

Amber International Holding Limited
Fiscal Year 2024 Earnings Call - Transcript for Prepared Remarks
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CORPORATE PARTICIPANTS

Terence Li, *Chief Strategy Officer*
Wayne Huo, *Chief Executive Officer*
Josephine Ngai, *Chief Financial Officer*

PRESENTATION

Operator

Good morning, and welcome to Amber International Holding Limited's Fiscal Year 2024 Earnings Conference Call.

It is now my pleasure to introduce your host, Mr. Terence Li, Chief Strategy Officer of Amber International Holding Limited. Mr. Li, you may begin.

Terence Li, *Chief Strategy Officer*

Thank you. Good morning everyone and welcome to Amber International Holding Limited's fiscal year 2024 earnings conference call. My name is Terence Li, Chief Strategy Officer of Amber International Holding Limited.

Before we begin, I would like to remind everyone that today's discussion may contain forward-looking statements within the meaning of federal securities laws. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. For a more detailed description of these and other risks and uncertainties, please refer to our filings with the Securities and Exchange Commission, including our recent Form 20-F.

On today's call, we have Wayne Huo, our Chief Executive Officer, and Josephine Ngai, our Chief Financial Officer. They will be discussing our financial results for the fiscal year ended December 31, 2024 and providing an update on our business strategy following our recent merger and NASDAQ listing under the ticker symbol, AMBR. Today's agenda will begin with Wayne providing an overview of our business and strategic initiatives, followed by Josephine's review of our financial results. We will then open the call for your questions.

With that, I will now turn the call over to our CEO, Wayne Huo. Wayne, please go ahead.

Wayne Huo, *Chief Executive Officer*

Thank you Terence. Good morning everyone and thank you for joining us today for Amber International Holding Limited's fiscal year 2024 earnings conference call. I'm Wayne, CEO and Director of Amber International, an institutional crypto financial services and solutions provider operating under the brand name, Amber Premium, and headquartered in Singapore.

Before we begin, I'd like to express my gratitude to our shareholders, clients and employees for their continued support throughout this transformative year. Our team has worked tirelessly to position Amber Premium as a leader in institutional crypto finance, and I'm excited to share our progress with you today. Let me begin by providing an overview of Amber International's journey, business model and the market environment we are operating in.

On March 12, 2025, we successfully completed the merger between Amber DWM Holding Limited and iClick Interactive Asia Group Limited, marking a significant milestone in our journey as we became publicly listed on the NASDAQ under the name Amber International Holdings Limited, with the ticker symbol AMBR. This listing represents not just a financial achievement but a validation of our vision to become the top choice of a one-stop institutional digital assets services and solutions provider that drives crypto adoption in the world.

For those who may be new to our story, Amber International Holding Limited operates under the brand name Amber Premium, providing institutional crypto financial services and solutions. We deliver institutional-grade market assets, execution infrastructure and investment solutions to help institutions and high net worth individuals optimize their digital asset portfolios. Established in 2021 as originally Amber Group's crypto project banking business, Amber Premium formally commenced operations as an independent business unit in the second half of 2023. Since then, we've built a regulated, scalable financial ecosystem powered by proprietary blockchain and financial technologies, AI-driven risk management and quantitative algorithms across centralized finance, decentralized finance, and OTC markets.

During our operation, the digital asset market has experienced significant growth, with total market capitalization surging from approximately US\$800 billion as of the end of 2022 to close to US\$4 trillion at the end of 2024. This growth is fueled by increasing institutional adoption of digital assets, the rapid development of decentralized finance ecosystems, and the breakthrough of advanced blockchain technologies. As financial institutions, hedge funds, family offices and high net worth individuals increasingly integrate digital assets into their portfolios, the demand for sophisticated wealth management solutions has intensified.

As institutions and high net worth individuals expand beyond basic crypto ETFs and Bitcoin exposure, Amber Premium is positioned to address three critical industry challenges: first, fragmented liquidity across centralized and decentralized markets, which brings challenges to execution efficiency. Our deep industry connectivity and first mover advantage unlocks access to new token markets, liquidity pools and DeFi venues, enabling institutions to deploy capital seamlessly across all types of crypto markets and venues. Second, crypto yield sources are rich but spread across decentralized protocols and centralized spot markets and derivative markets. Amber Premium structured yield solutions apply the latest technologies and enable clients to assess the aggregated opportunities across these venues; and finally, regulatory complexity, which often slows down institutional adoption.

