

**THE OPERATION HOPE FOUNDATION LIMITED
AND ITS SUBSIDIARY**

Company Registration Number: 200104386W

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2025

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THE OPERATION HOPE FOUNDATION LIMITED AND ITS SUBSIDIARY

Company Registration No.: 200104386W

DIRECTORS' STATEMENT

For the financial year ended 31 December 2025

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of The Operation Hope Foundation Limited (the "Foundation") and its subsidiary (collectively, the "Group") and the statement of financial position and statement of changes in funds of the Foundation for the financial year ended 31 December 2025.

1 OPINION OF THE DIRECTORS

In the opinion of the directors,

- (i) the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in funds of the Foundation are drawn up so as to give a true and fair view of the financial position of the Group and of the Foundation as at 31 December 2025 and the financial performance, changes in funds and cash flows of the Group and changes in funds of the Foundation for the financial year then ended; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

2 DIRECTORS

The directors of the Foundation in office at the date of this statement are:

Kee Chin Swee
Ling Kin Yew
Paul Ng Min Soon
Koh Bock Cheng
Kee Yi Arn
Tan Jenny

(Appointed on 30 June 2025)
(Appointed on 30 June 2025)

3 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Foundation a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Foundation to acquire benefits by means of the acquisition of shares in, or debentures of, the Foundation or any other body corporate.

4 DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

As the Foundation is a company limited by guarantee and has no share capital, none of the directors holding office at the end of the financial year had an interest in the share capital of the Foundation that is required to be reported pursuant to the Companies Act 1967 (the "Act").

5 SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Foundation or any corporation in the Group.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Foundation or any corporation in the Group.

There were no unissued shares of the Foundation or any corporation in the Group under option at the end of the financial year.

DIRECTORS' STATEMENT
For the financial year ended 31 December 2025

6 AUDITOR

Kreston Helmi Talib PAC has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors



KEE YI ARN
Director



KEE CHIN SWEE
Director

Date: 29 June 2026

**INDEPENDENT AUDITOR'S REPORT**
TO THE MEMBERS OF THE OPERATION HOPE FOUNDATION LIMITED**Report on the Audit of the Financial Statements***Opinion*

We have audited the financial statements of The Operation Hope Foundation Limited (the "Foundation") and its subsidiary (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Foundation as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in funds and consolidated statement of cash flows of the Group and the statement of profit or loss and other comprehensive income and the statement of changes in funds of the Foundation for the financial year then ended on that date, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position, the statement of profit or loss and other comprehensive income and the statement of changes in equity of the Foundation are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Foundation as at 31 December 2025 and of the consolidated financial performance, consolidated changes in funds and consolidated cash flows of the Group and changes in funds of the Foundation 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 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") 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.1 in the financial statements which indicates that the Group has incurred a total comprehensive loss of \$82,717 and that its current and total liabilities exceeded its current and total assets by \$127,205 and \$29,472 respectively. Additionally, the Foundation has incurred a total comprehensive loss of \$78,603 and its current liabilities exceeded its current assets by \$133,450. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and Foundation's ability to continue as a going concern.

The ability of the Group and Foundation to continue as a going concern is dependent on the undertaking of its director, Kee Chin Swee, to provide continuing financial support to enable the Group and Foundation to meet its liabilities as and when they fall due. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

Kreston Helmi Talib PAC

Other Information (Continued)

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

The directors' responsibilities include overseeing the Group's financial reporting 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 control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Kreston Helmi Talib PAC

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

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

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

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Foundation have been properly kept in accordance with the provisions of the Companies Act, and the Charities Act and Regulations.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year the Foundation has not complied with the requirements of Regulation 7 of the Charities (Fund-Raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012.

The engagement partner on the audit resulting in this independent auditor's report is Suriyati binti Mohamed Yusof with PA no. 01627.



