



Top Education Group Ltd

澳洲成峰高教集團有限公司

(Registered in New South Wales, Australia with limited liability)
(Stock Code: 1752)

2025

ANNUAL REPORT



Innovation towards
Intelligent Education

創新引領
智慧教育



The Group commits to be a leading innovative and high quality education provider internationally, and to deliver students with knowledge of practical skills required by the emerging market.

The Group have updated from TOP 2.0 to TOP 3.0, of which the key words are:

Innovation

Intelligence

and

Internationalisation



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CORPORATE INFORMATION

Board of Directors

Executive Directors:

Dr. Rongning Xu
Ms. Xing Shi Huang (*Deputy Chairperson*)
Mr. Qingquan Yang

Non-executive Directors:

Dr. Amen Kwai Ping Lee (*Chairperson*)
Mr. Yi Dai
Mr. Edward Chiang

Independent non-executive Directors:

Professor Steven Schwartz
Mr. Tianye Wang
Mr. Jonathan Richard O'Dea
Professor Dominic Robert Beresford Verity

Audit and Finance Committee

Mr. Tianye Wang (*Chairman*)
Professor Steven Schwartz
Mr. Jonathan Richard O'Dea

Remuneration Committee

Professor Steven Schwartz (*Chairman*)
Mr. Tianye Wang
Dr. Amen Kwai Ping Lee

Nomination Committee

Mr. Jonathan Richard O'Dea (*Chairman*)
Professor Steven Schwartz
Ms. Xing Shi Huang

Chief Executive Officer

Dr. Rongning Xu

Company Secretary

Ms. Min Ying

Authorised Representatives

Dr. Rongning Xu
Ms. Min Ying

Auditor

Baker Tilly Hong Kong Limited
Public Interest Entity Auditor registered in accordance with
the Financial Reporting Council Ordinance
Level 8, K11 ATELIER King's Road
728 King's Road, Quarry Bay
Hong Kong

RSM Australia Partners
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Sydney, NSW 2000
Australia

Registered Office, Principal Place of Business and Head Office In Australia

Suite 1, Biomedical Building
1 Central Avenue
Eveleigh, New South Wales 2015
Australia

Place of Business in Hong Kong Registered Under Part 16 of the Companies Ordinance

Room 1916, 19/F
Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

Australia Principal Share Registrar

Top Education Group Ltd
Suite 1, Biomedical Building
1 Central Avenue
Eveleigh, New South Wales 2015
Australia

Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited
Shops 1712 – 1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Company Website

www.top.edu.au

Stock Code

1752

CHAIRPERSON'S STATEMENT

Message from

Amen Kwai Ping Lee DBA (Hon) OAM JP
Chairperson

26 September 2025

Dear Shareholders,

On behalf of the Board, I am honoured to present the Annual Report of Top Education Group Ltd for the financial year ended 30 June 2025 ("FY25").

The past year has been one of transformation for the global higher education sector. Policy changes in Australia, including the introduction of "soft caps" on international student enrolments, have reshaped the competitive landscape, while new providers continue to emerge both domestically and regionally. Southeast Asia is increasingly becoming a hub for education partnerships and student demand, with a growing shift towards transnational education and blended delivery models. In this environment, agility, diversification, and global engagement are critical.

I am pleased to report that our Group has responded with resilience and foresight, delivering strong financial results, expanding our academic offerings, and taking significant steps toward our long-term vision.

Strong Performance and Growth

FY25 was a year of robust performance. The Group achieved revenue of AUD\$34.3 million, up 18%, supported by a 28.7% increase in enrolments. Gross profit grew by 21.7% to AUD\$15.5 million, with margins strengthening to 45.3%.

Our balance sheet remains one of our greatest strengths, with strong cash reserves and no debt, ensuring resilience in a shifting regulatory environment and providing us with the flexibility to pursue new initiatives.

