70 YEARS OF MDIS
FINANCIAL REPORT

2025

WE ARE MOVING IN **2027**

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Photographs and event pictures in this Annual Report feature MDIS students, alumni, lecturers, staff, and other stakeholders.

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE
(Reg. No. S61SS0151F)
AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

CONTENTS

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE
AND ITS SUBSIDIARIES

STATEMENT BY GOVERNING COUNCIL

On behalf of the Governing Council, we do hereby state that in our opinion, the financial statements of Management Development Institute of Singapore (the "Institute") and its subsidiaries (collectively, the "Group") as set out on pages 6 to 57 are properly drawn up in accordance with the Societies Act 1966, the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the financial positions of the Group and the Institute as at 31 December 2025, and of the financial performance, changes in funds and cash flows of the Group for the financial year ended on that date.

On behalf of the Governing Council

DocuSigned by:
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Kuan Choon Hock, Eric
President

Signed by:
38D0E1B6F462442...

Cheng Tai Heng, Bernard
Honorary Treasurer

20 August 2026

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Management Development Institute of Singapore (the "Institute") and its subsidiaries (collectively, the "Group") as set up on pages 6 to 57, which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Institute as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in funds and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements of the Group and the statement of financial position of the Institute are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") to present fairly, in all material respects, the financial positions of the Group and the Institute as at 31 December 2025 and the consolidated financial performance, consolidated changes in funds and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Qualified Opinion

Investment and receivables with respect to MDIS Tashkent LLC

As at 31 December 2025, the Group's investment in joint venture, MDIS Tashkent LLC ("Joint Venture"), is carried at $1,407,250 (Note 14). The Group accounted for the investment in Joint Venture using equity method. The Group's share of the Joint Venture's losses amounted to $2,565,235 and the share of foreign currency translation gain amounted to $160,618 respectively during the current financial year.

As at 31 December 2025, the amounts receivables from the Joint Venture amounted to $21,585,234 for the Group and $19,315,647 for the Institute respectively (Notes 18 and 19).

The auditor's report on the financial statements of Joint Venture for the financial year ended 31 December 2025 was qualified by the Joint Venture's auditor. Consequently, we are unable to obtain sufficient appropriate audit evidence with respect to the carrying amount of the Group's investment in the Joint Venture as at 31 December 2025 and the Group's share of the Joint Venture's loss and other comprehensive income for the financial year ended 31 December 2025. We are also not able to obtain sufficient appropriate audit evidence with respect to unreconciled differences between the balances and transactions with the Joint Venture as recorded by the Group and Institute, and the amounts as reported in the financial statements of the Joint Venture.

In addition, we are unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to whether any allowance for impairment losses is required on the above-mentioned amounts receivable from Joint Venture as recorded in the Group and Institute's financial statements and as disclosed in Notes 18 and 19 to the financial statements.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE (cont'd)

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

Basis for Qualified Opinion (cont'd)

<u>Investment and receivables with respect to MDIS Tashkent LLC</u> (cont'd)

Included in the Institute's other receivables is an amount due from a subsidiary totalling $46,610,737 as recorded in the Institute's statement of financial position at 31 December 2025 (Note 19). Due to our inability to obtain sufficient appropriate audit evidence on the financial statements and the carrying amount of the Joint Venture, we are also unable to satisfactorily conclude whether any impairment losses is required on this receivable from this subsidiary as at 31 December 2025.

Consequently, we are unable to determine whether any adjustments are necessary in these financial statements with respect to the above-mentioned matters, and whether the disclosures with respect to the Joint Venture is appropriate and complete in these financial statements.

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

The Governing Council is responsible for the other information. The other information comprises the Statement by Governing Council as set out on page 1, and the information included in the Annual Report 2025, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Because of the possible effects of the matters described in the Basis for Qualified Opinion section of our report, we are unable to conclude whether or not the other information is materially misstated with respect to the matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE (cont'd)

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

Responsibilities of Governing Council for the Financial Statements

The Governing Council is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Charities Act and Regulations and FRSs, and for such internal control as the Governing Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governing Council is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governing Council either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Institute's Governing Council is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Governing Council.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE (cont'd)

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

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

- Conclude on the appropriateness of Governing Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accounting and other records required by the regulations enacted under the Societies Act and the Charities Act and Regulations to be kept by the Institute and the accounting and other records required by the Companies Act 1967 to be kept by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with those regulations and the Companies Act respectively.

The engagement partner on the audit resulting in this independent auditor's report is Foong Chooi Chin.

Signed by:
Baker Tilly
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Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

20 August 2026

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2025

	Note	**Accumulated Fund 2025 $**	**Other Fund/ Reserve 2025 $**	**Total 2025 $**	Total 2024 $
Revenue	4	**41,140,313**	–	**41,140,313**	50,477,452
Cost of services		**(17,927,018)**	–	**(17,927,018)**	(17,629,339)
Gross profit		**23,213,295**	–	**23,213,295**	32,848,113
Other income and gains	5	**2,005,391**	–	**2,005,391**	144,966
Administrative expenses		**(34,640,396)**	–	**(34,640,396)**	(42,666,541)
Other expenses		**(289,820)**	–	**(289,820)**	(496,461)
Results from operating activities		**(9,711,530)**	–	**(9,711,530)**	(10,169,923)
Net finance income	6	**878,067**	–	**878,067**	1,810,166
Share of loss of joint ventures		**(2,565,235)**	–	**(2,565,235)**	(1,050,570)
Share of loss of an associate		**(80,544)**	–	**(80,544)**	(28,966)
Deficit before tax	7	**(11,479,242)**	–	**(11,479,242)**	(9,439,293)
Tax expense	8	**(189,833)**	–	**(189,833)**	(107,621)
Deficit for the financial year		**(11,669,075)**	–	**(11,669,075)**	(9,546,914)
Deficit attributable to:					
The Institute		**(11,661,204)**	–	**(11,661,204)**	(9,538,241)
Non-controlling interests		**(7,871)**	–	**(7,871)**	(8,673)
Deficit for the financial year		**(11,669,075)**	–	**(11,669,075)**	(9,546,914)
Other comprehensive income/(loss)					
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences		–	**3,302,829**	**3,302,829**	4,654,072
Share of foreign currency translation differences of equity-accounted investees		–	**160,618**	**160,618**	(112,710)
Item that will not be reclassified subsequently to profit or loss					
Foreign currency translation differences		–	**(3,955)**	**(3,955)**	(4,530)
Other comprehensive income/(loss) for the financial year, net of tax		–	**3,459,492**	**3,459,492**	4,536,832
Total comprehensive (loss)/income for the financial year		**(11,669,075)**	**3,459,492**	**(8,209,583)**	(5,010,082)

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (cont'd)
For the financial year ended 31 December 2025

	Note	Accumulated Fund 2025 $	Other Fund/ Reserve 2025 $	Total 2025 $	Total 2024 $
Total comprehensive (loss)/income attributable to:					
The Institute		**(11,661,204)**	**3,463,447**	**(8,197,757)**	(4,996,879)
Non-controlling interests		**(7,871)**	**(3,955)**	**(11,826)**	(13,203)
Total comprehensive (loss)/income for the financial year		**(11,669,075)**	**3,459,492**	**(8,209,583)**	(5,010,082)

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

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION
At 31 December 2025

		Group		Institute	
			(Restated)		(Restated)
		2025	2024	**2025**	2024
	Note	**$**	$	**$**	$
Non-current assets					
Property, plant and equipment	9	**121,021,255**	109,855,320	**30,579,162**	21,662,445
Right-of-use assets	10	**14,010,951**	22,093,023	**12,009,236**	21,809,741
Intangible assets	11	**9,767**	266,489	**–**	244,485
Investment properties	12	**676,692**	704,884	**676,692**	704,884
Subsidiaries	13	**–**	–	**79,056,467**	89,702,342
Joint ventures	14	**1,407,250**	3,770,074	**–**	–
Associate	15	**157,473**	264,043	**–**	–
Financial assets at fair value through profit or loss	16	**12,876,484**	11,601,239	**181,384**	173,826
Deferred tax assets	22	**2,031**	–	**–**	–
		150,161,903	148,555,072	**122,502,941**	134,297,723
Current assets					
Inventories	17	**15,840**	11,426	**11,568**	10,169
Trade receivables	18	**20,314,121**	16,261,616	**19,347,534**	15,434,557
Other receivables	19	**6,555,471**	5,979,917	**67,377,898**	63,375,137
Cash and cash equivalents	21	**35,573,044**	46,379,493	**21,704,413**	28,147,037
Pledged bank deposits	21	**661,965**	726,234	**43,354**	42,714
Tax receivable		**147,309**	–	**–**	–
		63,267,750	69,358,686	**108,484,767**	107,009,614
Total assets		**213,429,653**	217,913,758	**230,987,708**	241,307,337
Non-current liabilities					
Lease liabilities	10	**5,426,232**	11,772,146	**5,421,244**	11,628,731
Provision for reinstatement	10	**5,000,000**	5,000,000	**5,000,000**	5,000,000
Deferred tax liabilities	22	**5,763**	656	**–**	–
Trade and other payables	23	**2,837,265**	2,724,005	**–**	–
		13,269,260	19,496,807	**10,421,244**	16,628,731
Current liabilities					
Trade and other payables	23	**17,715,548**	11,970,088	**4,997,707**	2,239,431
Contract liabilities	20	**5,174,222**	1,378,822	**5,012**	2,614
Lease liabilities	10	**5,304,909**	5,185,870	**5,166,482**	5,036,838
Derivative liability		**63,301**	158,467	**–**	–
Tax payable		**424,029**	35,737	**–**	–
		28,682,009	18,728,984	**10,169,201**	7,278,883
Total liabilities		**41,951,269**	38,225,791	**20,590,445**	23,907,614

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

STATEMENTS OF FINANCIAL POSITION (cont'd)
At 31 December 2025

		Group		Institute	
			(Restated)		(Restated)
		2025	2024	**2025**	2024
	Note	**$**	$	**$**	$
Funds					
Accumulated Fund		**194,676,666**	206,337,870	**210,397,263**	217,399,723
Foreign currency translation reserve		**(23,101,064)**	(26,564,511)	**–**	–
		171,575,602	179,773,359	**210,397,263**	217,399,723
Non-controlling interests		**(97,218)**	(85,392)	**–**	–
Total funds		**171,478,384**	179,687,967	**210,397,263**	217,399,723
Total funds and liabilities		**213,429,653**	217,913,758	**230,987,708**	241,307,337

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

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS
For the financial year ended 31 December 2025

	Accumulated Fund $	Foreign currency translation reserve $	Building Fund $	Total attributable to the Institute $	Non-controlling interests $	Total $
Group						
At 1 January 2025	206,337,870	(26,564,511)	–	179,773,359	(85,392)	179,687,967
Deficit for the financial year	(11,661,204)	–	–	(11,661,204)	(7,871)	(11,669,075)
Other comprehensive income/(loss)						
Foreign currency translation differences	–	3,302,829	–	3,302,829	(3,955)	3,298,874
Share of foreign currency translation differences of equity-accounted investees	–	160,618	–	160,618	–	160,618
Total comprehensive (loss)/income for the financial year	(11,661,204)	3,463,447	–	(8,197,757)	(11,826)	(8,209,583)
At 31 December 2025	**194,676,666**	**(23,101,064)**	–	**171,575,602**	**(97,218)**	**171,478,384**

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

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS (cont'd)
For the financial year ended 31 December 2025

	Accumulated Fund $	Foreign currency translation reserve $	Building Fund $	Total attributable to the Institute $	Non-controlling interests $	Total $
Group						
At 1 January 2024	210,136,892	(31,105,873)	5,739,219	184,770,238	(72,189)	184,698,049
Deficit for the financial year	(3,799,022)	–	(5,739,219)	(9,538,241)	(8,673)	(9,546,914)
Other comprehensive income/(loss)						
Foreign currency translation differences	–	4,654,072	–	4,654,072	(4,530)	4,649,542
Share of foreign currency translation differences of equity-accounted investees	–	(112,710)	–	(112,710)	–	(112,710)
Total comprehensive (loss)/income for the financial year	(3,799,022)	4,541,362	(5,739,219)	(4,996,879)	(13,203)	(5,010,082)
At 31 December 2024	206,337,870	(26,564,511)	–	179,773,359	(85,392)	179,687,967