KRESTON HELMI TALIB PAC
Public Accountants and
Chartered Accountants

Singapore

Date: 29 June 2026

THE OPERATION HOPE FOUNDATION LIMITED AND ITS SUBSIDIARY
Company Registration No.: 200104386W

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the financial year ended 31 December 2025

		Group		Foundation	
	Note	<u>2025</u> SGD	<u>2024</u> SGD	<u>2025</u> SGD	<u>2024</u> SGD
Incoming resources	5	912,109	906,072	912,109	906,072
Resources expended	6	(666,075)	(737,257)	(666,075)	(737,257)
Net incoming		246,034	168,815	246,034	168,815
Other income	7	8,322	9,424	489	1,394
Administrative and other operating expenses		(330,825)	(254,531)	(323,772)	(243,757)
Finance cost	8	(1,354)	(1,359)	(1,354)	(1,359)
Loss before taxation	9	(77,823)	(77,651)	(78,603)	(74,907)
Income tax expense	10	(78)	(80)	-	-
Loss for the financial year		(77,901)	(77,731)	(78,603)	(74,907)
Other comprehensive (loss)/gain					
Components of other comprehensive (loss)/gain that may be reclassified subsequently to profit or loss net of taxation					
(Loss)/gain on exchange differences on translation	17	(4,816)	3,747	-	-
Total other comprehensive (loss)/gain, net of taxation		(4,816)	3,747	-	-
Total comprehensive loss for the financial year		(82,717)	(73,984)	(78,603)	(74,907)

THE OPERATION HOPE FOUNDATION LIMITED AND ITS SUBSIDIARY
Company Registration No.: 200104386W

STATEMENTS OF FINANCIAL POSITION
As at 31 December 2025

		Group	
	Note	<u>2025</u> SGD	<u>2024</u> SGD
Assets			
Non-current assets			
Investment in subsidiary	11	-	-
Property, plant and equipment	12	77,823	82,306
Right-of-use assets	15(a)	19,910	9,058
Total non-current assets		<u>97,733</u>	<u>91,364</u>
Current assets			
Cash and cash equivalents	13	24,174	19,799
Other receivables	14	14,190	35,944
Total current assets		<u>38,364</u>	<u>55,743</u>
Total assets		<u>136,097</u>	<u>147,107</u>
Funds, equity and liabilities			
Liabilities			
Current liabilities			
Lease liabilities	15(b)	20,302	9,317
Other payables	16	145,267	84,545
Total current liabilities		<u>165,569</u>	<u>93,862</u>
Total liabilities		<u>165,569</u>	<u>93,862</u>
Funds and equity			
General fund		160,788	273,358
Nepal fund		62,773	52,831
Cambodia fund		(194,668)	(218,693)
Accumulated losses		(57,425)	(58,127)
Other reserves	17	(940)	3,876
Total funds and equity		<u>(29,472)</u>	<u>53,245</u>
Total funds, equity and liabilities		<u>136,097</u>	<u>147,107</u>

THE OPERATION HOPE FOUNDATION LIMITED AND ITS SUBSIDIARY
Company Registration No.: 200104386W

STATEMENTS OF FINANCIAL POSITION
As at 31 December 2025

		Foundation	
	Note	<u>2025</u> SGD	<u>2024</u> SGD
Assets			
Non-current assets			
Investment in subsidiary	11	142,433	142,433
Right-of-use assets	15(a)	19,910	9,058
Total non-current assets		<u>162,343</u>	<u>151,491</u>
Current assets			
Cash and cash equivalents	13	18,863	15,051
Other receivables	14	13,256	34,816
Total current assets		<u>32,119</u>	<u>49,867</u>
Total assets		<u>194,462</u>	<u>201,358</u>
Funds and liabilities			
Liabilities			
Current liabilities			
Lease liabilities	15(b)	20,302	9,317
Other payables	16	145,267	84,545
Total current liabilities		<u>165,569</u>	<u>93,862</u>
Total liabilities		<u>165,569</u>	<u>93,862</u>
Funds			
General fund		160,788	273,358
Nepal fund		62,773	52,831
Cambodia fund		(194,668)	(218,693)
Total funds		<u>28,893</u>	<u>107,496</u>
Total funds and liabilities		<u>194,462</u>	<u>201,358</u>

THE OPERATION HOPE FOUNDATION LIMITED AND ITS SUBSIDIARY*Company Registration No.: 200104386W***STATEMENT OF CHANGES IN FUNDS***For the financial year ended 31 December 2025***GROUP**