Amber Premium operates as a regulated platform with automated compliance tools, institutional-grade KYC AML procedures, and transparent governance frameworks. This allows clients to navigate the market confidently and compliantly while securely scaling their digital asset portfolios. By solving these challenges, Amber Premium is the trusted gateway for institutions and high net worth individuals to start from basic crypto exposure to sophisticated compliant digital asset strategies.

Next, I'll walk you through our key business segments.

Our business model is uniquely positioned to bridge traditional finance and decentralized finance with institutional based solutions. We've built our operations across three key business segments. First, our full stack execution solution provides institutional market access to thousands of trading pairs across over 100 trading venues, covering centralized exchanges, decentralized liquidity pools and OTC markets. Our high performance trading infrastructure handles over US\$1 billion of client transaction volumes monthly, supporting sophisticated trading algos for optimized execution.

Second, Amber Premium provides comprehensive wealth management solutions, including structured investment products such as dual currency option strategies and accumulator/decumulator products designed for strategic asset accumulation and risk-adjusted exposure management. We also provide yield and DeFi solutions featuring earned programs, staking rewards, and DeFi yield-enhanced products to optimize capital efficiency with controlled risk exposure. Additionally, our strategic funds deliver regulated, audited assets to high growth opportunities in crypto currencies. Finally, collateralized lending

offers crypto-backed financing solutions with competitive rates, flexible terms, and automated safeguards to minimize liquidation risks.

Third, our seamless crypto payment solutions facilitate secure, regulated crypto-to-fiat and fiat-to-crypto conversion alongside the Amber Premium crypto card, that allows clients to make payments instantly and globally with their crypto asset balance with Amber Premium.

Central to our value proposition is our distinctive 1+N premium service model, delivering tailored, integrated wealth management solutions. Each client is supported by a dedicated relationship manager alongside a team of specialists, ensuring a seamless and highly personalized experience. Our client base includes institutional investors such as financial institutions, hedge funds, private banks, proprietary trading firms and corporate treasuries, as well as high net worth individuals and family offices looking for crypto structured investment products and personalized portfolio management.

Following that, I would like to highlight the strategic initiatives we've undertaken and how they will be enhancing the resilience of our business.

We've had several achievements to strengthen our position in the institutional crypto finance space. On the technology front, Amber Premium has developed proprietary platforms including secure, user-friendly mobile apps and web interfaces for real time trading, investing and portfolio management. We are also capable of integrating to the latest advanced smart contracts and blockchains that enhances our offerings with DeFi capabilities, such as yield-enhanced products, staking rewards, and airdrops from leading crypto projects. We provide institutional grade security through military grade encryption, multi-factor authentication, and hybrid hot-cold wallet storage. This expertise take years to develop.

Meanwhile on the business front, Amber Premium is expanding its presence in the real world asset tokenization ecosystem. The Company is developing blockchain-native, Yale enhanced investment products providing institutional clients with diversified, transparent and secure access to emerging crypto opportunities. In addition to enhanced market positioning, Amber Premium is implementing a refined go-to-market strategy and integrating key resources across regions. Building on a strong reputation for service quality and trust, our marketing efforts remain client-centric, emphasizing long-term value creation and relationship-based engagement. With all the technology and business developments, Amber Premium is able to sustain stability across market cycles, distinguishing itself from retail-driven platforms through our institutional grade infrastructure and a diversified, compliant first operating model.

Here's how we achieve resilience: first, an institutional client base anchored in our long-term strategies. Our focus on high net worth individuals and institutions who prioritize long-term asset allocation over speculative trading reduces exposure to short-term volatility. Second, a diversified revenue model beyond trading volumes. Online platforms rely on transaction fees. Amber Premium's revenue streams are diversified, offering products that meet different risk preferences across different market cycles. Third, regulatory and operational excellence. Headquartered in Singapore and with additional presence in other major global financial hubs, we adhere to the highest KYC standards and maintain institutional-grade custody. These measures mitigate security risks and help with asset protection, even during high volatility periods.