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

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2025

	Note	**2025** **$**	2024 $
Cash flows from operating activities			
Deficit before tax		**(11,479,242)**	(9,439,293)
Adjustments for:			
Dividend income		**(68,460)**	(215,832)
Amortisation of intangible asset		**258,667**	502,519
Depreciation of property, plant and equipment		**2,250,027**	2,556,289
Depreciation of right-of-use assets		**6,892,937**	13,381,447
Depreciation of investment properties		**28,192**	28,192
Fair value gain on financial assets at fair value through profit or loss - net		**(661,859)**	(287,478)
Interest income		**(1,328,868)**	(1,599,800)
Interest expense on lease liabilities		**655,876**	21,051
Gain on disposal of financial asset at fair value through profit or loss		**(104,960)**	–
Goodwill written off		**–**	551,045
Reversal of management fee income (net)		**–**	1,565,057
Property, plant and equipment written off		**85**	–
Share of profit of joint ventures		**2,565,235**	1,050,570
Share of profit of an associate		**80,544**	28,966
Unrealised foreign exchange gain		**(338,988)**	(1,315,822)
Operating cash flows before working capital changes		**(1,250,814)**	6,826,911
Changes in:			
Trade receivables		**(4,280,377)**	(5,046,406)
Other receivables		**(657,741)**	(236,161)
Inventories		**(4,415)**	(2,396)
Trade and other payables		**5,710,470**	(179,828)
Contract liabilities		**3,795,400**	(972,658)
Cash generated from operations		**3,312,523**	389,462
Taxes paid		**(51,150)**	(126,851)
Net cash generated from operating activities		**3,261,373**	262,611
Cash flows from investing activities			
Interest received		**1,395,603**	1,739,602
Dividend received		**68,460**	215,832
Proceeds from disposal/redemption of financial assets at fair value through profit or loss		**5,113,925**	12,285,761
Purchase of property, plant and equipment (Note A)		**(9,459,344)**	(3,482,074)
Purchase of financial assets at fair value through profit or loss		**(5,614,793)**	(11,998,770)
Net cash used in investing activities		**(8,496,149)**	(1,239,649)

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

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)
For the financial year ended 31 December 2025

	Note	**2025** **$**	2024 $
Cash flows from financing activities			
Repayment of lease liabilities - principal	10	**(5,037,739)**	(175,112)
Repayment of lease liabilities - interest	10	**(655,876)**	(21,051)
Decrease in fixed deposits pledged		**64,269**	471,976
Net cash (used in)/generated from financing activities		**(5,629,346)**	275,813
Net decrease in cash and cash equivalents		**(10,864,122)**	(701,225)
Cash and cash equivalents at 1 January		**46,379,493**	47,135,783
Effects of exchange rate fluctuations on cash and cash equivalents		**57,673**	(55,065)
Cash and cash equivalents at 31 December	21	**35,573,044**	46,379,493

Note A:

	2025 **$**	2024 $
Aggregate cost of property, plant and equipment acquired	**9,459,344**	5,258,713
Less: Asset contributed	**–**	(1,776,639)
Net cash outflow for purchase of property, plant and equipment	**9,459,344**	3,482,074

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

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate information

Management Development Institute of Singapore (the "Institute") is registered in the Republic of Singapore under the Societies Act 1966, with its principal place of business at 501 Stirling Road, Singapore 148951.

Its subsidiaries in Singapore are incorporated in the Republic of Singapore under the Singapore Companies Act 1967.

With effect from 23 August 1996, the Institute has been registered as a charity (Registration No. 1200) under the Singapore Charities Act 1994.

The Group is primarily involved in the arrangement of courses and seminars in the field of management and award of certificates, diplomas and degrees in respect of courses conducted. The principal activities of the subsidiaries and a branch of a subsidiary are disclosed in Note 13.

2. Material accounting policies

a) Basis of preparation

The financial statements, expressed in Singapore dollar ("$") which is the Institute's functional currency, have been prepared in accordance with the Societies Act 1966, the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

The carrying amounts of trade receivables, other receivables, cash and cash equivalents, pledged bank deposits and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

2. Material accounting policies (cont'd)

a) Basis of preparation (cont'd)

New and revised standards that are adopted

In the current financial year, the Group has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new and revised FRS and INT FRS did not have any material effect on the financial results or position of the Group and the Institute.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 31 December 2025 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Institute.

FRS 118 Presentation and Disclosure in Financial Statements

FRS 118 will replace FRS 1 *Presentation of Financial Statements* for annual reporting period beginning on or after 1 January 2027, with earlier application permitted. It requires retrospective application with specific transition provisions.

The new standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present subtotals and totals for "operating profit", "profit or loss before financing and income taxes", and "profit or loss" in the statement of profit or loss.
- Management-defined performance measures (MPMs) are disclosed in a single note within the financial statements. This note includes details on how the measure is calculated, the relevance of the information provided to users, and a reconciliation to the most comparable subtotal specified by the FRSs.
- Enhanced guidance on aggregating and disaggregating information in financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is in the process of assessing the impact of the new standard on the primary financial statements and notes to the financial statements.

b) Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to the customer.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

2. Material accounting policies (cont'd)

b) Revenue recognition (cont'd)

Fee from courses, seminars, training programmes and tuitions
Membership subscriptions

Revenue is recognised as a performance obligation satisfied over time and are recognised over the duration of the course and in the period during which service is provided, having regards to the stage of completion of the service. Unearned income relating to service to be rendered in future periods is included in contract liabilities.

Sales of books, magazines and publications

Revenue is recognised when the control of the goods has been transferred to its customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Payment of the transaction price is due immediately at the point the customer purchases the goods. No element of financing is deemed present as the consideration is repayable on delivery of goods.

Registration fees

Registration fees are recognised upon successful signing up of courses by students.

Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Institute and its subsidiaries as at the reporting date. Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

d) Subsidiaries

In the Institute's statement of financial position, investments in subsidiaries are accounted for at cost less accumulated impairment losses, if any.

e) Intangible assets

Computer software

The software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Direct expenditure, which enhances or extends the performance of computer software beyond its original specifications and which can be reliably measured, is recognised as a capital improvement and added to the original cost of the software. Costs associated with maintaining computer software are recognised as an expense as incurred.

2. Material accounting policies (cont'd)

e) Intangible assets (cont'd)

Computer software (cont'd)

Computer software development costs and acquired computer software licences are stated at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised using the straight-line method over their estimated useful lives of 5 to 10 years.

f) Associated companies and joint ventures

An associated company is an entity over which the Group has significant influence but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist generally when the Group holds 20% or more but not exceeding 50% of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting, less impairment losses, if any.

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Subsequent to initial recognition, the consolidated financial statements include the Group's share of the post-acquisition profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

Distributions received from associated companies and joint ventures are adjusted against the carrying amount of the investment. When the Group's share of losses in an associated company and joint venture equals or exceeds its interest in the associated company and joint venture, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company and joint venture.

In the Institute's financial statements, investments in associates and joint ventures are carried at cost less accumulated impairment loss. On disposal of investment in associates or joint ventures, the difference between the disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

g) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value. Freehold land is not depreciated. Depreciation of other property, plant and equipment is calculated on a straight-line basis to allocate the depreciable amount of property, plant and equipment over their expected useful lives.

2. Material accounting policies (cont'd)

g) Property, plant and equipment (cont'd)

The rates of depreciation used are:

Buildings	50 years
Office furniture, fittings and equipment	3 to 5 years
Office and other renovation	5 to 7 years
Computers	3 years
Audio and visual aids	3 years
Laboratory equipment	5 to 7 years
Hotel practicum facilities	5 to 7 years
Motor vehicle	5 years
Library books	10 years

No depreciation is provided on construction in progress until the construction is completed.

h) Investment properties

Investment properties comprise commercial and residential properties that are held for long-term rental yields and/or for capital appreciation.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful life of 50 to 100 years.

i) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised outside profit or loss, either in other comprehensive income or directly to equity in which the tax is also recognised outside profit or loss (either in other comprehensive income or directly to equity respectively).

Current tax is the expected tax payable or recoverable on the taxable income for the current year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or recoverable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided using the liability method, on all temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

The Institute is a registered charity under the Singapore Charities Act and is exempted from income tax under the provisions of the Income Tax Act. Consequently, no provision for income tax has been made in the Institute's financial statements.

2. Material accounting policies (cont'd)

j) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

k) Impairment of non-financial assets

At each reporting date, the Group assesses the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

l) Financial assets

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables without a significant financing component is initially measured at transaction prices.

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through profit or loss ("FVTPL").

The classification is based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

2. Material accounting policies (cont'd)

l) Financial assets (cont'd)

Amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

Fair value through profit or loss ("FVTPL")

Investments, comprising debt and equity instruments, that are managed by fund managers on a fair value portfolio basis are classified as financial assets at fair value through profit or loss and measured at their fair values.

Movements in their fair values are recognised in profit or loss in the period in which the changes arise and presented in "other income".

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a "12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a "lifetime ECL").

For trade receivables that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

2. Material accounting policies (cont'd)

m) Financial liabilities

Financial liabilities include trade and other payables and lease liabilities. Financial liabilities are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

n) Funds

Unless specifically indicated, fund balances are not represented by any specific assets or liabilities but are represented by all assets of the Group.

o) 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 period of time in exchange for consideration.

When the Group is the lessee

The Group applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. lease of office and warehouse space and office equipment). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

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 by using the rate implicit in the lease. If the rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

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). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

2. Material accounting policies (cont'd)

o) Leases (cont'd)

When the Group is the lessee (cont'd)

Right-of-use assets (cont'd)

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset as follows:

The rates of depreciation used are:

Land lease and leasehold properties	Over lease term
Office furniture, fittings and equipment	3 to 5 years
Office units	1 to 5 years
Equipments	1 to 5 years

The right-of-use assets are presented as a separate line in the statements of financial position.

When the Group is the lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

p) Foreign currency

The financial statements are presented in Singapore Dollar, which is also the Institutes' functional currency. Each entity in the Group determines its own 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 measured in the respective functional currencies of the Institute and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the financial year. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as 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 was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the financial year are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

2. Material accounting policies (cont'd)

p) Foreign currency (cont'd)

Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into Singapore dollars at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income and accumulated under foreign currency reserves. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

3. Critical accounting judgement and key sources of estimation uncertainty

In the process of applying the Group's accounting policies which are described in Note 2, management has made the following judgement that has the most significant effect on the amounts recognised in the financial statements.

Critical judgements in applying the Company's accounting policies

Joint venture

As disclosed in Note 14, the Group holds 51% interest in MDIS Tashkent LLC. Management has considered the contractual terms of the joint arrangement and assessed that the Group has joint control over MDIS Tashkent LLC and that the Group and the other joint venture party have rights to the net assets or liabilities of the joint venture under the arrangement. Accordingly, the arrangements is classified as a joint venture in accordance with FRS 111 *Joint Arrangements*.

Key sources of estimation uncertainty

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

Impairment of non-current assets (other than goodwill and other indefinite-life intangible assets)

The Group and Institute will review the non-current assets for impairment whenever there are indicators of impairment. The Group and Institute also assess whether there is any indication that an impairment loss recognised in prior periods for non-current assets, other than goodwill, may no longer exist or may have decreased.

If any such indication exists, the Group and Institute estimate the recoverable amount of that asset. An impairment loss exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. An impairment loss recognised in prior periods shall be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

Where value in use calculations are undertaken, management is required to estimate the expected future cash flows from the asset or cash-generating unit and a suitable discount rate in order to determine the present value of the cash flows. Where the recoverable amount is based on fair value less costs to sell, management has determined the fair value based on the valuations performed by an independent professional external valuer. The carrying values of the Group's and Institute's property, plant and equipment and right-of-use assets are disclosed in Notes 9 and 10. The carrying values of the Group's intangible assets with finite lives are disclosed in Note 11. The carrying amounts of the investments in subsidiaries are disclosed in Note 13. Changes in assumptions made and discount rate applied could affect the carrying values of these assets.

3. Critical accounting judgement and key sources of estimation uncertainty (cont'd)

Key sources of estimation uncertainty (cont'd)

Calculation of loss allowance

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. As the calculation of loss allowance on trade and other receivables is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of trade and other receivables. Details of ECL measurement and carrying value of trade and other receivables at reporting date are disclosed in Notes 18,19 and 28.