Student enrolments reached record highs, with Perth emerging as our largest campus, representing more than half of the postgraduate cohort. Our three-campus model across Sydney, Perth, and Hobart continues to provide scale, diversity, and stability.



CHAIRPERSON'S STATEMENT

Academic Excellence and Achievements

This year brought important academic milestones:

The Bachelor of Laws was reaccredited for five years without conditions, maintaining our unique position as Australia's only private, non-university provider offering a professionally accredited law degree. Our accounting programs were reaccredited until 2029.

The Master of Business Research was approved as a pathway to our proposed PhD program, supported by the establishment of a Research Committee and a dedicated research integrity framework.

New professionally aligned programs are progressing through accreditation, ensuring our offerings remain workforce-relevant and attractive to both domestic and international students.

Strategic Initiatives

To secure long-term growth, we are advancing three strategic priorities:

Global Engagement – Our first offshore partnership in Singapore, delivering Master of Business Administration (MBA) programs through a local college, represents a landmark in transnational education. This is the start of a broader regional strategy to reduce reliance on students travelling to Australia and expand our global footprint.

Governance and Risk Management – Following an external review, we submitted our TEQSA re-registration on time in March 2025. The creation of the Risk and Compliance Committee enhances our ability to oversee risks and ensure transparency.

Innovation and Sustainability – Our planned AI-supported ESG micro-credential, to be launched in 2026, reflects our focus on combining digital transformation with sustainability and inclusive education for the wider community.

Outlook

Looking ahead, the Group remains focused on growth through diversification, innovation, and international partnerships. With strong financial foundations, a deepening academic portfolio, and strategic investments in digital and transnational education, we are confident of maintaining momentum. Our vision of achieving University College status within five years remains on track.



Appreciation

I extend my sincere gratitude to our staff across all campuses for their dedication, our students for their trust, our partners and regulators for their collaboration, and our Shareholders for their confidence and continued support.

This year has been a year of achievement and momentum. With a strong business position and a clear strategic direction, the Group is well placed to thrive in an evolving global education landscape.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Top Education Group Ltd, trading as Australian National Institute of Management and Commerce as well as Top Education Institute, is one of Australia's primary and best-in-class private tertiary education providers. TOP has been nationally registered with the TEQSA and was also approved by TEQSA in May 2018 for SAA in the Broad Field of Education in Management and Commerce from AQF levels 5 to 9, which includes bachelor's and master's degree courses. In this Broad Field, TOP's Business School provides quality programs at both undergraduate and postgraduate levels. The relevant courses are also accredited by major professional bodies, such as ACCA, CPA Australia and CAANZ.

TOP also founded the first Law School within a private higher education institute when both TEQSA and NSW LPAB officially accredited its Bachelor of Laws which enables its graduates to apply for admission as professional lawyers.

The Group's IT School was established in 2022, following the very first Information and Communication Technology course, Master of Data Analytics, accredited by TEQSA for seven years.

The Group can now offer courses in three fields of education – Management and Commerce, Information Technology and Law through three campuses located at Sydney, Hobart and Perth.

Operational Updates

Key Outcomes

The Group has progressed important initiatives in course development, accreditation, international partnerships, staff engagement, and positioning itself for ongoing growth in the higher education sector.

The Academic Board approved the reintroduction of the Master of Business Research as a pathway to the planned PhD program. A new Research Committee was established to oversee the governance and integrity of the research program. In response to market demand, planned developments for several new programs were soon to be finalised and submitted to TEQSA for accreditation.

During the year, the Group achieved notable accreditation milestones. The Bachelor of Laws was reaccredited by the law profession regulatory authority for five years without conditions, maintaining the Group's status as the only private-sector, non-university provider offering a professionally accredited law degree. All accounting programs were reaccredited until 2029.

Internationally, the Group maintained cooperative relationships with Chinese institutions. In addition, a Memorandum of Understanding was signed with a private college in Singapore to deliver Master of Business Administration (MBA) courses on behalf of the Group.