Now, turning to our outlook for 2025, I will share the priorities and growth initiatives we are focused on as we move forward.

We are focused on executing our growth strategy across several dimensions. Following the completion of the merger in March 2025, Amber International is executing a focused strategy to strengthen its leadership in institutional crypto finance. The Company is enhancing its compliance-first, scalable platform to better serve the evolving needs of institutions and high net worth individuals globally. Strategic priorities for 2025 include expansion into tokenization of real world assets, enhancement of our institutional grade product suite, and the rollout of a refined go-to-market strategy across core financial hubs. These efforts are supported by a broadened geographic footprint with a particular focus on regulated markets in Asia and the Middle East.

As previously announced, Sparrow Tech Private Limited, a major payment institution licensed under the Payment Service Act by the Monetary Authority of Singapore, has recently integrated into Amber International following the approval from the Monetary Authority of Singapore, a milestone in executing our strategic priorities. Effective April 30, 2025, Sparrow will operate under the new brand name, Amber Premium Singapore, further reinforcing the Company's regulated presence in Asia.

In conclusion, fiscal year 2024 has been transformative for Amber International Holdings Limited. Our successful merger and NASDAQ listing combined with our growing client base and assets under management position us well for continued success. Legacy infrastructure from iClick has enabled a smooth transition to public markets, and Amber International is now entering the next phase with clarity and strategic focus. We remain committed to our mission of connecting CHAP5 and B5 with institutional grade solutions, empowering institutions and high net worth individuals with seamless access to digital assets. As a NASDAQ-listed Company, we'll continue to deliver reliable trading technology, risk management and scalable infrastructure to accelerate crypto adoption.

I would like to once again thank our shareholders, clients and employees for their support. We look forward to continuing our journey as a public Company and delivering long-term value to all our stakeholders.

With that, let me hand the call over to our CFO, Josephine Ngai, who will walk you through our financial results for fiscal year 2024 in more detail.

Josephine Ngai, *Chief Financial Officer*

Thank you Wayne, and good morning everyone. I'm Josephine Ngai, CFO of Amber International Holding Limited, and I'm pleased to walk you through our financial results for the fiscal year through 2024.

As Wayne mentioned, 2024 was a pivotal year of strategic realignment and operational transformations for our Company. While our financial results reflect the impact of non-recurring restructuring and transactions-related expenses, we entered 2025 with a more focused operating model and a strengthened foundation for growth.

Let me begin by discussing the unaudited financial results of our legacy business for the year end December 31, 2024. As a reminder, these results reflect the financial performance of our marketing solutions and enterprise solutions business which were part of iClick Interactive Asia Group Limited prior to the merger with Amber DWM Holdings Limited. As mentioned earlier, the numbers I will be sharing today are for our legacy operations only. They do not include any financial contribution from Amber DWM as the merger was completed after year end in March 2025. The consolidated results including Amber DWM will be reflected starting in our first quarter 2025 reporting. We are excited to share those updates with you in the next earnings cycle, so please stay tuned.

For the full year of 2024, total revenue from continuing operations was \$32.8 million compared with \$36.1 million for the full year of 2023, representing a 9% decrease. This decrease was primarily due to clients' tightened advertising budgets in our marketing solutions segment caused by the macroeconomic uncertainty. By breaking down our revenue into business segments, the revenue from marketing solutions decreased by 13% year-over-year to \$23.5 million. The revenue from enterprise solutions increased by 3% year-over-year to \$9.3 million, driven by increasing demand from digital transformation and services.

Gross profit for the full year was \$16.7 million compared with \$19.1 million in 2023. Our gross profit margin maintained relatively stable at 51% for 2024 compared with 52.9% for 2023.

Total operating expenses were \$34.1 million in 2024 compared with \$13.7 million in 2023. The increase was primarily due to non-recurring consultancy, legal and other professional service fees related to our restructuring and merger preparation; however, it was partially offset by our tightened cost controls, which

result in reduced staff costs and savings on promotion expenses, as well as the decline in impairment of long-lived assets.