4. Revenue

	Group	
	2025	2024
	$	$
Fee from courses, seminars, training programmes and tuitions	**34,290,087**	41,912,751
Registration fees	**372,003**	444,907
Membership subscriptions	**228,672**	1,600
Rental income from hostel accommodation	**5,910,256**	7,663,038
Others	**339,295**	455,156
	41,140,313	50,477,452
Primary geographical markets		
Singapore	**28,537,852**	37,377,376
Malaysia	**4,321,161**	4,359,001
Dushanbe	**542,753**	194,285
Tashkent	**7,738,547**	8,546,790
	41,140,313	50,477,452
Timing of revenue recognition		
Over time	**40,429,015**	49,577,389
At a point in time	**711,298**	900,063
	41,140,313	50,477,452

5. Other income and gains

	Group 2025 $	2024 $
Car park income	**62,174**	55,107
Government grants	**56,263**	28,446
Reversal of management service income in joint venture (net)	**–**	(1,565,057)
Other rental income	**901,659**	614,073
Rental income from investment properties	**232,300**	362,900
Financial assets at fair value through profit or loss		
- Net fair value gain	**661,859**	287,478
Administrative income	**94,798**	–
Bad debts recovered	**24,626**	–
Others	**(28,288)**	362,019
	2,005,391	144,966

6. Net finance income

	Group 2025 $	2024 $
Finance income/(costs)		
Dividend income	**68,460**	215,832
Gain on disposal on financial asset at fair value through profit or loss	**104,960**	–
Interest income on fixed deposits and cash at bank	**1,328,868**	1,599,800
Interest expense on lease liabilities	**(655,876)**	(21,051)
Others	**31,655**	15,585
	878,067	1,810,166

7. Deficit before tax

The following items have been included in arriving at deficit for the financial year:

	Group	
	2025	2024
	$	$
Audit fees		
- Auditors of the Company	**216,000**	164,500
- Other auditors - network firms	**27,123**	25,114
Non-audit fees		
- Auditors of the Company	**18,700**	18,700
- Other auditors - network firms	**5,372**	6,402
Employee benefits expense*	**13,171,584**	13,508,062
Amortisation of intangible asset (Note 11)	**258,667**	502,519
Depreciation of property, plant and equipment (Note 9)	**2,250,027**	2,556,289
Depreciation of right-of-use asset (Note 10)		
- Building Fund (Note 25)	**–**	5,739,219
- Accumulated Fund (Note 10)	**6,892,937**	7,642,228
Depreciation of investment properties (Note 12)	**28,192**	28,192
Goodwill written off	**–**	551,045
Receivables written off	**31,491**	–
Impairment losses on trade receivables (Note 28)	**1,994**	32,559
Net foreign exchange loss/(gain)	**1,916,404**	(1,145,539)
Short-term lease expenses	**–**	12,390

***Employee benefits expense:**		
Salaries, bonus and other staff costs	**11,345,224**	11,381,849
Contribution to defined contribution plans	**1,749,500**	2,126,213
Others	**76,860**	–
	13,171,584	13,508,062

8. Tax expense

	Group 2025 $	Group 2024 $
Tax expense		
- Current year	**172,155**	138,852
- Under/(over) provision in prior years	**14,602**	(26,300)
	186,757	112,552
Deferred tax expense		
- Current year	**3,076**	(4,931)
	3,076	(4,931)
	189,833	107,621

Reconciliation of effective tax rate

	Group 2025 $	Group 2024 $
Deficit before tax	**(11,479,242)**	(9,439,293)
Tax calculated using the Singapore tax rate of 17% (2024: 17%)	**(1,951,471)**	(1,604,680)
Non-deductible expenses	**442,276**	470,251
Effect of tax rate in foreign jurisdictions	**183,566**	318,907
Effect of results in equity-accounted investees presented net of tax	**436,090**	178,597
Utilisation of deferred tax assets previously not recognised	**(4,463)**	–
Deferred tax assets not recognised	**1,131,791**	591,953
Under/(over) provision of current tax in previous financial year	**14,602**	(26,300)
Change in unrecognised temporary differences	**–**	(4,366)
Others	**(62,558)**	183,259
	189,833	107,621

9. Property, plant and equipment

	Note	Freehold land $	Leasehold properties $	Office furniture, fittings and equipment $	Office and other renovation $	Computers $	Audio and visual aids $	Laboratory equipment $	Hotel practicum facilities $	Library books $	Motor vehicle $	Nursing equipment $	Construction in progress $	Total $
Group														
Cost														
At 1 January 2024		11,379,972	74,259,200	8,057,732	7,340,260	10,816,268	974,288	2,624,795	90,979	110,471	73,624	43,019	–	115,770,608
Additions		1,776,639	426,010	45,213	–	43,589	–	–	–	–	–	–	2,967,262	5,258,713
Reclassification from investment property	12	18,398,055	–	–	–	–	–	–	–	–	–	–	–	18,398,055
Write off		–	–	(258)	–	–	–	–	–	–	–	–	–	(258)
Translation difference on consolidation		665,217	4,878,653	(27,539)	30,579	105,075	3,827	–	–	12,529	4,309	–	–	5,672,650
At 31 December 2024		32,219,883	79,563,863	8,075,148	7,370,839	10,964,932	978,115	2,624,795	90,979	123,000	77,933	43,019	2,967,262	145,099,768
Additions		–	163,529	56,199	–	164,298	–	–	–	4,315	–	–	9,071,003	9,459,344
Write off		–	–	(138)	–	–	–	–	–	–	–	–	–	(138)
Translation difference on consolidation		740,305	3,426,196	148,894	21,005	147,478	(42,269)	–	–	5,297	3,350	–	–	4,450,256
At 31 December 2025		32,960,188	83,153,588	8,280,103	7,391,844	11,276,708	935,846	2,624,795	90,979	132,612	81,283	43,019	12,038,265	159,009,230

9. Property, plant and equipment (cont'd)

	Note	Freehold land $	Leasehold properties $	Office furniture, fittings and equipment $	Office and other renovation $	Computers $	Audio and visual aids $	Laboratory equipment $	Hotel practicum facilities $	Library books $	Motor vehicle $	Nursing equipment $	Construction in progress $	Total $
Group														
Accumulated depreciation														
At 1 January 2024		–	4,717,845	7,322,791	7,075,491	9,929,670	974,288	2,563,033	89,562	49,222	14,725	43,019	–	32,779,646
Depreciation charge for the financial year	7	–	1,829,482	234,549	140,154	286,832	–	38,161	500	11,564	15,047	–	–	2,556,289
Write off		–	–	(78)	–	–	–	–	–	–	–	–	–	(78)
Translation difference on consolidation		–	356	(108,741)	20,186	(11,727)	3,827	–	–	3,291	1,399	–	–	(91,409)
At 31 December 2024		–	6,547,683	7,448,521	7,235,831	10,204,775	978,115	2,601,194	90,062	64,077	31,171	43,019	–	35,244,448
Depreciation charge for the financial year	7	–	1,663,958	179,817	119,909	250,475	–	6,409	209	12,992	16,258	–	–	2,250,027
Write off			–	(53)										(53)
Translation difference on consolidation		–	275,292	142,154	7,087	111,000	(46,081)	–	–	2,760	1,341	–	–	493,553
At 31 December 2025		–	8,486,933	7,770,439	7,362,827	10,566,250	932,034	2,607,603	90,271	79,829	48,770	43,019	–	37,987,975
Carrying amounts														
At 31 December 2024		32,219,883	73,016,180	626,627	135,008	760,157	–	23,601	917	58,923	46,762	–	2,967,262	109,855,320
At 31 December 2025		**32,960,188**	**74,666,655**	**509,664**	**29,017**	**710,458**	**3,812**	**17,192**	**708**	**52,783**	**32,513**	**–**	**12,038,265**	**121,021,255**

9. Property, plant and equipment (cont'd)

Institute	Note	Freehold land $	Office furniture, and equipment $	Office and other renovation $	Computers $	Audio and visual aids $	Construction in progress $	Total $
Cost								
At 1 January 2024		–	2,632,644	6,981,325	7,445,806	908,816	–	17,968,591
Additions		–	–	–	30,804	–	2,967,262	2,998,066
Reclassification from investment property	12	18,398,055	–	–	–	–	–	18,398,055
At 31 December 2024		18,398,055	2,632,644	6,981,325	7,476,610	908,816	2,967,262	39,364,712
Additions		–	–	–	89,625	–	9,071,003	9,160,628
At 31 December 2025		18,398,055	2,632,644	6,981,325	7,566,235	908,816	12,038,265	48,525,340
Accumulated depreciation								
At 1 January 2024		–	2,608,034	6,711,232	7,201,960	908,816	–	17,430,042
Depreciation charge for the financial year		–	17,357	121,167	133,701	–	–	272,225
At 31 December 2024		–	2,625,391	6,832,399	7,335,661	908,816	–	17,702,267
Depreciation charge for the financial year		–	2,762	119,910	121,239	–	–	243,911
At 31 December 2025		–	2,628,153	6,952,309	7,456,900	908,816	–	17,946,178
Carrying amounts								
At 31 December 2024		18,398,055	7,253	148,926	140,949	–	2,967,262	21,662,445
At 31 December 2025		**18,398,055**	**4,491**	**29,016**	**109,335**	**–**	**12,038,265**	**30,579,162**

10. Right-of-use assets and lease liabilities

Nature of the Group's leasing activities

The Group's leasing activities comprise the following:

(i) In prior year, the Group had made an upfront payment to secure the right-of-use of the land lease and has paid for the construction costs of leasehold properties. The lease term of the 19 years' land lease expired in December 2024. In 2024, the lease has been extended from December 2024 to December 2027. These properties are used as the Group's head office, campus and hostel.

(ii) The Group and Company made a provision for reinstatement costs of approximately $5,000,000 (2024: $5,000,000) for the leasehold properties where the lease will expire in December 2027.

(iii) In addition, the Group leases certain office units and office equipment with contractual terms of 1 to 5 years.

The maturity analysis of the lease liabilities is disclosed in Note 28(b).

Information about leases for which the Group is a lessee is presented below:

Amounts recognised in statement of financial position

	Group		Institute	
		(Restated)		(Restated)
	2025	2024	**2025**	2024
	$	$	**$**	$
Carrying amount of right-of-use assets				
- Land lease and leasehold properties	**13,607,765**	21,541,603	**11,741,098**	21,541,603
- Office furniture, fittings and equipment	**98**	98	**98**	98
- Office and other renovation	**212,315**	212,315	**212,315**	212,315
- Office units	**110,305**	258,540	**–**	–
- Equipment	**80,468**	80,467	**55,725**	55,725
	14,010,951	22,093,023	**12,009,236**	21,809,741
Carrying amount of lease liabilities				
- Current	**5,304,909**	5,185,870	**5,166,482**	5,036,838
- Non-current	**5,426,232**	11,772,146	**5,421,244**	11,628,731
	10,731,141	16,958,016	**10,587,726**	16,665,569
Additions to right-of-use assets	**–**	21,633,521	**–**	21,633,521

10. Right-of-use assets and lease liabilities (cont'd)

Nature of the Group's leasing activities (cont'd)

Amounts recognised in statement of comprehensive income:

	Group	
	2025	2024
	$	$
Depreciation charge for the year		
- Land lease and leasehold properties	**6,744,701**	7,460,390
- Office and other renovation	–	1,190
- Office units	**148,236**	148,237
- Equipment	–	32,411
	6,892,937	7,642,228
Depreciation charge for the year- Building Fund		
- Land lease and leasehold properties (Note 25)	–	5,739,219
Total depreciation charge for the year	**6,892,937**	13,381,447

	Group	
	2025	2024
	$	$
Interest expense on lease liabilities	**655,876**	21,051

During the financial year, total cash outflow for leases amounted to $5,693,615 (2024: $196,163).

Reconciliation of movements of lease liabilities to cash flow arising from financing activities:

	Group	
	2025	2024
	$	$
Balance at 1 January	**16,958,016**	499,607
Changes from financing cash flows:		
- Repayments of principal	**(5,037,739)**	(175,112)
- Repayments of interest	**(655,876)**	(21,051)
Non-cash changes:		
- Interest expense on lease liabilities	**655,876**	21,051
- Addition	–	16,633,521
- Adjustment	**(1,189,136)**	–
Balance at 31 December	**10,731,141**	16,958,016

11. Intangible assets

	Group		Institute	
	2025	2024	**2025**	2024
	$	$	**$**	$
Software	**9,767**	266,489	**–**	244,485

a) Goodwill

In prior year, there was goodwill which arose from the acquisition of Service Quality Centre Pte Ltd ("SQC"). The carrying amounts of the assets and liabilities of SQC are identified as a single CGU.