Staff surveys conducted in July 2024 revealed high levels of engagement, accompanied by strong confidence among academic staff. Moreover, 96% of non-teaching staff reported positive feedback and support from their supervisors.



MANAGEMENT DISCUSSION AND ANALYSIS

Sector and Policy Environment

Summary of Relevant Government Policy Changes

A federal election in May 2025 resulted in the return of a Labour Government. The policy of limiting international student enrolments remains, although the “hard caps” legislation has not been enacted by parliament. Instead, a “soft caps” strategy has been adopted, whereby a ministerial directive on visa processing effectively enforces the pre-election indicative caps on the higher education sector. The government is progressing with its plans to establish a Tertiary Education Commission, which will be a significant addition to the existing layers of regulation currently overseen by TEQSA.

Market Trends and Competitive Landscape



Southeast Asia remains a key student market for Australian higher education providers. However, the future will require providers to engage more directly with market sources through a mix of cooperative ventures, third-party arrangements, on-site facilities such as study centres, and pathway programs. Relying solely on international students coming to Australia for their tertiary education will be insufficient to generate adequate returns on investment. The higher education market is highly competitive, with new providers emerging in Australia and nearby regions.

Implications for Institutional Strategy

While maintaining focus on the Group's successful three-campus Australian operation, a horizon scanning initiative is underway to identify, evaluate, and pursue valuable offshore opportunities. In May 2025, an agreement was reached with a private college in Singapore to offer the Group's Master of Business Administration (both general and specialised) to Singaporean students and others from neighbouring countries who favour Singapore as a destination for higher education. This arrangement, which shares revenue by effectively licensing the Group's accredited MBA courses to third parties is a first for the Group, but it is likely to be followed by similar agreements in other locations. However, such agreements will not be effective until local regulatory approval is achieved. It is important to note that transnational education arrangements bring new governance, operational oversight, and monitoring responsibilities for the Group to ensure compliance with Australian higher education regulatory standards.



Regulatory Compliance and Quality Assurance

Institutional Re-Registration

The Group submitted its application for re-registration to TEQSA on time in March 2025. As previously noted, the re-registration application followed a year-long external review of the Group's corporate and academic governance performance, which led to some governance restructuring and the streamlining of governance processes.

Course-Level Accreditations

The Group's suite of MBA courses, both general and specialised, has undergone a lengthy internal re-accreditation review under the Group's self-accrediting authority. Managed by the Course Advisory Committee, the review required a comprehensive internal report and independent external reports from two academic experts at the professorial level. Interviews with teaching staff and students were conducted to ensure all perspectives were considered. The review resulted in several recommendations that are currently being actioned and implemented, further enhancing the marketability, delivery, and student experience of the MBA course. Course reaccreditation occurs on a seven-year cycle, with reviews for the Master of Marketing and the Master of International Business scheduled to commence soon.

Risk And Compliance Management

The external review of corporate governance preceding the Group's re-registration application to TEQSA resulted in the formation of a Risk and Compliance Committee (RCC) as a subcommittee of the Board of Directors. The RCC oversees and provides independent advice on risk management, compliance frameworks, quality assurance, and external accountability requirements. The RCC meets four times a year, or more often if necessary, maintaining an institution-wide perspective on risk, including academic, strategic, operational, and financial risks. The RCC also requests reports from governance chairs and senior executive management. It oversees a register of known risks and records appropriate mitigation strategies.

Academic Programs and Curriculum

An important initiative in the current year has been developing the Master of Business Research (MBR), along with a proposal to TEQSA to accredit the Group to offer a PhD program. The MBR serves as the standard pathway to PhD study. It includes all foundational coursework, research skills development, and a significant master's dissertation. To uphold the highest standards in research and research training, the Academic Board has formed a Research and Scholarship subcommittee with both internal and external members, as well as a research integrity adviser. The first intake for the MBR is scheduled in Term 2, 2025.