	<u>Foundation</u>			<u>Subsidiary</u>	<u>Other reserves</u>	
	<u>Cambodia</u>	<u>Nepal</u>	<u>General</u>	<u>Accumulated</u>	<u>Foreign</u>	<u>Total</u>
	<u>fund</u>	<u>fund</u>	<u>fund</u>	<u>losses</u>	<u>currency</u>	
	<u>SGD</u>	<u>SGD</u>	<u>SGD</u>	<u>SGD</u>	<u>translation</u>	
					<u>reserve</u>	<u>SGD</u>
Balance as at 31 December 2023	(118,094)	45,620	254,877	(55,303)	129	127,229
Total comprehensive (loss)/ income for the financial year	<u>(100,599)</u>	<u>7,211</u>	<u>18,481</u>	<u>(2,824)</u>	<u>3,747</u>	<u>(73,984)</u>
Balance as at 31 December 2024	(218,693)	52,831	273,358	(58,127)	3,876	53,245
Total comprehensive income/ (loss) for the financial year	<u>24,025</u>	<u>9,942</u>	<u>(112,570)</u>	<u>702</u>	<u>(4,816)</u>	<u>(82,717)</u>
Balance as at 31 December 2025	<u>(194,668)</u>	<u>62,773</u>	<u>160,788</u>	<u>(57,425)</u>	<u>(940)</u>	<u>(29,472)</u>

THE OPERATION HOPE FOUNDATION LIMITED AND ITS SUBSIDIARY
Company Registration No.: 200104386W

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

FOUNDATION

	Cambodia <u>fund</u> SGD	Nepal <u>fund</u> SGD	General <u>fund</u> SGD	<u>Total</u> SGD
Balance as at 31 December 2023	(118,094)	45,620	254,877	182,403
Total comprehensive (loss)/income for the financial year	<u>(100,599)</u>	<u>7,211</u>	<u>18,481</u>	<u>(74,907)</u>
Balance as at 31 December 2024	(218,693)	52,831	273,358	107,496
Total comprehensive income/(loss) for the financial year	<u>24,025</u>	<u>9,942</u>	<u>(112,570)</u>	<u>(78,603)</u>
Balance as at 31 December 2025	<u>(194,668)</u>	<u>62,773</u>	<u>160,788</u>	<u>28,893</u>

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

	Note	<u>2025</u> SGD	<u>2024</u> SGD
Cash flows from operating activities			
Loss before taxation		(77,823)	(77,651)
Adjustments for			
Foreign exchange difference		90	7,130
Depreciation of right-of-use assets	15(a)	38,923	36,234
Interest expense	8	1,354	1,359
Interest income	7	(8)	(5)
Total adjustments to profit or loss		<u>40,359</u>	<u>44,718</u>
Total operating cash flows before changes in working capital		(37,464)	(32,933)
Changes in working capital			
Decrease/(increase) in other receivables		21,685	(17,280)
Increase in other payables		<u>60,722</u>	<u>44,893</u>
Total changes in working capital		<u>82,407</u>	<u>27,613</u>
Cash generated/(used in) from operations		44,943	(5,320)
Interest received		8	5
Income tax paid	10	<u>(78)</u>	<u>(80)</u>
Net cash flows generated/(used in) from operating activities		<u>44,873</u>	<u>(5,395)</u>
Cash flows from financing activities			
Repayment of principal portion of lease liabilities	15(b)	(38,790)	(36,073)
Interest paid on lease liabilities	15(b)	<u>(1,354)</u>	<u>(1,359)</u>
Net cash flows used in financing activities		<u>(40,144)</u>	<u>(37,432)</u>
Net increase/(decrease) in cash and cash equivalents before effect of exchange rate changes		4,729	(42,827)
Effect of exchange rate changes in balance of cash held in foreign currencies		<u>(354)</u>	<u>2,147</u>
Net increase/(decrease) in cash and cash equivalents		4,375	(40,680)
Cash and cash equivalents at beginning of financial year		<u>19,799</u>	<u>60,479</u>
Cash and cash equivalents at end of financial year	13	<u>24,174</u>	<u>19,799</u>
Net cash flows			
Net cash flows generated/(used in) from operating activities		<u>44,873</u>	<u>(5,395)</u>
Net cash flows used in financing activities		<u>(40,144)</u>	<u>(37,432)</u>

THE OPERATION HOPE FOUNDATION LIMITED AND ITS SUBSIDIARY

Company Registration No.: 200104386W

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2025

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

1 GENERAL

The Operation Hope Foundation Limited (the "Foundation") is incorporated and domiciled in Singapore with its registered office at 352 Tanglin Road, #02-04/05 Singapore 247671. The Foundation is a company limited by guarantee and has no share capital. The Foundation is registered as a charity, under the Charities Act 1994 of Singapore with effect from 7 September 2001.