Based on the impairment assessment performed by management in prior year, the goodwill was fully impaired to the recoverable amount of Nil.

The recoverable amount of the CGU was determined from value-in-use calculation. The key assumptions for the value-in-use calculation is those regarding the discount rate, growth rate and expected changes to course fee and direct costs during the period. Management estimated discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rate was based on the CGU's historical trend and management's industry growth forecasts. Changes in course fees and direct costs were based on past performances and management's assessment of future trends and developments in the market.

The Group's value-in-use calculation used cash flow forecasts derived from the most recent financial budgets approved by the Governing Council covering a five-years period. Revenue growth for the second to fifth years was projected taking into account the average growth levels experienced. The terminal growth rate applied rate did not exceed the average long-term growth rate for the relevant markets. The pre-tax rate used to discount the forecast cash flows was 5%.

b) Computer software

	Group		Institute	
	2025	2024	**2025**	2024
	$	$	**$**	$
Cost				
At 1 January	**2,486,046**	2,484,789	**2,444,849**	2,444,849
Currency translation differences	**5,310**	1,257	**–**	–
At 31 December	**2,491,356**	2,486,046	**2,444,849**	2,444,849
Amortisation				
At 1 January	**2,219,557**	1,717,038	**1,711,394**	1,711,394
Additions	**258,667**	502,519	**733,455**	488,970
Currency translation differences	**3,365**	–	**–**	–
At 31 December	**2,481,589**	2,219,557	**2,444,849**	2,200,364
Net carrying amount				
At 31 December	**9,767**	266,489	**–**	244,485

12. Investment properties

	Group and Institute 2025 $	2024 $
Cost		
At 1 January	**1,409,600**	25,098,082
Reclassification to property, plant and equipment (Note 9)	**–**	(23,688,482)
At 31 December	**1,409,600**	1,409,600
Accumulated depreciation		
At 1 January	**704,716**	5,966,951
Depreciation charge for the financial year (Note 7)	**28,192**	28,192
Reclassification to property, plant and equipment (Note 9)	**–**	(5,290,427)
At 31 December	**732,908**	704,716
Carrying amount		
At 31 December	**676,692**	704,884
Fair value		
At 31 December	**4,330,000**	4,030,000

All of the Group's investment properties are freehold properties.

The investment properties comprise residential properties leased to external customers and held for capital appreciation.

In 2024, an investment property with a carrying value of $18,398,055 was reclassified to property, plant and equipment as the use of the property will be owner-occupied.

Measurement of fair values

The fair values of the Group's investment properties are $4,330,000 (2024: $4,030,000). The fair values are determined from valuations based on the properties' highest and best use performed by professional valuers using the adjusted sales comparison method. The fair values of the investment properties at 31 December 2024 were determined based on desk-top valuations by a professional valuer. This fair value measurement for disclosure purposes is categorised in Level 3 of the fair value hierarchy.

13. Subsidiaries

	Institute 2025 $	2024 $
Equity investments at cost	**1,000,000**	1,000,000
Loans to subsidiaries	**90,591,741**	96,251,102
	91,591,741	97,251,102
Less: Allowance for impairment loss		
Balance at beginning of financial year	**(7,548,760)**	–
Impairment loss during the year	**(4,986,514)**	(7,548,760)
Balance at end of financial year	**(12,535,274)**	(7,548,760)
Net carrying amount	**79,056,467**	89,702,342

13. Subsidiaries (cont'd)

Management determined that the loans to subsidiaries are quasi-equity in nature and are therefore included in the investments in subsidiaries. The quasi-equity loans have no repayment terms.

Details of subsidiaries are as follows:

Name of subsidiaries	Principal activities	Country of incorporation	Ownership interest	
			2025	2024
			%	%
MDIS Holdings Ltd[1] [3]	Investment holding and carrying on the business of management development	Singapore	**100**	100
Held through MDIS Holdings Ltd				
MDIS International Pte Ltd[3],[5]	Investment holding and carrying on the business of management development	Singapore	**100**	100
MDIS Corporation Pte Ltd[3]	Investment holding and carrying on the business of providing training	Singapore	**100**	100
MDIS Residences Pte Ltd[3]	Carrying on the business of hostel operations	Singapore	**100**	100
Held through MDIS International Pte Ltd				
MDIS India Private Limited[6] ("MDIS India")	Carrying on the business of management development	India	**100**	100
MDIS (Malaysia) Sdn Bhd[4]	Carrying on the business of investment holding and consultancy services	Malaysia	**100**	100
MDIS Unicampus (Malaysia) Sdn Bhd[2][4]	Carrying on the business of managing private higher educational institution	Malaysia	**99**	99
Held through MDIS Corporation Pte Ltd				
Management Development Institute of Singapore Pte Ltd[3]	Carrying on the business in of managing higher education programmes	Singapore	**100**	100
Service Quality Centre Pte Ltd[3]	Carrying on the business of management development	Singapore	**100**	100

13. Subsidiaries (cont'd)

Details of subsidiaries are as follows (cont'd):

(1) MDIS Holdings Ltd is a company limited by guarantee and does not have share capital. The members of the subsidiary have undertaken to contribute $100 towards the assets of the subsidiary in the event the subsidiary is wound up whilst they are still a member or within one year after they cease to be a member. As at 31 December 2025, the subsidiary had 3 (2024: 3) members, who are holding their interests in trust for the Institute. The Institute has provided a letter of indemnity to these members.

(2) Consists of a 51% interest indirectly held through MDIS (Malaysia) Sdn. Bhd. and a 48% interest held through three individuals who hold the shares in trust on MDIS International's behalf.

(3) Audited by Baker Tilly TFW LLP.

(4) Audited by independent overseas member firms of Baker Tilly International.

(5) MDIS International Pte Ltd also owns a 51% share in a branch registered in the Republic of Tajikistan ("Dushanbe branch"). The Dushanbe branch operates in Dushanbe and its principal activities are to perform educational activities. The financial information of Dushanbe branch has been included in the Group's financial statements.

(6) MDIS India is dormant.

The Group does not have any subsidiaries with material non-controlling interest.

14. Joint ventures

	Group	
	2025	2024
	$	$
Interests in joint ventures	**1,407,250**	3,770,074

Details of the joint venture are set out below:

Name of joint venture	**Principal activities**	**Country of incorporation**	**Ownership interest**	
			2025	2024
			%	%
MDIS Tashkent LLC[1]	Provision of educational and other academic services	Republic of Uzbekistan	**51**	51
MDIS - VELS Education Pte. Ltd.[2]	Provision of educational and other academic services	Republic of India	**51**	51

(1) The financial statements for the financial years ended 31 December 2025 and 2024 were audited by Parker Russell Uzbekistan. This joint venture is held by MDIS International Pte Ltd.

(2) The above joint venture remained inactive as at 31 December 2025 and 2024.

14. Joint ventures (cont'd)

The following table summarises the financial information of the Group's joint venture based on the financial statements of MDIS Tashkent LLC and prepared in accordance with FRS. Other than the abovementioned, the remaining joint venture is immaterial from the opinion of management.

	MDIS Tashkent LLC	
	2025	2024
	$	$
Revenue	**16,098,469**	15,379,991
(Loss)/profit for the financial year[a]	**(5,029,873)**	(2,059,942)
Other comprehensive income/(loss)	**314,938**	(221,000)
Total comprehensive loss	**(4,714,935)**	(2,280,942)
Non-current assets	**33,371,160**	24,759,257
Current assets[b]	**3,338,400**	6,966,595
Non-current liabilities	**(527,724)**	(530,125)
Current liabilities[c]	**(33,422,426)**	(23,803,425)
Net assets	**2,759,410**	7,392,302
Group's share of net assets	**1,407,250**	3,770,074

[a] Includes:
- Depreciation and amortisation of $669,082 (2024: $664,365).
- Income tax expense of $Nil (2024: $Nil).

[b] Includes cash and cash equivalents of $327,420 (2024: $1,779,132).

[c] Includes short term loans received of $961,716 (2024: Nil)

15. Associate

The following table summarises the carrying amount and share of loss and other comprehensive loss of the associate that are accounted for using the equity method:

	Group	
	2025	2024
	$	$
Carrying amount of interest in associate	**157,473**	264,043
Group's share of (loss)/profit from continuing operations, representing total comprehensive (loss)/income	**(80,544)**	(28,966)

15. Associate (cont'd)

Details of the associate are as follows:

Name of associate	Principal activities	Country of incorporation	Ownership interest	
			2025	2024
			%	%
Held directly by Service Quality Centre Pte Ltd				
PT Service Quality Centre Indonesia[1]	Manpower management consultancy services	Indonesia	**40**	40

[1] The financial statements for the financial years ended 31 December 2025 and 2024 were audited by Moore Global Network Limited (Mirawati Sensi Idris).

16. Financial assets at fair value through profit or loss

	Group		Institute	
	2025	2024	**2025**	2024
	$	$	**$**	$
Non-current				
Quoted equity securities	**3,540,102**	3,101,979	**181,384**	173,826
Quoted debt securities	**8,376,714**	7,487,099	**–**	–
Quoted perpetual corporate notes	**760,880**	1,012,161	**–**	–
Money market fund	**198,788**	–	**–**	–
	12,876,484	11,601,239	**181,384**	173,826

The above financial assets are managed by fund managers on a fair value portfolio basis. Any movements in the fair values are recognised as gains or losses in the profit or loss. The quoted debt securities and perpetual corporate notes earn interest ranging from 1.65% to 9.25% (2024: 1.65% to 6.38%) per annum.

The fair values of the financial assets at fair value through profit or loss are determined based on quoted market prices at the reporting date. The determination of fair value hierarchy is disclosed in Note 28(c).

17. Inventories

	Group		Institute	
	2025	2024	**2025**	2024
	$	$	**$**	$
Trading supplies	**14,530**	10,169	**11,568**	10,169
Consumable materials	**1,310**	1,257	**–**	–
	15,840	11,426	**11,568**	10,169

18. Trade receivables

	Group 2025 $	Group 2024 $	Institute 2025 $	Institute 2024 $
External parties	**1,182,748**	983,874	**143,047**	85,695
Amounts due from subsidiaries	**–**	–	**2,027,654**	854,480
Amount due from a joint venture	**19,315,647**	15,460,022	**19,315,647**	15,460,022
	20,498,395	16,443,896	**21,486,348**	16,400,197
Less: Allowance for impairment losses				
- External parties	**(184,274)**	(182,280)	**(111,160)**	(111,160)
- Amounts due from subsidiaries	**–**	–	**(2,027,654)**	(854,480)
	(184,274)	(182,280)	**(2,138,814)**	(965,640)
	20,314,121	16,261,616	**19,347,534**	15,434,557

The amounts due from subsidiaries and a joint venture are unsecured, interest-free and repayable on demand.

19. Other receivables

	Group 2025 $	Group 2024 $	Institute 2025 $	Institute 2024 $
Amounts due from subsidiaries	**–**	–	**78,092,876**	73,158,388
Amount due from a joint venture	**2,269,587**	2,447,294	**–**	–
Amounts due from related corporations	**447,315**	1,646,703	**62,065**	1,261,283
Deposits	**1,136,396**	428,100	**660,036**	195,960
GST receivables	**391,843**	110,048	**391,842**	110,048
Interest receivables	**249,595**	316,330	**83,695**	151,121
Other receivables	**1,522,262**	514,793	**5,000**	5,000
	6,016,998	5,463,268	**79,295,514**	74,881,800
Prepayments	**538,473**	516,649	**357,335**	349,452
Less: Impairment loss - amount due from subsidiaries	**–**	–	**(12,274,951)**	(11,856,115)
	6,555,471	5,979,917	**67,377,898**	63,375,137

The amounts due from subsidiaries, a joint venture and related corporations are non-trade in nature, unsecured, interest-free and repayable on demand except for amounts due from subsidiaries as at 31 December 2025 of $6,449,580 (2024: $6,449,580) which bear interests ranging from 5% to 10% (2024: 5% to 10%) per annum.

20. Contract liabilities

The Group receives payments from customers based on a billing schedule as established in contracts. Contract assets relate to the Group's rights to consideration for services rendered but not billed at this reporting date. Contract liabilities relate to billings in excess of revenue recognised to-date and deferred revenue. Contract liabilities are recognised as revenue as (or when) the Group satisfies the performance obligations under its contracts.