Higher Education Student Enrolments

Student data records show that the total number of Australian National Institute of Management and Commerce ("IMC") students (by headcount) in Term 1, 2025, was 1,558, representing a 17% increase from Term 1, 2024. Perth, now the largest campus by enrolments, accounts for 54% of total enrolments in Term 1, 2025. Postgraduate students constitute 93% of total enrolments, with Perth enrolling 58% of IMC's postgraduate cohort. One hundred ninety-seven students completed their Australian award course in Term 3, 2024, and became eligible to graduate and join those who finished their courses in Term 2, 2024, and Term 1, 2025, at the annual IMC graduation ceremony to be held on 26 August.

Student Wellbeing

The Group remains firmly committed to providing a safe, inclusive, and supportive environment for all students. In 2024-25, it continued to implement structured wellbeing initiatives, including the Safe Campus campaign, updated mental health and Gender-Based Violence (GBV) prevention policies, and a calendar of community events such as Mental Health Month, R U OK Day, and Career Ready Workshops. Staff received regular training, and students had access to 24/7 mental health resources and free professional counselling services across all campuses.

Following the internal reviews and TEQSA recommendations, the Group also strengthened academic support for at-risk students, implemented clearer complaints and appeals processes, and enhanced student outreach through updated handbooks and visual guides. These efforts reflect a whole-of-institution approach to wellbeing by proactively identifying risks, providing holistic support to students, and reinforcing a culture of care, cohesion, and respect.



Student Enrolment

For the year ended 30 June 2025, the total EFTSL of higher education services of the Group increased by approximately 28.7% compared with the previous financial year.

	2025	2024
Undergraduate Courses	129.4	215.9
Postgraduate Courses	1,286.6	811.4
Non-award Unit Study	129.0	172.9
Total	1,545.0	1,200.1

MANAGEMENT DISCUSSION AND ANALYSIS

Tuition Fee

Annual tuition fee increases will be capped at 15% and increases over any three-year period will not exceed 30%. The tuition fee increase is determined by the management team, subject to market conditions. During the Reporting Period, the tuition fee had remained unchanged compared to the corresponding period in the last financial year.

Course Name	International		Domestic	
	2025 AUD\$	2024 AUD\$	2025 AUD\$	2024 AUD\$
Diploma in Applied Finance and Accounting	21,000	21,000	17,200	17,200
Associate Degree of Applied Finance and Accounting	42,000	42,000	34,400	34,400
Bachelor of Applied Finance and Accounting	63,000	63,000	51,600	51,600
Diploma of Business	21,000	21,000	15,000	15,000
Associate Degree of Business	42,000	42,000	30,000	30,000
Bachelor of International Business	63,000	63,000	45,000	45,000
Bachelor of Accounting and Data Assurance	72,000	72,000	51,600	51,600
Graduate Certificate in Accounting	11,960	11,960	8,600	8,600
Graduate Certificate in Business	11,960	11,960	8,600	8,600
Graduate Certificate in Business Management	11,960	11,960	8,600	8,600
Graduate Certificate in Business Analytics	-	-	8,600	8,600
Graduate Certificate in Data Analytics	13,200	13,200	8,600	8,600
Graduate Certificate in Digital Business Technologies	-	-	8,600	8,600
Graduate Certificate in Financial Technology Management	11,960	11,960	8,600	8,600
Graduate Diploma of Accounting	23,920	23,920	17,200	17,200
Graduate Diploma of International Business	23,920	23,920	17,200	17,200
Graduate Diploma of Marketing	23,920	23,920	17,200	17,200
Graduate Diploma of Business Administration	23,000	23,000	17,200	17,200
Graduate Diploma of Data Analytics	26,400	26,400	17,200	17,200
Graduate Diploma of Financial Technology Management	23,920	23,920	17,200	17,200
Master of Accounting Practice	35,880	35,880	25,800	25,800
Master of Professional Accounting	35,880	35,880	25,800	25,800
Master of Professional Accounting Services	47,840	47,840	34,400	34,400
Master of Big Data Auditing	47,840	47,840	34,400	34,400
Master of Business Administration	46,000	46,000	34,400	34,400
Master of Business Administration (12 units)	49,500	49,500	25,800	25,800
Master of Business Administration (Business Analytics)	46,000	46,000	34,400	34,400
Master of Business Administration (Digital Business Applications)	46,000	46,000	34,400	34,400
Master of Business Administration (FinTech Management)	46,000	46,000	34,400	34,400
Master of Business Administration (Professional Accounting)	46,000	46,000	34,400	34,400
Master of Accounting Intelligence	47,840	47,840	34,400	34,400
Master of Applied Financial Technology and Blockchain	47,840	47,840	34,400	34,400
Master of Data Analytics	52,800	52,800	34,400	34,400
Master of Taxation (with Data Analysis and Artificial Intelligence)	47,840	47,840	34,400	34,400
Master of International Business	35,880	35,880	25,800	25,800
Master of Marketing	35,880	35,880	25,800	25,800
Master of Business Research	60,000	-	-	-
Bachelor of Laws	96,000	96,000	48,000	48,000

