provided in Note 15.

2. Material accounting policies

a. Basis of preparation

The consolidated financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Australian Accounting Standards - Simplified Disclosures* and other authoritative pronouncements of the Australian Accounting Standards Board.

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets which are measured at fair value.

The consolidated financial statements are presented in United States dollars and all values are rounded to the nearest dollar ($), except when otherwise stated.

b. Changes in accounting policies and disclosures

New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

AASB 2023-3 *Amendments to Australian Accounting Standards – Disclosure of Non-current Liabilities with Covenants: Tier 2*

The amendments to AASB 1060 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- That a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group's consolidated financial statements.

AASB 2024-1 *Amendments to Australian Accounting Standards – Disclosures of Supplier Finance Arrangements: Tier 2 Disclosures*

The amendments to AASB 1060 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

As a result of implementing the amendments, the Group has provided additional disclosures about its supplier finance arrangement.

The amendments had no impact on the Group's consolidated financial statements.

Notes to the consolidated financial statements

For the year ended 31 December 2024

2. Material accounting policies (continued)

c. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangements with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of a subsidiary to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

d. Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting year; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting year; or
- There is no right to defer the settlement of the liability for at least twelve months after the reporting year.

The Group classifies all other liabilities as non-current.

Notes to the consolidated financial statements

For the year ended 31 December 2024

2. Material accounting policies (continued)

e. Foreign currencies

The Group's consolidated financial statements are presented in United States dollars, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Australian dollars at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

f. Finance income

Interest income is recorded using effective interest rate (EIR) method. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter year, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the consolidated statement of profit or loss and other comprehensive income.

g. Taxes

i. Current income tax

Under current legislation, the Trust is not subject to income tax as it is an income tax exempt charity.

ii. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable.
- When receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Notes to the consolidated financial statements

For the year ended 31 December 2024

2. Material accounting policies (continued)

h. Plant and equipment

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Plant and equipment	2-5 years
Network Server System	5 years

An item of plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i. Investment properties

The Trust's investment property consist of land. Construction project of building on such land is currently on hold.

The investment property is initially measured at cost, including transaction costs.

Land is not depreciated.

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration to be included in the gain or loss arising from the derecognition of investment property the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

j. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Notes to the consolidated financial statements

For the year ended 31 December 2024

2. Material accounting policies (continued)

j. Leases (continued)

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Cable line	15 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.k Impairment of non-financial assets.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. It is the Group's policy to settle its lease liability immediately resulting in no lease liability balance at year end.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of 12 months or less (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

k. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a year of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of are recognised in the consolidated statement of profit or loss and other comprehensive income in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

Notes to the consolidated financial statements

For the year ended 31 December 2024

2. Material accounting policies (continued)

I. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent measurement

Trade and other receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). They are generally due for settlement within 30 days and therefore all are classified as current. Other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method, less loss allowance.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss and other comprehensive income.

Dividends on equity investments are recognised as other income in the consolidated statement of profit or loss and other comprehensive income when the right of payment has been established.

The Group has a portfolio of equity instruments in listed companies which it has elected to recognise as financial assets at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Notes to the consolidated financial statements
For the year ended 31 December 2024

2. Material accounting policies (continued)

l. Financial instruments (continued)

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as payables.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables.

Subsequent measurement

Trade and other payables
Trade and other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss and other comprehensive income.

m. Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash at banks and on hand.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash, as defined above.

n. Increase/decrease in net assets

Income not distributed is included in net assets. Movements in net assets are recognised in consolidated profit and loss.

o. Employee benefit liabilities

Long service leave and annual leave
The Group expects its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and years of service. Expected future payments are discounted using market yields at reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

p. Fair value measurement

The Group measures certain financial instruments and non-financial assets at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

Notes to the consolidated financial statements

For the year ended 31 December 2024

2. Material accounting policies (continued)

p. Fair value measurement (continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

External valuers are involved for valuation of significant assets, such as investment properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

Notes to the consolidated financial statements

For the year ended 31 December 2024

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

There were no critical accounting estimates and judgements exercised during the year by management.