The following table provides information about contract assets and contract liabilities from contracts with customers:

	Group			Institute		
	2025	2024	1.1.2024	**2025**	2024	1.1.2024
	$	$	$	**$**	$	$
Trade receivables from contracts with customers	**952,803**	801,594	641,539	**–**	–	–
Contract liabilities	**5,174,222**	1,378,822	2,351,480	**5,012**	2,614	1,173

Contract liabilities has increased due to higher billings in advance of services rendered.

21. Cash and cash equivalents

	Group		Institute	
	2025	2024	**2025**	2024
	$	$	**$**	$
Cash in hand	**–**	1,900	–	–
Cash at banks	**9,964,090**	10,233,555	**3,685,945**	776,220
Fixed deposits	**25,608,954**	36,144,038	**18,018,468**	27,370,817
Cash and cash equivalents in the consolidated statement of cash flows	**35,573,044**	46,379,493	**21,704,413**	28,147,037
Pledged bank deposits	**661,965**	726,234	**43,354**	42,714

Fixed deposits earn interests ranging from 1.5% to 5.10% (2024: 1.5% to 5.10%) per annum and for tenures of 3 to 12 months (2024: 3 to 12 months). These deposits are considered as cash and cash equivalents as management is of the view that these deposits may be withdrawn as and when required without having to incur a penalty.

Pledged bank deposits relate to amounts pledged to certain banks as security for performance guarantees (Note 26).

22. Deferred tax asset/(liabilities)

The following are the deferred liabilities recognised by the Group, and the movements thereon, during the current and prior reporting periods:

	Balance as at 1 January 2024 $	Recognised in profit or loss (Note 8) $	Balance as at 31 December 2024 $	Recognised in profit or loss (Note 8) $	**Balance as at 31 December 2025 $**
Group					
Deferred tax asset/ (liabilities)					
Others	–	–	–	2,031	**2,031**
Property, plant and equipment	(5,587)	4,931	(656)	(5,107)	**(5,763)**

At the reporting date, deferred tax assets relating to the following temporary differences have not been recognised:

	Group	
	2025 $	2024 $
Unutilised tax losses	**36,787,000**	32,082,000
Other deductible temporary differences - property, plant and equipment	**4,277,000**	3,310,000
Others	**(3,100)**	(3,100)

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the respective subsidiaries can utilise the benefits therefrom. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

23. Trade and other payables

	Group		Institute	
	2025 $	2024 $	**2025 $**	2024 $
Current				
Trade payables	**2,400,979**	1,033,626	**1,376,962**	346,246
Accreditation fee payables	**3,691,077**	1,189,487	**1,120,513**	936,506
Other payables*	**5,405,901**	5,275,439	**39,737**	57,276
Accrued operating expenses	**4,987,190**	2,687,211	**2,382,427**	648,223
Deposit payables	**1,230,401**	1,784,325	**78,068**	251,180
	17,715,548	11,970,088	**4,997,707**	2,239,431
Non-current				
Other payables	**2,837,265**	2,724,005	**–**	–

23. Trade and other payables (cont'd)

* Included in the Group's other payables is the amount due to other investing party of the MDIS Dushanbe Branch amounting to $2,424,563 (2024: $2,193,350) as at year end.

24. Operating leases

Leases as lessor

The Group leases out its investment properties to third parties. Each lease is generally for a period of one to five years (2024: one to five years) with an option to renew the lease after that date. No contingent rents are charged.

At the reporting date, the future minimum lease payments receivable for the Group and for the Institute under non-cancellable leases are as follows:

	Group		**Institute**	
	2025	2024	**2025**	2024
	$	$	**$**	$
Lease payments receivable:				
- Within 1 year	**105,000**	147,000	**51,000**	91,000
- Within 2 to 5 years	**189,400**	–	**124,600**	–
	294,400	147,000	**175,600**	91,000

25. Building fund

	Group and Institute	
	2025	2024
	$	$
Building fund - Asset Capitalisation Reserve		
At beginning of the year	**–**	5,739,219
Depreciation of rights-of-use assets (Note 10)	**–**	(5,739,219)
At end of the year	**–**	–

26. Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are as follow:

	Group		**Institute**	
	2025	2024	**2025**	2024
	$	$	**$**	$
Guarantees given to banks in favour of vendors in lieu of utilities and rental charges	**661,965**	726,234	**43,354**	42,714

27. Related parties

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group.

Compensation paid and payable to key management personnel comprise:

	Group	
	2025	2024
	$	$
Short-term employee benefits	**1,057,007**	1,344,610
Post-employment benefits	**109,763**	148,654
Termination benefits	–	52,073
	1,166,770	1,545,337
Director fees paid to directors of subsidiaries	**156,000**	96,000

Related party transactions

Related parties in these financial statements refer to charities or companies whose trustees or members are members of the Institute's Governing Council.

Transactions with entities in which the Governing Council members have direct/indirect interest:

	Group		Institute	
	2025	2024	**2025**	2024
	$	$	**$**	$
Agent commissions	**69,985**	132,045	–	–
Legal and professional service	**10,350**	13,760	–	–
Security expenses	**678,604**	685,884	**395,063**	418,700

Transactions with Governing Council members, Senate and Audit Committee members:

	Group		Institute	
	2025	2024	**2025**	2024
	$	$	**$**	$
Lecturer and trainer fee	**18,000**	67,614	–	–
Honorarium and sponsorships				
- Governing council	**89,300**	82,100	**89,300**	82,100
- Senate member	**5,300**	4,300	**5,300**	4,300

27. Related parties (cont'd)

Other related party transactions

Other than those disclosed elsewhere in the financial statements, transactions with related parties at terms agreed between the parties are as follows:

	Group		Institute	
	2025	2024	**2025**	2024
	$	$	**$**	$
Joint venture				
Academic fee income	**(7,738,547)**	(8,546,790)	**(7,738,547)**	(8,546,790)
Academic service recharge	**(1,273,718)**	(1,500,530)	**(1,273,718)**	(1,500,530)
Reversal of management service income	**–**	1,565,057	**–**	–
Related corporations				
Accountancy fee income	**(18,000)**	(18,000)	**(18,000)**	(18,000)
Maintenance fee	**–**	120,000	**–**	120,000

28. Financial instruments

a) Categories of financial instruments

Financial instruments at their carrying amounts at the end of the reporting period are as follows:

	Group		Institute	
	2025	2024	**2025**	2024
	$	$	**$**	$
Financial assets				
Financial assets at amortised cost	**62,174,285**	68,720,563	**107,724,022**	106,539,945
Financial assets at fair value through profit or loss	**12,876,484**	11,601,239	**181,384**	173,826
Financial liabilities				
Financial liabilities at amortised cost	**35,403,419**	35,687,523	**20,543,763**	23,891,272
Financial derivatives	**63,301**	158,467	**–**	–

b) Financial risk management

The Group is exposed to financial risks arising from its operations and the use of financial instruments.

28. Financial instruments (cont'd)

b) Financial risk management (cont'd)

The Group's activities expose it to a variety of financial risks including foreign currency risk, interest rate risk, credit risk, price risk, and liquidity risk. The Group and Institute's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

General risk management is determined and carried out by the Governing Council.

Foreign currency risk

The Group is exposed to foreign currency risk on revenue and expenses that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily the United States Dollar, British Pound and Malaysian Ringgit.

The Group and Institute's currency exposure of the financial instruments based on information provided to key management is as follows:

	United States Dollar $	**British Pound $**	**Malaysia Ringgit $**	**Singapore Dollar $**
Group				
2025				
Financial assets at fair value through profit or loss	**8,065,932**	**159,613**	**–**	**–**
Cash and cash equivalents	**17,290,582**	**1,240,610**	**2,020,294**	**–**
Trade receivables	**–**	**–**	**254,980**	**–**
Other receivables	**2,569,514**	**–**	**5,658,573**	**–**
Trade and other payables	**(1,123,665)**	**–**	**(5,789,224)**	**–**
Intra-group payable	**–**	**–**	**–**	**114,786,562**
	26,802,363	**1,400,223**	**2,144,623**	**114,786,562**
2024				
Financial assets at fair value through profit or loss	4,029,745	–	–	–
Cash and cash equivalents	16,034,675	2,578,655	2,602,970	–
Trade receivables	–	–	213,633	–
Other receivables	3,879,999	–	5,188,561	–
Trade and other payables	(1,299,683)	(1,206,293)	(7,081,419)	–
Intra-group payable	–	–	–	114,713,855
	22,644,736	1,372,362	923,745	114,713,855

28. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Foreign currency risk (cont'd)

The Group and Institute's currency exposure of the financial instruments based on information provided to key management is as follows (cont'd):

	United States Dollar $	British Pound $
Institute		
2025		
Cash and cash equivalents	**15,262,395**	**972,960**
Trade and other payables	**(1,123,665)**	**–**
	14,138,730	**972,960**
2024		
Cash and cash equivalents	15,808,863	10,138
Trade and other payables	(1,249,683)	–
	14,559,180	10,138

The Group's and the Institute's major foreign currency exposure against the respective functional currencies of the Group's entities and the Institute based on the information provided by key management is as follows:

	Group Increase/ (decrease) in loss $	Institute Increase/ (decrease) in loss $
2025		
USD/SGD		
- Strengthened 10%	**(2,680,236)**	**(1,413,873)**
- Weakened 10%	**2,680,236**	**1,413,873**
GBP/SGD		
- Strengthened 10%	**(140,022)**	**(97,296)**
- Weakened 10%	**140,022**	**97,296**
MYR/SGD		
- Strengthened 10%	**(214,462)**	**–**
- Weakened 10%	**214,462**	**–**
2024		
USD/SGD		
- Strengthened 10%	(2,264,474)	(1,455,918)
- Weakened 10%	2,264,474	1,455,918
GBP/SGD		
- Strengthened 10%	(137,236)	(1,014)
- Weakened 10%	137,236	1,014
MYR/SGD		
- Strengthened 10%	(92,375)	–
- Weakened 10%	92,375	–

28. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Foreign currency risk (cont'd)

If the SGD strengthened/weakened against the MYR by 10% the exchange difference arising from the intra-group payable will result in other comprehensive (loss)/income of $11.5 million (2024: $11.5 million) against the Group's foreign currency reserve.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's policy is to minimise interest rate risk exposures while obtaining sufficient funds for business expansion and working capital needs. To achieve this, the Group regularly assesses and monitors its cash with reference to its business plans and day-to-day operations.

The Group's exposure to interest rate risk arises primarily its interest-bearing financial assets. If the interest rate increase/decrease by 1% with all other variable held constant, the impact to the loss will be decreased/increased by $339,856 (2024: decreased/increased by $446,432). The Group and Institute do not have significant interest-bearing financial liabilities.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's maximum exposure to credit risk is represented by the carrying amounts of each financial asset on the statements of financial position.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Customer has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 1 year past due and there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, cannot be located or are not recoverable despite legal recourse made to recover the debt, and reminders and warning letters issued for the debts due for more than 12 months	Write-off

28. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.
- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor; and
- significant increases in credit risk on other financial instruments of the same debtor.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the customer or counterparty; or
- information developed internally or obtained from external sources indicates that the customer or counterparty is unlikely to pay the Group, in full.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 1 year past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

28. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

At 31 December 2025, there was no significant concentration of credit risk for the Group and the Institute except for the amount due from a joint venture amounting to $21,585,234 (2024: $17,907,316) and the amounts due from subsidiaries of $65,817,925 (2024: $61,302,273) respectively (Notes 18 and 19).

As the Group and the Institute do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of the financial instruments presented on the statements of financial position.

There are no movement in the allowance for impairment of financial assets under FRS 109 during the financial year for the Group and Institute except for the following:

	Trade receivables $
Group	
Balance at 1 January 2024	459,019
Loss allowance measured:	
Lifetime ECL	
- Credit-impaired	32,559
Written off	(309,298)
Balance at 31 December 2024	182,280
Loss allowance measured:	
Lifetime ECL	
- Credit-impaired	1,994
Balance at 31 December 2025	184,274

28. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Estimation techniques and significant assumptions (cont'd)

	Trade receivables $	Other receivables $	Total $
Institute			
Balance at 1 January 2024	14,471,373	–	14,471,373
Write off	(14,360,213)	–	(14,360,213)
Loss allowance measured: Lifetime ECL - Credit-impaired	854,480	11,856,115	12,710,595
Balance at 31 December 2024	965,640	11,856,115	12,821,755
Loss allowance measured: Lifetime ECL - Credit-impaired	1,173,174	418,836	1,592,010
Balance at 31 December 2025	**2,138,814**	**12,274,951**	**14,413,765**

Trade receivables

The Group has applied the simplified approach to measure the lifetime expected credit loss allowance for trade receivables.