Outlook

In the year ahead, the Group remains focused on navigating the evolving regulatory and policy landscape, particularly the implications of the Australian Government's ongoing "soft cap" strategy on international student commencements. While the formal legislative caps have not passed by Parliament, the de facto caps, implemented through visa processing controls, are already shaping enrolment patterns across the sector. In this environment, flexibility and diversification remain essential.

The Group will continue to expand its academic portfolio to meet the evolving needs of students and the industry based on its solid foundation which has been established over the past two years. New professionally aligned programs are currently progressing through the accreditation process. These initiatives will strengthen our offering to both domestic and international students and reflect our continued focus on workforce-relevant education.

The Group will also deepen its international engagement, particularly in the Asia-Pacific region. Following the signing of a third-party delivery agreement in Singapore, similar transnational education partnerships are being explored to ensure sustainable growth and a global footprint. These ventures support our strategy to reduce reliance on students travelling to Australia and to create robust alternative education pathways.

Domestically, the Group continues to seek new domestic investment. Plans in Perth to consolidate teaching and administrative operations into a single, centrally located facility in the Perth CBD are advancing, and the newly relocated Hobart campus is already enhancing student access and visibility in Tasmania.



Operationally, the Group continues to advance its commitment to quality assurance and risk governance. With the TEQSA re-registration submission completed in March 2025 and the formation of the Board-level Risk and Compliance Committee, we are strengthening institutional resilience and transparency.

Looking forward, the transformative role of digital innovation remains a strategic priority. The Group's upcoming AI-supported online ESG micro-credential exemplifies its efforts to combine education, technology, and global sustainability priorities in a future-facing learning model. This initiative will also be made available to the broader community, reflecting the Group's commitment to inclusive access and deeper community engagement through accessible, high-quality learning resources.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Revenue

Revenue represents the value of services rendered during the Reporting Period. The Group's revenue increased by approximately 18.0% from approximately AUD\$29.0 million for the year ended 30 June 2024 to approximately AUD\$34.3 million for the year ended 30 June 2025. A breakdown of revenue is shown below:

	2025 AUD\$'000	2024 AUD\$'000	Change %
Course fee income	32,094	26,967	+19.0%
Other service fee	2,164	2,074	+4.3%
	34,258	29,041	+18.0%

The increase in revenue was primarily due to the increase of the Group's student enrolments as compared to the corresponding period in 2024.

Tuition fee contributed over 93.7% of the Group's revenue while other service fee represented approximately 6.3% of the revenue.

Cost of Revenue

Cost of revenue consists primarily of staff costs, depreciation and amortisation, office expenses, consultation, and student related costs.