The Foundation was formed for the purpose of relief of human suffering and advancement of standard of human life and social well-being in third world countries regardless of religion or race, especially the poor, outcast, homeless, sick and hungry. The principal activities of the subsidiary are disclosed in Note 11 to the financial statements.

Each member of the Foundation has undertaken to contribute such amounts not exceeding \$100 to the assets of the Foundation in the event that the Foundation is wound up and monies are required for payment of liabilities of the Foundation. The Foundation has 5 members (2024: 5) as at the end of the financial year.

The financial statements for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Board of Directors of the Foundation as at the date of Directors' Statement.

2 MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position, statement of changes in funds of the Foundation have been drawn up in accordance with Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared under the historical cost basis except as disclosed in the accounting policies below.

The consolidated financial statements of the Group and the statement of financial position and statement of changes in funds of the Foundation are presented in Singapore Dollar ("SGD" or "\$"), which is also the functional currency of the Foundation.

The consolidated financial statements of the Group and the statement of financial position and statement of changes in funds of the Foundation have been prepared on a going concern basis.

Going concern

The Group has incurred a total comprehensive loss of \$82,717 and that its current and total liabilities exceeded its current and total assets by \$127,205 and \$29,472 respectively. Additionally, the Foundation has incurred a total comprehensive loss of \$78,603 and its current liabilities exceeded its current assets by \$133,450. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and Foundation's ability to continue as a going concern.

The ability of the Group and Foundation to continue as a going concern is dependent on the undertaking of its director, Kee Chin Swee, to provide continuing financial support to enable the Group and Foundation to meet its liabilities as and when they fall due. Our opinion is not modified in respect of this matter.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.1 Basis of preparation (Continued)

Going concern (Continued)

If the Company is unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual period beginning on 1 January 2025. The adoption of these standards did not have any material effect on the financial statements of the Group.

2.3 Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

Description	Effective for annual periods beginning on or after
Amendments to FRS 109 <i>Financial Instruments</i> and FRS 107 <i>Financial Instruments: Disclosures</i> : Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvement to FRSs Volume 11	1 January 2026
Amendments to FRS 109 <i>Financial Instruments</i> and FRS 107 <i>Financial Instruments: Disclosures</i> : Contracts Referencing Nature-dependent Electricity	1 January 2026
FRS 118 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
FRS 119 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to FRS 110 <i>Consolidated Financial Statements</i> and FRS 28 <i>Investments in Associates and Joint Ventures</i> : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

2.4 Basis of consolidation

a. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Foundation and its subsidiary as at the end of the reporting period. The financial statements of the subsidiary used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Foundation. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.4 Basis of consolidation (Continued)

b. Business combination (Continued)

The subsidiary is consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases.

Total comprehensive losses are attributed to the non-controlling interest based on their respective interest in a subsidiary, even if that results in a deficit balance.

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred;
- the recognised amount of any non-controlling interests ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree, over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by FRSs.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed off as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.5 Functional and foreign currency

The management has determined the currency of the primary economic environment in which the Foundation operates i.e. functional currency, to be SGD.

Foreign currency transactions

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency 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 reporting date. 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.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.6 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment other than freehold land and buildings are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Foundation recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land has an unlimited useful life and therefore is not depreciated.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.7 Subsidiary

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Foundation's separate financial statements, investment in a subsidiary is accounted for at cost less impairment losses.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.8 Financial instruments

a. Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL. The Group only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.8 Financial instruments (Continued)

b. Financial liabilities (Continued)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.9 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVPL and financial guarantee contracts. 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 expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. 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 recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.10 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.10 Impairment of non-financial assets (Continued)

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

This also applies to financial assets not accounted for under FRS 109 such as the investment in a subsidiary.