The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions.

There has been no change in the estimation techniques or significant assumptions made during the current financial year.

A trade receivable is written off when there is information indicating that there is no realistic prospect of recovery from the debtor.

28. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Credit quality of financial assets

The table below details the credit quality of the Group's financial assets as at 31 December 2025 and 31 December 2024:

2025 **Group**	**12-month or lifetime ECL**	**Gross carrying amount** **$**	**Loss allowance** **$**	**Net carrying amount** **$**
Trade receivables	Lifetime ECL	**20,498,395**	**(184,274)**	**20,314,121**
Other receivables	12-month ECL	**5,625,155**	**–**	**5,625,155**
Pledged bank deposits	Not applicable (Exposure limited)	**661,965**	**–**	**661,965**
Cash and cash equivalents	Not applicable (Exposure limited)	**35,573,044**	**–**	**35,573,044**
Institute				
Trade receivables	Lifetime ECL	**21,486,348**	**(2,138,814)**	**19,347,534**
Other receivables	12-month ECL	**810,796**	**–**	**810,796**
	Lifetime ECL	**78,092,876**	**(12,274,951)**	**65,817,925**
Pledged bank deposits	Not applicable (Exposure limited)	**43,354**	**–**	**43,354**
Cash and cash equivalents	Not applicable (Exposure limited)	**21,704,413**	**–**	**21,704,413**

28. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Credit quality of financial assets (cont'd)

The table below details the credit quality of the Group's financial assets as at 31 December 2025 and 31 December 2024 (cont'd):

2024 **Group**	**12-month or lifetime ECL**	**Gross carrying amount** **$**	**Loss allowance** **$**	**Net carrying amount** **$**
Trade receivables	12-month ECL	16,443,896	(182,280)	16,261,616
Other receivables	12-month ECL	5,353,220	–	5,353,220
Pledged bank deposits	Not applicable (Exposure limited)	726,234	–	726,234
Cash and cash equivalents	Not applicable (Exposure limited)	46,379,493	–	46,379,493
Institute				
Trade receivables	12-month ECL	16,400,197	(965,640)	15,434,557
Other receivables	12-month ECL	1,613,364	–	1,613,364
	Lifetime ECL	73,158,388	(11,856,115)	61,302,273
Pledged bank deposits	Not applicable (Exposure limited)	42,714	–	42,714
Cash and cash equivalents	Not applicable (Exposure limited)	28,147,037	–	28,147,037

The credit loss exposure for other receivables, pledged bank deposits and cash and cash equivalents are immaterial as at 31 December 2025 and 31 December 2024.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. As part of its overall prudent liquidity management, the Group maintains sufficient level of cash to meet its working capital requirement.

28. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Liquidity risk (cont'd)

At the reporting date, the expected contractual undiscounted cash flows of the Group's trade and other payables are expected to occur within one year and are equivalent to their carrying amounts.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount $	**Contractual cash flows $**	**Within 1 year $**	**Within 2 to 5 years $**
Group				
2025				
Non-derivative financial liabilities				
Trade and other payables	**(24,672,278)**	**(24,672,278)**	**(21,835,013)**	**(2,837,265)**
Lease liabilities	**(10,731,141)**	**(11,213,238)**	**(5,674,565)**	**(5,538,673)**
2024				
Non-derivative financial liabilities				
Trade and other payables	(13,729,507)	(13,729,507)	(11,005,502)	(2,724,005)
Lease liabilities	(16,958,016)	(18,256,009)	(1,338,502)	(16,917,507)
Institute				
2025				
Non-derivative financial liabilities				
Trade and other payables	**(9,956,037)**	**(9,956,037)**	**(9,956,037)**	**–**
Lease liabilities	**(10,587,726)**	**(11,067,188)**	**(5,533,595)**	**(5,533,593)**
2024				
Non-derivative financial liabilities				
Trade and other payables	(2,225,703)	(2,225,703)	(2,225,703)	–
Lease liabilities	(16,665,569)	(17,789,919)	(1,178,482)	(16,611,437)

Price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to price risk arising from its investment in quoted equity and debt instruments. These instruments are quoted on the SGX-ST in Singapore and overseas stock exchange and are classified as financial assets at fair value through profit or loss. To manage it price risk arising from investments in equity and debt securities, the Group diversifies its portfolio in accordance with the limits set by the Group.

28. Financial instruments (cont'd)

b) Price risk (cont'd)

Sensitivity analysis for equity price risk

At the reporting date, 10% (2024: 10%) increase/decrease in the fair value of the financial assets at fair value through profit or loss at the reporting date would decrease/increase the Group's loss after tax by $1,068,748 (2024: $962,903) respectively.

c) Fair value hierarchy

The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

(a) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
(b) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e. derived from prices); and
(c) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

i) Assets that are measured at fair value

The following table presents the level of fair value hierarchy for each class of assets measured at fair value at 31 December 2025 and 31 December 2024.

	Level 1 $	Level 2 $	Level 3 $	Total $
Group				
2025				
Financial assets				
Quoted bonds and perpetual bonds	–	9,336,382	–	9,336,382
Quoted equity and equity funds	3,540,102	–	–	3,540,102
	3,540,102	**9,336,382**	**–**	**12,876,484**
2024				
Financial assets				
Quoted bonds and perpetual bonds	–	8,499,260	–	8,499,260
Quoted equity and equity funds	3,101,979	–	–	3,101,979
	3,101,979	8,499,260	–	11,601,239

28. Financial instruments (cont'd)

c) Fair value hierarchy (cont'd)

i) Assets that are measured at fair value (cont'd)

The following table presents the level of fair value hierarchy for each class of assets measured at fair value at 31 December 2025 and 31 December 2024 (cont'd).

	Level 1 $	Level 2 $	Level 3 $	Total $
Company				
2025				
Financial assets				
Quoted equity	181,384	–	–	181,384
2024				
Financial assets				
Quoted equity	173,826	–	–	173,826

Determination of fair values

Financial instruments traded in active markets are classified as Level 1 where fair values are based on quoted market prices at the end of the reporting period.

The fair value of financial instruments not traded in active markets but can be determined using observable inputs are included in Level 2. The fair values of these instruments are determined using quoted prices from brokers or pricing services, or other observable market data.

ii) Assets that are not carried at fair value but which fair value are disclosed

Investment properties

Valuation technique and significant unobservable input

The following table shows the valuation technique used to determine fair value of investment properties, as well as the significant unobservable input used:

Valuation technique	Significant unobservable input
Adjusted sales comparison method	Adjusted comparable transacted price per square metre: The key unobservable input used is the transacted prices per square metre of comparable properties in close proximity based on recent market transactions. These recent transacted prices are subsequently adjusted to consider the size and floor level of the Group's property to those of the comparable properties sold to derive the fair value of the Group's investment properties. The estimated fair value increases with higher comparable price.

28. Financial instruments (cont'd)

c) Fair value hierarchy (cont'd)

(iii) Fair values of financial instruments by classes that are not measured at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of these financial assets and financial liabilities (excluding lease liabilities) whose carrying amounts measured at amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

29. Reserves management

The Group's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern and to develop its principal activities over the longer term. The Group's and Institute's capital comprises its funds as presented on the statements of financial position.

No changes are made in the objectives, policies or processes during the financial years ended 31 December 2025 and 31 December 2024.

30. Capital commitments

Capital commitments not provided for in the financial statements:

	Group		**Institute**	
	2025	2024	**2025**	2024
	$	$	**$**	$
Capital commitments in respect of property, plant and equipment	**27,355,000**	37,452,413	**27,355,000**	36,425,738

31. Comparatives

Certain reclassifications have been made to the previous year's financial statements to enhance comparability with the current year's financial statements.

The items were reclassified as follows:

	As previously reported	**Amount reclassified**	**As restated**
	$	**$**	**$**
Statement of Financial Position for the financial year ended 31 December 2024			
Group			
Lease liabilities	21,958,016	(5,000,000)	16,958,016
Provision for reinstatement	–	5,000,000	5,000,000
Institute			
Lease liabilities	21,665,569	(5,000,000)	16,665,569
Provision for reinstatement	–	5,000,000	5,000,000

31. Comparatives (cont'd)

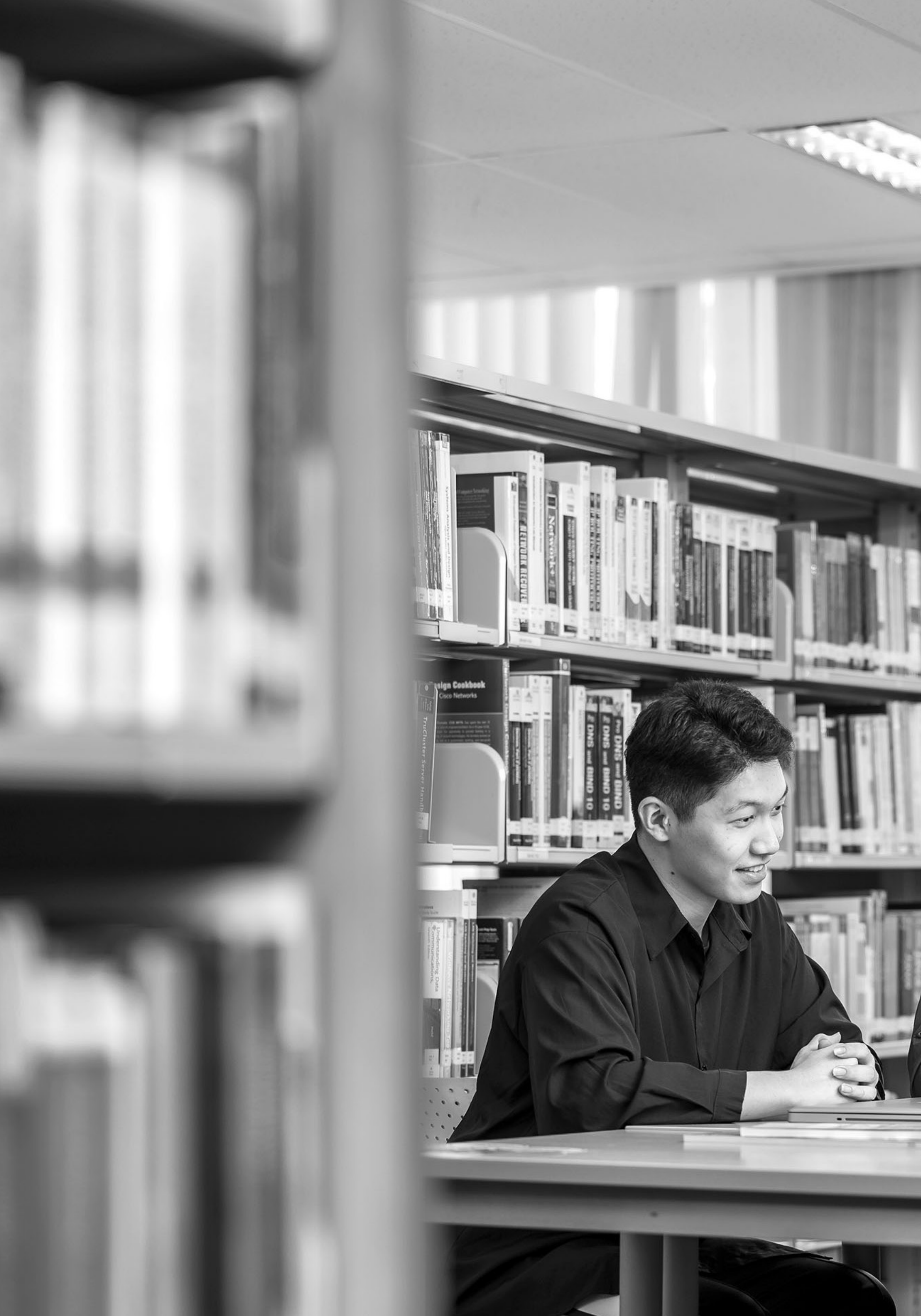
The prior year reclassification did not have any effect on the Statement of comprehensive income for the financial year ended 31 December 2024 and Statements of Financial Position as at 31 December 2023.