Cost of revenue increased by approximately AUD\$2.4 million, or 15.0%, from AUD\$16.3 million for the year ended 30 June 2024 to AUD\$18.7 million for the year ended 30 June 2025. This increase in cost of revenue was consistent with the increase in student enrolments, and mainly due to (i) the increase in agent commission and student related expenses, (ii) the increase in employment expenses, and (iii) the increase in consulting services expenses..

Gross Profit and Gross Profit Margin

Gross profit increased by 21.7% from AUD\$12.8 million for the year ended 30 June 2024 to AUD\$15.5 million for the year ended 30 June 2025, and gross profit margin increased from approximately 43.9% for the year ended 30 June 2024 to approximately 45.3% for the year ended 30 June 2025.

Interest Income

Interest income increased by 37.0% from approximately AUD\$2.0 million for the year ended 30 June 2024 to approximately AUD\$2.7 million for the year ended 30 June 2025, which was mainly due to the increase in deposit amount.

Other Income and Gains

Other income remains stable at approximately AUD\$0.1 million for the year ended 30 June 2024 and 30 June 2025.

Administrative Expenses

Administrative expenses primarily consist of the salaries and other benefits for general and administrative staff, office-related expenses, depreciation, and public company expenses.

Administrative expenses increased by approximately 12.2% from AUD\$8.3 million for the year ended 30 June 2024 to AUD\$9.4 million for the year ended 30 June 2025. This increase is mainly due to (i) the increase in employment expenses, (ii) the increase in lease-related expenses, and (iii) the increase in consulting services expenses.

Advertising and Marketing expenses

Advertising and marketing expenses primarily consist of salaries and other benefits for recruitment and marketing staff, advertising expenses, and student recruitment expenses.

Advertising and marketing expenses increased by approximately 8.8% from approximately AUD\$3.1 million for the year ended 30 June 2024 to approximately AUD\$3.4 million for the year ended 30 June 2025. The increase was primarily due to the increase in employment-related expenses.

Finance Costs

Finance costs represent the interest expense on the lease liabilities.

Finance costs decreased by approximately 1.2% from approximately AUD\$0.73 million for the year ended 30 June 2024 to approximately AUD\$0.72 million for the year ended 30 June 2025.

Profit for the Reporting Period

As a result of the above factors, the net profit for the year of the Group increased by approximately 74.3% from approximately AUD\$1.9 million for the year ended 30 June 2024 to approximately AUD\$3.3 million for the year ended 30 June 2025.

Capital Expenditure

Our capital expenditures for the year ended 30 June 2025 were approximately AUD\$0.7 million, consisting primarily of expenditures on (i) registration and other development, (ii) course development, (iii) plant and equipment, (iv) classroom equipment and office; and (v) teachers reference books.

Liquidity, Financial Resources and Gearing Ratio

As at 30 June 2025, the Group had cash on hand of approximately AUD\$49.1 million (30 June 2024: AUD\$44.1 million) with no bank borrowings (30 June 2024: nil). During the year ended 30 June 2025, the Group financed our working capital requirements and capital expenditures principally through net cash inflows from operating activities.

As at 30 June 2025, the gearing ratio, which is calculated on the basis of total borrowing and total equity of the Group was 0% (30 June 2024: 0%).

Foreign Exchange Risk Management

The functional currency of the Group is AUD. The majority of the Group's revenue and expenditures are denominated in AUD, except that certain expenditures are denominated in HK\$. As at 30 June 2025, certain bank balances and payables were denominated in USD and HKD. The Group did not use any financial instruments for hedging purposes. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure when the need arises.

Charges on the Group's Assets

There were no charges on the Group's assets as at 30 June 2025 and 2024.

Contingent Liabilities

The Group has given bank guarantees as at 30 June 2025 of AUD\$1,812,000 (2024: AUD\$1,914,000) to various landlords. The directors of the Company consider that the fair value of the bank guarantee is not significant and no loss allowance has been made in respect of the bank guarantee.

DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

Executive Directors

Dr. Rongning Xu, aged 38, is an executive Director and Chief Executive Officer (“CEO”) of the Company since March 2022, and is primarily responsible for the overall management, education and business development, and strategic planning of the Company. She has been president of the Company since 30 April 2021 and is primarily responsible for the overall management of higher education affairs, including but not limited to operations, risk management and compliance in all areas of the Group’s higher education provision.

Dr. Xu has over ten years of experience in the higher education industry. She joined the Company in June 2009 as a casual tutor and served in the role until October 2010, during which she was responsible for teaching and academic administration. From November 2010 to January 2012, Dr. Xu was employed by Nanjing Da Lve Industry Trade Co. Ltd, a company principally engaged in goods trading, as senior project manager. Dr. Xu then re-joined our Company as a lecturer from March 2012 and became an academic programs coordinator in August 2013. From September 2013 to December 2013, she served as co-director of the professional year program. From December 2013 to February 2016, Dr. Xu served as the acting director of business programs. She was then promoted to senior lecturer and associate dean of the business school in February 2016. Dr. Xu remained in those positions until she assumed the role of vice president (regulatory and compliance) of the Company from June 2017 to April 2021. Dr. Xu was appointed as an alternative Director to the late Dr. Minshen Zhu, founder of the Company, from 17 December 2018 to 28 April 2021. From 10 December 2021 to 21 March 2022, Dr. Xu was appointed as acting CEO of the Company. She was serving as acting CEO of SCOTS, a subsidiary of the Company, from 31 December 2021 to 2 December 2022.

Dr. Xu obtained a Bachelor of Financial Administration degree in April 2008 and a Master of Commerce (Accounting and Finance) degree from the University of New England in Australia in April 2009. Dr. Xu was admitted to full membership of CPA Australia in August 2013. In September 2014, she obtained a postgraduate certificate of higher education in learning and teaching from Macquarie University in Australia. Dr. Xu then obtained her Executive Doctorate in Business Administration (Highest Honour) at Université Paris Dauphine-PSL in September 2024.

Ms. Xing Shi Huang, aged 75, has served as a non-executive Director of the Company since 1 October 2021. She was re-designated as an executive Director of the Company since 1 October 2024, and is mainly responsible for supervising the administrative functions of the Group. Ms. Huang is the Deputy Chairperson and a member of the Nomination Committee of the Company.

Ms. Huang has extensive experience in recruiting students within international education industry in Australia and maintaining the relationship with frontline operations team. She was one of the first employees in the Company’s business when it was established in 2001. Ms. Huang served as the Company’s marketing manager between October 2001 and September 2014 and was responsible for managing student recruitment. From September 2014 to October 2018, she acted as the Company’s senior marketing manager and was responsible for developing, managing and maintaining relationships with recruitment agencies, university pathway partners and corporate partners. From October 2018 to September 2024, Ms. Huang has served as the Company’s senior administration manager and was primarily responsible for overseeing the fulfillment of ever-changing administrative needs to assist management to achieve operational goals.

Mr. Qingquan Yang, aged 58, re-joined the Company and has been serving as a non-executive Director since 16 March 2023. He was re-designated as an executive Director of the Company since 1 October 2024, and is primarily responsible for promoting and maintaining the collaboration opportunities and relationships in Greater China region.

Mr. Yang was a director at the Company between 2001 and 2009, and again from 2012 to 2017. Since 2017, Mr. Yang has acted as chairman of Billion Glory Group Holdings Limited, focussing on private asset management. Between 2006 and 2015, Mr. Yang served as vice president at Guangzhou Yihe Group Company Limited and managed its real estate development operations in the South-West region of the PRC. Mr. Yang also gained experience in the real estate sector through his role as chairman and general manager at Guangzhou Nantian Garden Real Estate Group Limited between 1995 and 2006, where he oversaw the development of real estate project.

Mr. Yang obtained a Bachelor of Civil Engineering from the Harbin Institute of Technology in China in 1992, and graduated with a Master in Business Administration from the Macau University of Science and Technology in 2004.