2.11 Cash and cash equivalents

Cash and cash equivalents comprises cash at bank and on hand that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

2.12 Funds structure

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Foundation, the fund balance in the financial statements are maintained whereby the resources for various purposes are classified for accounting and reporting purposes into specific funds, categorised as restricted and non-restricted fund in accordance with activities or objectives specified.

The costs or expenses incurred to meet the objectives of other funds are written off against the respective funds.

Funds have been set up by the Foundation for specific purposes. Donations are recognised when the Foundation's right to receive payment is established. Approved expenditures are charged directly to the funds.

2.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.14 Employee benefits

a. Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.14 Employee benefits (Continued)

a. Defined contribution plans (Continued)

The Group makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. These contributions are recognised as an expense in the period in which the related service is performed.

b. Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the reporting period.

2.15 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. Reassessment is only required when the terms and conditions of the contract are changed.

As lessee

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

Right-of-use assets

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

	<u>Useful lives</u>
Office premises	1 – 3 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.15 Leases (Continued)

As lessee (Continued)

Lease liabilities (Continued)

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term and low value leases

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments for short-term leases and low value assets are recognised as expenses in profit or loss.

2.16 Income

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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.

Donations

Incoming resources for the Foundation comprise of donations, which are recognised when received. These donations are utilised for the purposes of child sponsorship, community development and support on-going operations of the poverty alleviation programmes carried out by the Foundation.

Advisory income

Advisory income is recognised when the service is performed and to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest income

Interest income is recognised using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.17 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

3.1 Judgements made in applying accounting policies

There were no material judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

3.2 Key sources of estimation uncertainty

Management is of the opinion that there are no significant accounting estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

4 RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

Significant related party transactions

	Group and Foundation	
	<u>2025</u>	<u>2024</u>
	SGD	SGD
<u>Director</u>		
Subvention payment to support projects in Cambodia	531,116	605,311
General donations received from director	(166,500)	(204,077)
Reimbursement of expenses received	<u>-</u>	<u>(414)</u>

5 INCOMING RESOURCES

	Group and Foundation	
	<u>2025</u>	<u>2024</u>
	SGD	SGD
Child sponsorship	498,390	380,285
General donations	212,067	259,953
Community development	201,652	265,834
	<u>912,109</u>	<u>906,072</u>

The donations were received to support the establishment and on-going operations of the Foundation's poverty alleviation programmes in the respective countries as follows:

	Group and Foundation	
	<u>2025</u>	<u>2024</u>
	SGD	SGD
Cambodia	555,141	506,962
General	212,067	259,953
Nepal	144,901	139,157
	<u>912,109</u>	<u>906,072</u>

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

6 RESOURCES EXPENDED

	Group and Foundation	
	<u>2025</u>	<u>2024</u>
	SGD	SGD
Subvention payment support for projects in Cambodia	531,116	605,311
Donation for Nepal child sponsorship	134,959	131,946
	<u>666,075</u>	<u>737,257</u>

The resources expended for the establishment and on-going operations of the Foundation's poverty alleviation programmes in the respective countries as follows:

	Group and Foundation	
	<u>2025</u>	<u>2024</u>
	SGD	SGD
Cambodia	531,116	605,311
Nepal	134,959	131,946
	<u>666,075</u>	<u>737,257</u>

7 OTHER INCOME

	Group		Foundation	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	SGD	SGD	SGD	SGD
Advisory income	7,825	8,025	-	-
Government grant	489	1,394	489	1,394
Interest income	8	5	-	-
	<u>8,322</u>	<u>9,424</u>	<u>489</u>	<u>1,394</u>

8 FINANCE COST

	Group and Foundation	
	<u>2025</u>	<u>2024</u>
	SGD	SGD
Interest expense on lease liabilities (Note 15(b))	<u>1,354</u>	<u>1,359</u>

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

9 LOSS BEFORE TAXATION

This item includes the following charges:

	Group	
	<u>2025</u>	<u>2024</u>
	SGD	SGD
Employee benefit expenses	195,020	141,841
Depreciation of right-of-use assets (Note 15(a))	38,923	36,234
Bank charges	19,477	15,464
Professional fees	<u>19,156</u>	<u>26,327</u>

10 INCOME TAX

The Foundation is a non-profit organisation registered with the Commissioner of Charities under the Charities Act 1994. The Foundation enjoys automatic income tax exemption, effectively from Year of Assessment 2008.