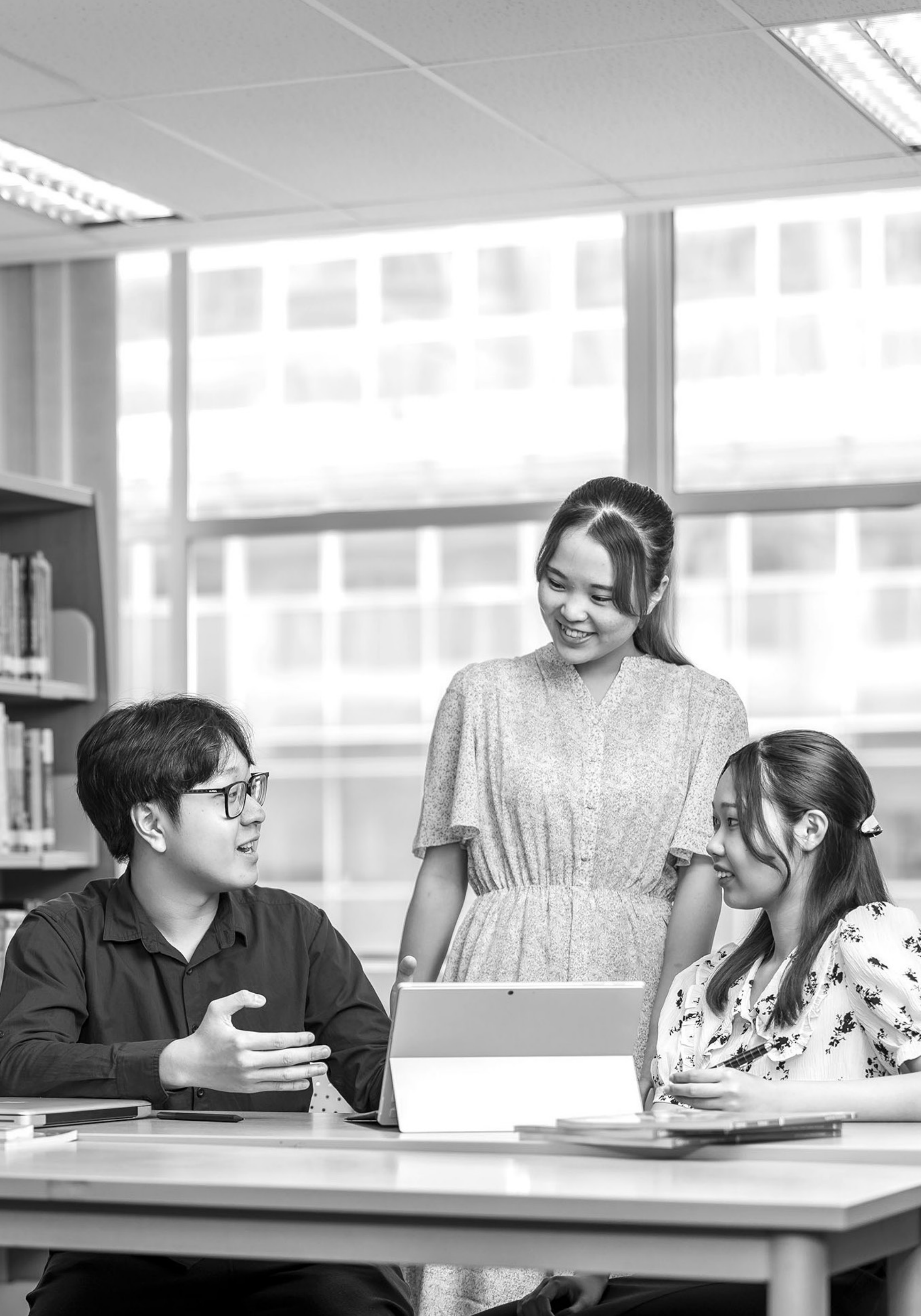
32. Authorisation of financial statements

The consolidated financial statements of the Group and the statement of financial position of the Institute for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Governing Council dated 20 August 2026.

“Imagination is more important than knowledge. For knowledge is limited, whereas imagination embraces the entire world, stimulating progress, giving birth to evolution.”

— ***Albert Einstein*** —


Cisco Networks
DNS and BIND 10
DNS and BIND 10
Network+



"You are braver than you believe, stronger than you seem and smarter than you think."

MDIS EDUCATION TRUST FUND
(Co. Reg. No. T02CC1562B)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2025

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MDIS EDUCATION TRUST FUND

STATEMENT BY TRUSTEES

On behalf of the Trustees, we do hereby state that in our opinion, the financial statements of MDIS Education Trust Fund (the "Trust Fund") as set out on pages 5 to 21 are properly drawn up in accordance with the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the financial position of the Trust Fund as at 31 December 2025 and the financial performance, changes in funds and cash flows of the Trust Fund for the financial year then ended on that date.

On behalf of the Trustees

Gan Kuat Cheong, Winston
Trustee

Kuan Choon Hock, Eric
Trustee

15 June 2026

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MDIS EDUCATION TRUST FUND

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of MDIS Education Trust Fund (the "Trust Fund") as set up on pages 5 to 21, which comprise the statement of financial position as at 31 December 2025 and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the financial position of the Trust Fund as at 31 December 2025 and of the financial performance, changes in funds and cash flows of the Trust Fund for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *"Auditor's responsibilities for the audit of the financial statements"* section of our report. We are independent of the Trust Fund in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Trustees are responsible for the other information. The other information comprises the Statement by Trustees as set out on page 1.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MDIS EDUCATION TRUST FUND (cont'd)

Report on the audit of the Financial Statements (cont'd)

Responsibilities of Trustees for the Financial Statements

Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the Charities Act and Regulations and FRSs, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Trustees' responsibilities include overseeing the Trust Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal controls 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 Trust Fund's internal controls.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MDIS EDUCATION TRUST FUND (cont'd)

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

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

- Conclude on the appropriateness of Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Trust Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

The engagement partner on the audit resulting in this independent auditor's report is Foong Chooi Chin.

Baker Tilly

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

15 June 2026

MDIS EDUCATION TRUST FUND

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2025

	Education Fund	
	2025	2024
	$	$
Income		
Dividend income	**64,663**	46,332
Interest income from bonds	**344,744**	169,158
Interest income from fixed deposits	**60,227**	92,733
Fair value gain on financial assets at fair value through profit or loss	**438,067**	250,415
Other income	**–**	48,645
Total income	**907,701**	607,283
Expenses		
Auditors' remuneration	**(15,296)**	(3,496)
Administrative expenses	**(18,000)**	(18,000)
Bank charges	**(75,111)**	(64,348)
Maintenance of computer expenses	**(240)**	(240)
Telephone expenses	**(240)**	(240)
Utilities, cleaning and security expenses	**(3,000)**	(3,000)
Other expenses	**(5,766)**	–
Total expenses	**(117,653)**	(89,324)
Surplus for the financial year	**790,048**	517,959
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Financial assets at fair value through other comprehensive income		
- Fair value gain - equity securities	**–**	3,141
Other comprehensive income for the financial year	**–**	3,141
Total comprehensive income for the financial year	**790,048**	521,100

There is no movement for Ramanathan and Nallammah Fund, Fancy Paper Fund and Modern Montessori Institute Fund in 2025 and 2024. Accordingly, the statement of comprehensive income for these funds are not presented above.

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

MDIS EDUCATION TRUST FUND

STATEMENT OF FINANCIAL POSITION
At 31 December 2025

	Note	**2025** **$**	2024 $
Non-current assets			
Financial assets at fair value through profit or loss	3	**12,336,455**	5,691,063
Current assets			
Interest receivables		**106,951**	138,165
Cash and cash equivalents	4	**2,541,847**	9,443,744
		2,648,798	9,581,909
Total assets		**14,985,253**	15,272,972
Current liabilities			
Accrued expenses		**12,000**	3,210
Amount due to related corporations	5	**447,484**	1,534,041
		459,484	1,537,251
Funds			
Ramanathan and Nallammah Fund	6	**100,000**	100,000
Fancy Paper Fund	7	**25,000**	25,000
Modern Montessori Institute Fund	8	**10,000**	10,000
Education Fund	9		
- Accumulated fund		**14,390,769**	13,600,721
		14,525,769	13,735,721
Total funds and liabilities		**14,985,253**	15,272,972

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

MDIS EDUCATION TRUST FUND

STATEMENT OF CHANGES IN FUNDS
For the financial year ended 31 December 2025

	Ramanathan and Nallammah Fund	Fancy Paper Fund	Modern Montessori Institute Fund	← Education Fund Fair value reserve	Education Fund → Accumulated Fund	Total
	$	$	$	$	$	$
Balance at 1 January 2025	100,000	25,000	10,000	–	13,600,721	13,735,721
Surplus for the financial year	–	–	–	–	790,048	790,048
Balance at 31 December 2025	**100,000**	**25,000**	**10,000**	–	**14,390,769**	**14,525,769**
Balance at 1 January 2024	100,000	25,000	10,000	(41,553)	13,121,174	13,214,621
Surplus for the financial year	–	–	–	–	517,959	517,959
Other comprehensive income						
Fair value gain on financial assets at fair value through other comprehensive loss	–	–	–	3,141	–	3,141
Total comprehensive income for the financial year	–	–	–	3,141	517,959	521,100
Transfer upon disposal of investment	–	–	–	38,412	(38,412)	–
Balance at 31 December 2024	100,000	25,000	10,000	–	13,600,721	13,735,721

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

MDIS EDUCATION TRUST FUND

STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2025

	Note	**2025** **$**	2024 $
Cash flows from operating activities			
Surplus for the financial year		**790,048**	517,959
Adjustments for:			
Fair value gain on financial assets at fair value through profit and loss		**(478,450)**	(48,897)
Gain on disposal of financial assets at fair value through profit or loss		**(38,104)**	(201,518)
Interest income from bonds		**(344,744)**	(169,158)
Interest income from fixed deposits		**(60,227)**	(92,733)
Dividend income		**(64,663)**	(46,332)
		(196,140)	(40,679)
Changes in accrued expenses		**8,790**	(12,837)
Net cash used in operating activities		**(187,350)**	(53,516)
Cash flows from investing activities			
Dividend received		**64,663**	46,332
Interest received from bonds and fixed deposits		**436,185**	172,443
Purchases of financial assets		**(9,873,710)**	(7,426,226)
Proceeds from disposal of financial assets		**3,744,872**	10,541,422
Net cash (used in)/generated from investing activities		**(5,627,990)**	3,333,971
Cash flows from financing activities			
Amounts received from related corporations		**–**	525,026
Repayment made to related corporations		**(1,086,557)**	–
Net cash (used in)/generated from financing activities		**(1,086,557)**	525,026
Net (decrease)/increase in cash and cash equivalents		**(6,901,897)**	3,805,481
Cash and cash equivalents at beginning of financial year		**9,443,744**	5,638,263
Cash and cash equivalents at end of financial year	4	**2,541,847**	9,443,744

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

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate information

MDIS Education Trust Fund (the 'Trust Fund') is domiciled in the Republic of Singapore. The address of the Trust Fund's registered office is 501 Stirling Road, Singapore 148951.

The Trust Fund is a trust formed by a trust deed dated 1 February 1999 and was registered under the Charities Act 1994 on 18 April 2002.

The principal activities of the Trust Fund is to further the education of students who are Singapore citizens or permanent residents by awarding scholarships, bursaries and loans tenable for courses conducted by Management Development Institute of Singapore or at any school, junior college, university or other educational establishment approved by the Trustees.

2. Material accounting policies

a) Basis of preparation

The financial statements, expressed in Singapore dollar ("$") which is the Trust Fund's functional currency, have been prepared in accordance with the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no significant judgements made in applying accounting policies and no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

The carrying amounts of cash and cash equivalents, receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

New and revised standards that are adopted

In the current financial year, the Trust Fund has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for the current financial year. Changes to the Trust Fund's accounting policies have been made as required in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new/revised FRSs and INT FRSs did not have any material effect on the financial results or position of the Trust Fund.

2. Material accounting policies (cont'd)

a) Basis of preparation (cont'd)

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2025 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Trust Fund except as disclosed below:

FRS 118 Presentation and Disclosure in Financial Statements

FRS 118 will replace FRS 1 *Presentation of Financial Statements* for annual reporting period beginning on or after 1 January 2027, with earlier application permitted. It requires retrospective application with specific transition provisions.