Notes to the consolidated financial statements
For the year ended 31 December 2024

4. Other income and expenses

a. Other income

	2024 US$	2023 US$
Rental income	-	89,182
Foreign exchange gains (net)	-	825,290
Dividends received	2,189,967	1,991,642
Other income	-	5,215
	2,189,967	2,911,329

b. Finance costs

	2024 US$	2023 US$
Interest paid	18,064	8

c. Finance income

	2024 US$	2023 US$
Interest income	4,666,839	3,249,815

d. Employee benefits expense

	2024 US$	2023 US$
Wages and salaries	251,671	227,268
Superannuation expense	26,255	23,192
Other employee benefits expense	25,016	24,423
	302,942	274,883

e. Other expenses

	2024 US$	2023 US$
Maintenance expense	509,275	535,028
Depreciation of plant and equipment	198,699	199,170
Amortisation of right-of-use assets	412,320	328,532
Building operating expenses	196,132	184,875
Foreign exchange losses (net)	1,644,715	-
	2,961,141	1,247,605

Notes to the consolidated financial statements

For the year ended 31 December 2024

5. Cash and cash equivalents

	Note	2024 US$	2023 US$
Cash on hand		152	167
Cash in bank		3,546,582	4,665,449
	17	3,546,734	4,665,616

6. Trade and other receivables

	Note	2024 US$	2023 US$
Interest receivable	17	261,985	729,466
GST/Input JCT		423,244	676,868
		685,229	1,406,334

7. Financial assets

Current	Note	2024 US$	2023 US$
Term deposits	17	7,553,655	19,494,000

The Group has term deposits which mature 12 months from the date of the contract. The Group intends to hold term deposits until they mature.

Non-current	Note	2024 US$	2023 US$
Equity investments at fair value through profit or loss	17	369,998,172	346,617,945

Equity investments are maintained through a portfolio with UBS Group. The fair values of the equity investments are based on price quotations at the reporting date.

Notes to the consolidated financial statements

For the year ended 31 December 2024

8. Plant and equipment

	Plant and Equipment US$	Network Server System US$	Total US$
Cost			
At 1 January 2024	3,866	986,258	990,124
Additions	60,287	-	60,287
At 31 December 2024	64,153	986,258	1,050,411
Accumulated depreciation			
At 1 January 2024	3,422	230,127	233,549
Depreciation charge for the year	1,448	197,251	198,699
At 31 December 2024	4,870	427,378	432,248
Net book value			
At 31 December 2024	59,283	558,880	618,163
At 31 December 2023	444	756,131	756,575

9. Investment properties

	Land US$
At 1 January 2024	13,715,095
Additions	511,290
At 31 December 2024	14,226,385

Notes to the consolidated financial statements

For the year ended 31 December 2024

10. Leases

Group as a lessee

The Group has lease arrangements which provide the Group the right of use of extensive fibre cable systems. The Group made upfront payments for the entire lease on the date of inception of the lease and hence has no lease liabilities outstanding. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Right-of-use assets US$
At 1 January 2023	3,061,279
Additions	2,866,759
Amortisation	(328,532)
At 31 December 2023	5,599,506
At 1 January 2024	5,599,506
Amortisation	(412,320)
At 31 December 2024	5,187,186

There were no expenses relating to short-term leases and leases of low-value assets recognised in profit or loss during the year ended 31 December 2024 (2023: $nil).

11. Trade and other payables

	Note	2024 US$	2023 US$
Current			
Trade payables	17	191,734	158,900
Accrued expenses		142,961	110,017
		334,695	268,917

12. Employee benefit liabilities

Current	2024 US$	2023 US$
Annual leave	23,919	19,794
Long service leave	8,298	6,104
	32,217	25,898

Notes to the consolidated financial statements

For the year ended 31 December 2024

13. Reserve

	2024 US$	2023 US$
Foreign currency translation reserve	(122,700)	(55,571)

	Foreign currency translation reserve US$
At 1 January 2024	(55,571)
Exchange differences on translation of foreign operations	(67,129)
At 31 December 2024	(122,700)

Nature and purpose of reserve

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

14. Subsidiaries

The consolidated financial statements of the Group include:

		% Equity interest	
Name	**Country of incorporation**	**2024**	**2023**
APIDT Infrastructure Pty Ltd	Australia	100	100
ARENA - PAC Research	Japan	100	100

15. Related party disclosures

APNIC Pty Ltd and WIDE Research Institute Co., Ltd are the joint-guardians of the Trustee. APNIC Pty Ltd and WIDE Research Institute Co., Ltd have legal control of the Trust, but have no beneficial interest in the assets of the Trust.

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

		Expenses paid US$
APNIC Pty Ltd	2024	197,134
	2023	86,100
WIDE Research Institute Co., Ltd	2024	-
	2023	12,593
Craig Ng Practitioner Trust*	2024	83,656
	2023	-

* Craig Ng was appointed as director of the Trust in February 2024.

Notes to the consolidated financial statements

For the year ended 31 December 2024

15. Related party disclosures (continued)

a. Terms and conditions of transactions with related parties

There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2024, the Group recognised provision for expected credit losses of $nil relating to amounts owed by related parties (2023: $nil).

b. Compensation of key management personnel of the Group

Compensation expense of key management personnel amounted to $197,136 during the year ended 31 December 2024 (2023: $183,940).