The tax expense recorded relates to tax paid by the foreign subsidiary.

11 INVESTMENT IN SUBSIDIARY

	Foundation	
	<u>2025</u>	<u>2024</u>
	SGD	SGD
Unquoted shares, at cost		
Balance at beginning and end of financial year	<u>142,433</u>	<u>142,433</u>

Details of the subsidiary as at 31 December 2025 are as follows:

Name of subsidiary (Country of incorporation)	Principal activities (Place of business)	Cost of investment		Percentage of equity held	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
		SGD	SGD	%	%
(i) ^ Hope Holding Co., Ltd. (Cambodia)	Land holding (Cambodia)	<u>142,433</u>	<u>142,433</u>	100	100

^ Not required to be audited

51% of the subsidiary's shares (2024: 51%) are held through proxy arrangements with the Foundation. The Foundation is deemed to hold 100% of the equity as the other shareholders have waived their voting rights and control over the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

12 PROPERTY, PLANT AND EQUIPMENT

	Group Freehold land SGD
Cost	
At 31 December 2023	88,346
Translation difference	(6,040)
At 31 December 2024	82,306
Translation difference	(4,483)
At 31 December 2025	77,823
Accumulated depreciation	
At 31 December 2023, 2024, and 2025	-
Net carrying amount	
At 31 December 2024	82,306
At 31 December 2025	77,823

The Group's estimate of the open market value of the freehold land, which is based on valuation reports dated 31 May 2024, amounts to approximately SGD 3,322,096 as at the financial year ended 31 December 2025.

13 CASH AND CASH EQUIVALENTS

	Group		Foundation	
	<u>2025</u> SGD	<u>2024</u> SGD	<u>2025</u> SGD	<u>2024</u> SGD
Cash at bank	24,162	19,786	18,851	15,039
Cash on hand	12	13	12	12
	<u>24,174</u>	<u>19,799</u>	<u>18,863</u>	<u>15,051</u>

Cash at banks are held in non-interest-bearing accounts.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents are comprised of the balances above.

Cash and cash equivalents are denominated in the following currencies:

	Group		Foundation	
	<u>2025</u> SGD	<u>2024</u> SGD	<u>2025</u> SGD	<u>2024</u> SGD
Singapore Dollar	18,863	15,051	18,863	15,051
United States Dollar	4,899	4,748	-	-
Cambodian Riel	412	-	-	-
	<u>24,174</u>	<u>19,799</u>	<u>18,863</u>	<u>15,051</u>

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

14 OTHER RECEIVABLES

	Group		Foundation	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	SGD	SGD	SGD	SGD
Deposits	11,847	11,862	11,590	11,590
Prepayments	1,574	23,179	1,574	23,179
GST/VAT receivable	677	856	-	-
Outside parties	92	47	92	47
	<u>14,190</u>	<u>35,944</u>	<u>13,256</u>	<u>34,816</u>
Total other receivables (excluding prepayments and GST/VAT receivable)	11,939	11,909	11,682	11,637
Add: Cash and cash equivalents (Note 13)	<u>24,174</u>	<u>19,799</u>	<u>18,863</u>	<u>15,051</u>
Total financial assets measured at amortised cost	<u>36,113</u>	<u>31,708</u>	<u>30,545</u>	<u>26,688</u>

Other receivables are denominated in the following currencies:

	Group		Foundation	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	SGD	SGD	SGD	SGD
Singapore Dollar	13,256	34,816	13,256	34,816
United States Dollar	934	1,128	-	-
	<u>14,190</u>	<u>35,944</u>	<u>13,256</u>	<u>34,816</u>

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

15 LEASES

As a lessee

The Group and Foundation have lease contracts for office premises. The Group and Foundation's obligations under these lease contracts are unsecured. The Group and Foundation are restricted from assigning and subleasing the leased assets.