Other losses net were \$7.2 million in 2024 compared to \$2.3 million in 2023. This increase was mainly due to impairment losses on our long-term investments, non-recurring losses on restructuring, and exchange losses partially offset by the gain from the disposal of discontinued operations. As a result, we report a net loss from continuing operations of \$24 million in 2024 compared with a net loss of \$30.7 million in 2023. For our discontinued operations, we recorded a net loss of \$5.1 million in 2024, a significant improvement from the net loss of \$25.2 million in 2023. This improvement was primarily due to the de-consolidation of loss-making operations following their disposal, as well as a gain on disposals of \$2.6 million.

Turning to our balance sheet as of December 31, 2024, we had cash and cash equivalents, time deposits and restricted cash of \$19.6 million compared with \$41.3 million as of December 31, 2023. The Company repaid bank borrowings net of US \$35 million for the restructuring in 2024. Total assets were \$49.6 million as of December 31, 2024 compared to \$163.7 million as of December 31, 2023. Total liabilities were \$35.2 million as of December 31, 2024 compared to \$122.5 million as of December 31, 2023.

Below is a summary of pro forma financial figures of Amber DWM for the first half, second half and full year of 2024 that have been considered by the Board of Directors of the Company before closing the merger. The revenue of Amber DWM increased from \$19 million in first half to \$23 million in second half of 2024. Total full year revenue was recorded at \$42 million. The gross profit increased from \$12 million to \$14.6 million, which comes up with a full year gross profit reach \$26 million. The operating profit also increased from \$1 million to \$4 million to make up to \$5.1 million for the full year of 2024. Once again, the above financial figures represent our projections prior to the consolidation of Amber DWM. You can expect to see the full combined financial picture starting from our first quarter 2025 results.

As mentioned by our CEO, Wayne, on March 12, 2025 we successfully completed our merger, and Amber International Holding Limited American Depository shares began trading under the new ticker symbol, AMBR, on the NASDAQ effective from March 13, 2025. The legacy business provides key operational advantages that enable smooth transactions to profit market (inaudible). This includes a mature reporting infrastructure, internal governance capabilities, and a full SEC-compliant public companies platform which is a critical element that helps de-risk our (inaudible). With discontinued operations largely wound down and legacy liabilities adjusted by the end of 2024, we enter our next phase with clarity and strategic focus.

Looking ahead to 2025, we remain confident in the long-term opportunity in the digital asset space. Bolstered by the recent approval from Amber International's Board of Directors for a crypto treasury investment, we have authorized a strategic \$10 million crypto reserve building up, leveraging our combined cash reserve as part of a forward-thinking treasury management strategy. This reserve is a strategic treasury management decision balancing innovation with fiscal responsibility. By diversifying into crypto assets, we aim to enhance long-term shareholder value while maintaining robust liquidity to support our operation.

Finally, I would like to share our financial priorities for 2025, which include: we want to optimize our capital structure to support Amber Premium growth initiatives, implementing disciplined cost management across all business functions; enhancing our financial reporting system to provide transparent insights into our new business model; and maintaining strong liquidity and balance sheet flexibility to capitalize on strategic opportunities. As we operate our new business model under the Amber Premium brand, we are focused on building a scalable financial foundation that supports sustainable growth and creates long-term shareholder value.

With that, I will now turn the call back to Terence for closing remarks. Thank you.

Terence Li, *Chief Strategy Officer*

Thank you, Wayne and thank you, Josephine. That concludes our prepared remarks for today. Thank you for all joining us on the call. I would like to mention that you can find additional information in our investor presentation, which has been posted on our Investor Relations website at ir.ambr.io.

As we have discussed, 2024 was a transformative year for our Company, culminating in our successful merger and NASDAQ listing in March 2025. As Amber International Holding Limited operating under the Amber premium brand, we are well positioned to capitalize on the growing institutional demand for digital asset wealth management services. We look forward to updating you on our progress in the coming quarters.

If you have any additional questions, please don't hesitate to contact our Investor Relations team. This concludes today's call. You may now disconnect.