The new standard introduces the following key requirements:
- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present subtotals and totals for "operating profit", "profit or loss before financing and income taxes", and "profit or loss" in the statement of profit or loss.
- Management-defined performance measures ("MPMs") are disclosed in a single note within the financial statements. This note includes details on how the measure is calculated, the relevance of the information provided to users, and a reconciliation to the most comparable subtotal specified by the FRSs.
- Enhanced guidance on aggregating and disaggregating information in financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Trust Fund is in the process of assessing the impact of the new standard on the primary financial statements and notes to the financial statements.

b) Revenue recognition

Interest income

Interest income is recognised using the effective interest method.

Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Trust Fund, and the amount of the dividend can be reliably measured.

c) Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Trust Fund commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Trust Fund has transferred substantially all risks and rewards of ownership.

2. Material accounting policies (cont'd)

c) Financial assets (cont'd)

Recognition and derecognition (cont'd)

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Trust Fund classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through profit or loss ("FVTPL").

The classification is based on the Trust Fund's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Trust Fund reclassifies financial assets when and only when its business model for managing those assets changes.

Subsequent measurement

Debt instruments

Amortised cost

Debt instruments include cash and cash equivalents and interest receivables. These are subsequently measured at amortised cost based on the Trust Fund's business model for managing the asset and cash flow characteristics of the asset:

The Trust Fund measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

Fair value through profit or loss ("FVTPL")

Investments in bonds, perpetual bonds, equity shares and equity funds that are managed by fund managers on a fair value portfolio basis are classified as FVTPL. Movement in fair values and interest income are recognised in profit or loss in the period in which it arises and presented in statement of comprehensive income.

2. Material accounting policies (cont'd)

c) Financial assets (cont'd)

Subsequent measurement (cont'd)

Impairment

The Trust Fund recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Trust Fund expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a "12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a "lifetime ECL").

If the Trust Fund has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Trust fund measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Trust Fund recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

d) Financial liabilities

Financial liabilities include accrued expenses and amount due to related corporations. Financial liabilities are recognised on the statement of financial position when, and only when, the Trust Fund becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

e) Income taxes

The Trust Fund is a registered charity and is exempted from income tax. Accordingly, no taxation is provided for by the Trust Fund.

f) Funds

Unless specifically indicated, fund balances are not represented by any specific assets or liabilities but are represented by all assets of the Trust Fund.

3. Financial assets at fair value through profit or loss

	2025 $	2024 $
Non-current		
Quoted bonds and perpetual bonds	**9,586,154**	4,347,753
Quoted equity shares and equity funds	**2,750,301**	1,343,310
	12,336,455	5,691,063

The above financial assets are managed by fund managers on a fair value portfolio basis. Any movements in the fair values are recognised as gains or losses on the profit and loss.

The determination of fair value hierarchy is disclosed in Note 14(b).

4. Cash and cash equivalents

	2025 $	2024 $
Cash at banks	**451,899**	381,707
Fixed deposits	**2,089,948**	9,062,037
	2,541,847	9,443,744

As at the end of the reporting period, the fixed deposits earn interest ranging from 1.20% to 3.51% (2024: 2.60% to 3.45%) per annum and have a maturity range of 1 to 12 months (2024: 1 to 12 months). These deposits are considered as cash and cash equivalents as the trustees are of the view that these deposits may be withdrawn as and when required without having to incur a penalty fee.

5. Amount due to related corporations

The amount due to related corporations is non-trade, unsecured, interest-free and repayable on demand.

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	2025 $	2024 $
Balance at 1 January	**1,534,041**	1,009,015
Changes from financing cash flows:		
- Amounts received from related corporations	**–**	525,026
- Repayments made to related corporations	**(1,086,557)**	–
Balance at 31 December	**447,484**	1,534,041

6. Ramanathan and Nallammah Fund

This fund will be used to pay scholarship and bursary awards. The fund was contributed by R Theyvendran, PBM.

7. Fancy Paper Fund

This fund will be used to pay scholarship and bursary awards. The fund was contributed by Mr Chua Chen How.

8. Modern Montessori Institute Fund

This fund will be used to pay scholarship and bursary awards. The fund was contributed by Modern Montessori International.

9. Education Fund

Donations and contributions made to the Education Fund are retained as principal capital to be kept intact and preserved to earn income. Income and expenditure of the fund are taken to profit or loss. The interests earned from all fixed deposits of the Trust Fund are recorded in Education Fund.

In 2024, the Education Fund included fair value reserve which arose from financial assets at fair value through other comprehensive income.

10. Net assets of the Trust Fund

	Ramanathan Nallammah Fund		Fancy Paper Fund		Modern Montessori Institute Fund		Education Fund		Total	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
	$	$	**$**	$	**$**	$	**$**	$	**$**	$
Represented by:										
Non-current assets										
Financial assets at fair value through profit or loss	–	–	–	–	–	–	**12,336,455**	5,691,063	**12,336,455**	5,691,063
	–	–	–	–	–	–	**12,336,455**	5,691,063	**12,336,455**	5,691,063
Current assets										
Interest receivables	–	–	–	–	–	–	**106,951**	138,165	**106,951**	138,165
Cash and cash equivalents	**100,000**	100,000	**25,000**	25,000	**10,000**	10,000	**2,406,847**	9,308,744	**2,541,847**	9,443,744
	100,000	100,000	**25,000**	25,000	**10,000**	10,000	**2,513,798**	9,446,909	**2,648,798**	9,581,909
Current liabilities										
Accrued expenses	–	–	–	–	–	–	**(12,000)**	(3,210)	**(12,000)**	(3,210)
Amount due to related corporations	–	–	–	–	–	–	**(447,484)**	(1,534,041)	**(447,484)**	(1,534,041)
	–	–	–	–	–	–	**(459,484)**	(1,537,251)	**(459,484)**	(1,537,251)
Total net assets	**100,000**	100,000	**25,000**	25,000	**10,000**	10,000	**14,390,769**	13,600,721	**14,525,769**	13,735,721

11. Commitments

Grant commitments not provided for in the financial statements:

	2025	2024
	$	$
Education Recovery Grant	**884,500**	884,500
Healthcare Workfare Grant	**126,000**	126,000

a) The Trust Fund had committed to set up the Education Recovery Grant to support Singaporeans and Singapore Permanent Residents in embarking their education journey with MDIS for all pre-degrees and undergraduate degree courses.

As at 31 December 2025, total grants disbursed amounted to $365,500 (2024: $365,500).

b) The Healthcare Workfare Grant was set up for nursing students.
No disbursement had been made.

12. Related parties transactions

Key management personnel compensation

Key management personnel of the Trust Fund are those persons having the authority and responsibility for planning, directing and controlling the activities of the Trust Fund. The Trustees are considered as key management personnel of the Trust Fund.

The Trustees are not paid any remuneration.

The Trust Fund does not have any staff in its employment for the years ended 31 December 2025 and 31 December 2024. The Trust Fund's administrative services were provided by Management Development Institute of Singapore ("MDIS"). MDIS is considered as a related party as the certain key management personnel of MDIS are also appointed as the Trustees of the Trust Fund.

Other related party transactions

Other than disclosed elsewhere in the financial statements, the transactions with related parties are as follows:

	2025	2024
	$	$
Administrative expenses	**18,000**	18,000
Maintenance expenses	**240**	240
Utilities and telephone expenses	**3,240**	3,240
Fixed deposit placed on behalf of MDIS	**–**	500,000

13. Financial instruments

a) Categories of financial instruments

Financial instruments at their carrying amounts at the end of the reporting period are as follows:

	2025	2024
	$	$
Financial assets		
Financial assets at fair value through profit or loss	**12,336,455**	5,691,063
Financial assets at amortised cost	**2,648,798**	9,581,909
Financial liabilities		
Financial liabilities at amortised cost	**459,484**	1,537,251

b) Financial risk management

The Trust Fund's overall risk management strategy seeks to minimise potential adverse effects on its financial performance. The risk management processes are reviewed annually by the Trustees and periodic reviews are undertaken to ensure that the Trust Fund's policy guidelines are complied with.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Trust Fund. The Trust Fund's maximum exposure to credit risk is represented by the carrying amounts of each financial asset on the statement of financial position.

The following sets out the Trust Fund's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	**Basis for recognition and measurement of ECL**
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 1 year past due and there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Trust Fund has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, cannot be located or are not recoverable despite legal recourse made to recover the debt, and reminders and warning letters issued for the debts due for more than 12 months	Write-off

13. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Trust Fund compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Trust Fund considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

In particular, the Trust Fund considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.
- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor; and
- significant increases in credit risk on other financial instruments of the same debtor.

The Trust Fund regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Trust Fund presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Trust Fund has reasonable and supportable information that demonstrates otherwise.

The Trust Fund also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Trust Fund considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Trust Fund, in full.

13. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Credit risk (cont'd)

Definition of default (cont'd)

Irrespective of the above analysis, the Trust Fund considers that default has occurred when a financial asset is more than 30 days past due unless the Trust Fund has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

As the Trust Fund does not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of the financial instruments presented on the statement of financial position.

The credit risk exposure for interest receivables and cash and cash equivalents under FRS 109 as at 31 December 2025 and 31 December 2024 is not material and accordingly no allowance for impairment is recognised as at 31 December 2025 and 31 December 2024.

Interest rate risk

The Company's exposure to interest rate risk is restricted to fixed deposits and investments in bonds (Notes 3 and 4).

No interest rate sensitivity is disclosed as the exposure is not significant.

Liquidity risk

Liquidity risk is the risk that the Trust Fund will encounter difficulty in meeting financial obligations due to shortage of funds.

The Trustees exercise prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flow at all times.

The financial liabilities of the Trust Fund as presented on the statement of financial position are due within twelve months from the end of the reporting period and approximate the contractual undiscounted repayment obligations.

13. Financial instruments (cont'd)

b) Financial risk management (cont'd)

Price risk

Market price risk is the risk that the fair value or future cash flows of the Trust Fund's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Trust Fund is exposed to price risk arising from its quoted investments. These instruments are quoted on both local and foreign markets and are classified as financial assets at fair value through profit or loss. To manage its price risk arising from these quoted investments, the Trust Fund diversifies its portfolio in accordance with the limits set by the Trust Fund.

Sensitivity analysis for price risk

At the end of the reporting period, if the prices of the Trust Fund's quoted investments change by 10% (2024: 10%) higher/lower with all other variables held constant, the Trust Fund's surplus would have been $1,233,646 (2024: $569,106) higher/lower, arising as a result of an increase/decrease in the fair value of financial assets classified at FVTPL, respectively.

14. Fair values of assets and liabilities

a) Fair value hierarchy

The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

a) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
b) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e. derived from prices); and
c) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

b) Fair value measurements of assets and liabilities that are measured at fair value

The following table presents the level of fair value hierarchy for each class of assets measured at fair value at 31 December 2025 and 31 December 2024.

	Level 1 **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
2025				
Financial assets				
Quoted bonds and perpetual bonds	–	9,586,154	–	9,586,154
Quoted equity and equity funds	2,750,301	–	–	2,750,301
	2,750,301	**9,586,154**	**–**	**12,336,455**

14. Fair values of assets and liabilities (cont'd)

b) Fair value measurements of assets and liabilities that are measured at fair value (cont'd)

	Level 1 $	Level 2 $	Level 3 $	Total $
2024				
Financial assets				
Quoted bonds and perpetual bonds	–	4,347,753	–	4,347,753
Quoted equity and equity funds	1,343,310	–	–	1,343,310
	1,343,310	4,347,753	–	5,691,063

Determination of fair values

Financial instruments traded in active markets are classified as Level 1 where fair values are based on quoted market prices at the end of the reporting period.

The fair value of financial instruments not traded in active markets but can be determined using observable inputs are included in Level 2. The fair values of these instruments are determined using quoted prices from brokers or pricing services, or other observable market data. The determination of what constitutes observable inputs requires judgement by the Trust Fund. Observable inputs are inputs that are readily available, regularly updated, and derived from independent sources actively involved in the relevant markets, and are considered reliable and verifiable.

Fair value of financial instruments by classes that are not measured at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of these financial assets and financial liabilities whose carrying amounts measured at amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

15. Reserves management

The Trust Fund's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern and to develop its principal activities over the longer term.

No changes are made in the objectives, policies or processes during the financial years ended 31 December 2025 and 31 December 2024.

16. Authorisation of financial statements

The financial statements of the Trust Fund for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Trustees dated 15 June 2026.

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Management Development Institute of Singapore
Reg. No. 201001793H
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