16. Commitments and contingencies

Commitments

The Group had no commitments as at 31 December 2024 (2023: $411,934).

Contingencies

The Group had no contingent assets or contingent liabilities as at 31 December 2024 (2023: $nil).

17. Financial instruments

The following table shows the carrying amounts of financial assets and financial liabilities:

Financial assets measured at amortised cost

	Note	2024 US$	2023 US$
Cash and cash equivalents	5	3,546,734	4,665,616
Interest receivable	6	261,985	729,466
Term deposits	7	7,553,655	19,494,000
		11,362,374	24,889,082

Financial assets measured at fair value through profit or loss

	Note	2024 US$	2023 US$
Equity investments	7	369,998,172	346,617,945

Financial liabilities measured at amortised cost

	Note	2024 US$	2023 US$
Trade payables	11	191,734	158,900

Notes to the consolidated financial statements

For the year ended 31 December 2024

18. Auditor's remuneration

The auditor of Asia Pacific Internet Development Trust and its controlled entities is KPMG.

	2024 US$	2023 US$
Amounts received or due and receivable by KPMG for:		
An audit of the financial report of the Group	22,070	19,268
	22,070	19,268

19. Information relating to Asia Pacific Internet Development Trust (the Parent)

	2024 US$	2023 US$
Current assets	11,483,932	24,865,034
Non-current assets	393,571,031	369,296,746
Total assets	405,054,963	394,161,780
Current liabilities	(278,365)	(280,687)
Total liabilities	(278,365)	(280,687)
Net assets and equity	404,776,598	393,881,093
Profit for the year	10,895,505	17,141,463
Total comprehensive income of the Parent	10,895,505	17,141,463

The Parent had no commitments as at 31 December 2024 (2023: $411,934).

The Parent entity did not have any contingencies as at 31 December 2024 (2023: $nil).

20. Events after the reporting period

Subsequent to year end, the Trust has granted funding of US$10 million to APNIC Foundation. Additionally, a new Indefeasible Right of Use (IRU) has been established for the connection between Singapore and Malaysia. The acceptance of the circuit has been confirmed.

There were no other significant events occurring after the reporting year which may affect either the Group's operations or results of those operations or the Group's state of affairs.

Trustees' declaration

In accordance with a resolution of the Trustees of Asia Pacific Internet Development Trust and its controlled entities, I state that:

In the opinion of the Trustees:

1. the consolidated financial statements and notes of Asia Pacific Internet Development Trust and its controlled entities for the financial year ended 31 December 2024 are in accordance with the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012,* including:
    - present fairly in all material respects of the Group's financial position as at 31 December 2024 and its performance for the year ended on that date; and
    - comply with *Australian Accounting Standards – Simplified Disclosures* and the *Australian Charities and Not-for-profits Commission Regulations 2022;*
2. there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

On behalf of the board

Paul Byron Wilson
Director
29 April 2025

Independent Auditor's Report

To the Trustee of Asia Pacific Internet Development Trust and its controlled entities

Opinion

We have audited the ***Financial Report*** of the Asia Pacific Internet Development Trust (the Trust)

In our opinion, the accompanying Financial Report of the Trust is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

i. giving a true and fair view of the ***Group***'s financial position as at 31 December 2024, and of its financial performance and its cash flows for the year ended on that date; and

ii. complying with *Australian Accounting Standards – Simplified Disclosures Framework* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR).*

The ***Financial Report*** comprises:

i. Consolidated Statement of financial position as at 31 December 2024.

ii. Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in trust funds and reserve and Consolidated statement of cash flows for the year then ended.

iii. Notes, including material accounting policies.

iv. Trustees' declaration of the Group.

The Group consists of the Trust and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Other Information is financial and non-financial information in Trust's annual report which is provided in addition to the Financial Report and the Auditor's Report. The trustees are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Trustees for the Financial Report

The Trustees are responsible for:

i. Preparing the Financial Report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures Framework and the ACNC and ACNCR.

ii. Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

iii. Assessing the Group and Trust's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

i. to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and

ii. to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

As part of an audit in accordance with *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.

Auditor’s responsibilities for the audit of the Financial Report (continued)

We also:

i. Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii. Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered Group’s internal control.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

iv. Conclude on the appropriateness of the Trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Group and Trust’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor’s Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor’s Report. However, future events or conditions may cause the registered Group and Trust to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

vi. Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion

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

KPMG

KPMG

B E Lovell
Partner
Brisbane

29 April 2025