(a) *Carrying amount of right-of-use assets*

	Group and Foundation
	<u>Office premises</u>
	SGD
Cost	
At 31 December 2023 and 31 December 2024	48,311
Expiration of lease	(48,311)
Additions	49,775
At 31 December 2025	<u>49,775</u>
Accumulated depreciation	
At 31 December 2023	3,019
Charge for the financial year	36,234
At 31 December 2024	39,253
Charge for the financial year	38,923
Expiration of lease	(48,311)
At 31 December 2025	<u>29,865</u>
Net carrying amount	
At 31 December 2024	<u>9,058</u>
At 31 December 2025	<u>19,910</u>

(b) *Lease liabilities*

	Group and Foundation	
	<u>2025</u>	<u>2024</u>
	SGD	SGD
Within 1 financial year	20,524	9,358
Total minimum lease payments	20,524	9,358
Financial charges allocated to future periods	(222)	(41)
Present value of minimum lease payments	20,302	9,317
Present value within one financial year	(20,302)	(9,317)
Present value after one financial year	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

15 LEASES (Continued)

As a lessee (Continued)

(b) *Lease liabilities (Continued)*

A reconciliation of liabilities arising from financing activities is as follows:

GROUP AND FOUNDATION

	1 January <u>2025</u>	Financing cash flows	<u>Non-cash changes</u>		31 December <u>2025</u>
			<u>Additions</u>	<u>Accretion of interest</u>	
Lease liabilities	9,317	(40,144)	49,775	1,354	20,302

	1 January <u>2024</u>	Financing cash flows	<u>Non-cash changes</u>		31 December <u>2024</u>
			<u>Additions</u>	<u>Interest amortisation</u>	
Lease liabilities	45,390	(37,432)	-	1,359	9,317

Lease liabilities are denominated in Singapore Dollar.

(c) *Amounts recognised in profit or loss*

	<u>Group and Foundation</u>	
	<u>2025</u> SGD	<u>2024</u> SGD
Depreciation of right-of-use assets	38,923	36,234
Interest expense on lease liabilities (Note 8)	1,354	1,359
Total amount recognised in profit or loss	<u>40,277</u>	<u>37,593</u>

(d) *Total cash outflow*

The Group and Foundation have a total cash outflow of S\$40,144 (2024: S\$37,432) for its leases during the financial year.

(e) *Extension options*

The Group and Foundation does not have any lease contracts that include extension options.

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

16 OTHER PAYABLES

	Group and Foundation	
	<u>2025</u>	<u>2024</u>
	SGD	SGD
Donations received in advance	85,799	57,826
Accrued expenses	49,820	22,029
Provision for unutilised leave	9,648	4,690
	<u>145,267</u>	<u>84,545</u>
Total other payables (excluding donations received in advance)	59,468	26,719
Add: Lease liabilities (Note 15)	20,302	9,317
Total financial liabilities carried at amortised cost	<u>79,770</u>	<u>36,036</u>

Other payables are denominated in Singapore Dollar.

17 OTHER RESERVES

	Group	
	<u>2025</u>	<u>2024</u>
	SGD	SGD
Foreign currency translation reserve	<u>(940)</u>	<u>3,876</u>
<i>Movement in foreign currency translation reserve is as follows:</i>		
Balance at beginning of financial year	3,876	129
Exchange difference on translation	<u>(4,816)</u>	<u>3,747</u>
Balance at end of financial year	<u>(940)</u>	<u>3,876</u>

Foreign currency translation reserve is a non-distributable reserve arising on translation of the financial statements of the subsidiary whose functional currency is different from that of the Group's presentation currency.

As at 31 December 2025, the Company has no other reserves (2024: Nil).

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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

18 FUND-RAISING FOR FOREIGN CHARITABLE PURPOSES

		Foundation	
		<u>2025</u>	<u>2024</u>
		SGD	SGD
	Fund-raising income		
[A]	Donations received (Note 5)	<u>912,109</u>	<u>906,072</u>
	Funds disbursed to Cambodia (Note 6)	(531,116)	(605,311)
	Funds disbursed to Nepal (Note 6)	(134,959)	(131,946)
[B]	Fund-raising expenses*	<u>(99,491)</u>	<u>(62,665)</u>
[B]/[A]	Fund-raising efficiency ratio	<u>10.91%</u>	<u>6.92%</u>

*Fund-raising expenses include attributable staff costs and expense for website maintenance and social media postings.

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk. The Group's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimise potential adverse effects on the financial performance of the Group. The Group does not have any written financial risk management policies and guidelines and there has been no change to the Group's exposure to these financial risk or the manner in which it manages and measures the risks.

The following sections provide details regarding the Group's and Foundation's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from other receivables. For cash and cash equivalents, the Group minimises credit risk by dealing exclusively with reputable and well-established local and foreign banks.

Credit policies with guidelines on credit terms and limits set the basis for risk control. New debtors are subject to credit evaluation while the Group continues to monitor existing debtors, especially those with repayment issues. In addition, appropriate allowances are made for probable losses when necessary for identified debtors.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

Other receivables

The Group and Foundation have assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group and Foundation have measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

Liquidity risk is the risk that the Group and Foundation will encounter difficulty in meeting financial obligations due to shortage of funds. The Group and Foundation's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

To manage liquidity risk, the Group and Foundation monitor their net operating cash flow and maintain an adequate level of cash and cash equivalents by reviewing its working capital requirements regularly.

Analysis of financial instruments by remaining contractual maturities

GROUP

		2025		
		Carrying amount	Contractual cash flows	Less than one year
	Note	SGD	SGD	SGD
<u>Financial assets</u>				
Cash and cash equivalents	13	24,174	24,174	24,174
Other receivables (excluding prepayments and GST/VAT receivable)	14	11,939	11,939	11,939
Total undiscounted financial assets		36,113	36,113	36,113

Financial liabilities

Lease liabilities	15(b)	20,302	20,524	20,524
Other payables (excluding donations received in advance)	16	59,468	59,468	59,468
Total undiscounted financial liabilities		79,770	79,992	79,992
Total net undiscounted financial liabilities		(43,657)	(43,879)	(43,879)

		2024		
		Carrying amount	Contractual cash flows	Less than one year
	Note	SGD	SGD	SGD
<u>Financial assets</u>				
Cash and cash equivalents	13	19,799	19,799	19,799
Other receivables (excluding prepayments and GST/VAT receivable)	14	11,909	11,909	11,909
Total undiscounted financial assets		31,708	31,708	31,708

Financial liabilities

Lease liabilities	15(b)	9,317	9,358	9,358
Other payables (excluding donations received in advance)	16	26,719	26,719	26,719
Total undiscounted financial liabilities		36,036	36,077	36,077
Total net undiscounted financial liabilities		(4,328)	(4,369)	(4,369)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities (Continued)

FOUNDATION

		2025		
		Carrying amount	Contractual cash flows	Less than one year
	Note	SGD	SGD	SGD
<u>Financial assets</u>				
Cash and cash equivalents	13	18,863	18,863	18,863
Other receivables (excluding prepayments)	14	11,682	11,682	11,682
Total undiscounted financial assets		30,545	30,545	30,545
<u>Financial liabilities</u>				
Lease liabilities	15(b)	20,302	20,524	20,524
Other payables (excluding donations received in advance)	16	59,468	59,468	59,468
Total undiscounted financial liabilities		79,770	79,992	79,992
Total net undiscounted financial liabilities		(49,225)	(49,447)	(49,447)

		2024		
		Carrying amount	Contractual cash flows	Less than one year
	Note	SGD	SGD	SGD
<u>Financial assets</u>				
Cash and cash equivalents	13	15,051	15,051	15,051
Other receivables (excluding prepayments)	14	11,637	11,637	11,637
Total undiscounted financial assets		26,688	26,688	26,688
<u>Financial liabilities</u>				
Lease liabilities	15(b)	9,317	9,358	9,358
Other payables (excluding donations received in advance)	16	26,719	26,719	26,719
Total undiscounted financial liabilities		36,036	36,077	36,077
Total net undiscounted financial liabilities		(9,348)	(9,389)	(9,389)

Assets and liabilities not measured at fair value

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Lease liabilities

The carrying amount of lease liabilities approximates its fair value as it is subject to an interest rate close to market rate of interests for similar arrangements with financial institutions. During the financial year, no amount (2024: nil) has been recognised in profit or loss in relation to the change in fair value of financial assets or financial liabilities, estimated using a valuation technique.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

20 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on the date of these statements.