Non-executive Directors

Dr. Amen Kwai Ping Lee, aged 65, joined the Company as a Director in November 2001 and is a non-executive Director and a member of the Remuneration Committee of the Company.

Dr. Lee has over 30 years of experience in management. Dr. Lee is currently a chairman of Transways Group Pty Ltd, a company founded by him primarily engaged in the provision of logistics services. Dr. Lee was a managing director of Transways Group Pty Ltd, responsible for business and strategic development and business management from 1983 to June 2017.

Dr. Lee completed a Diploma of Competence in Freight Forwarding in Montreal, Canada, certified by the International Federation of Freight Forwarders Association in September 1993. Dr. Lee was conferred a Doctorate degree in Business and Administration by Westcliff University in the United States in December 2015.

Dr. Lee was appointed as an associate fellow of the Australian Institute of Management in May 1988 and was appointed as a justice of the peace of New South Wales in May 1989. He was awarded the medal of the Order of Australia in the General Division in Australia in January 2009.

Mr. Yi Dai, aged 37, has served as a non-executive Director since 24 June 2019.

Since May 2017, Mr. Dai has acted as the managing director of Xinjiang Guoli Minsheng Equity Investment Co., Ltd, an investment holding company and a substantial Shareholder, and is responsible for overseeing its equity and security investment activities. He served as Regional Account Manager of Howden BC Compressors, a company based in France which primarily engages in the design, manufacturing and servicing of compressors, between August 2011 and June 2015. From July 2015 to April 2017, Mr. Dai acted as the investment manager of, and then since May 2017 has become the general manager of UOB Investment (China) Limited, an investment subsidiary of United Overseas Bank Limited Co., and is responsible for overseeing its equity and security investment activities in China.

Mr. Dai has also served as a member of the investment committee of Unicom Innovation Capital since May 2019 and is responsible for overseeing its equity investment projects. Mr. Dai graduated with a Bachelor of Science from University of California in San Diego, United States in June 2008, and a Master of Business Administration from California State Polytechnic University in Pomona, United States in June 2011.

DIRECTORS AND SENIOR MANAGEMENT

Mr. Edward Chiang, aged 44, has served as a non-executive Director since 1 September 2020.

Since June 2017, Mr. Chiang has acted as the director of investor relations at Minsheng Education Group Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1569) and is responsible for developing and executing investor relations strategy, merger and acquisitions and corporate finance function. Mr. Chiang has acted as an independent non-executive director at FOLANGSI CO., LTD, a company listed on the Main Board of the Stock Exchange (stock code: 2499) since April 2023. Mr. Chiang acted as the corporate finance manager of Kingsway Capital Limited, a Hong Kong based financial services provider, and was responsible for execution of initial public offerings in Hong Kong and other corporate finance advisory transactions between January 2013 and January 2014. From January 2014 to June 2017, he served as senior manager, PRC operations of Town Health International Medical Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 3886), which primarily engages in healthcare business investments and provision and management of healthcare and related services.

Mr. Chiang graduated with a Bachelor of Arts (majoring in business law) from Macquarie University in Sydney, Australia in October 2005.

Independent non-executive Directors

Mr. Tianye Wang, aged 67, has served as an INED since 18 April 2018 and is the chairman of the Audit and Finance Committee and a member of the Remuneration Committee.

Mr. Wang has over 20 years of experience in management and financial services. Mr. Wang began his employment at the Beijing Branch of Bank of China, a financial institution providing financial services, in February 1981 and served as manager of the foreign currency loan department of the said Branch. He held various positions in companies listed on the Stock Exchange – from November 2004 to June 2012, he was executive director and CEO of Central China Real Estate Limited (stock code: 0832), a company principally engaged in residential property development; from September 2012 to March 2018, he was executive director of Top Spring International Holdings Limited (stock code: 3688), a company principally engaged in real-estate development. From September 2014 to September 2020, he was the independent non-executive Director of Henan Pinggao Electric Company Limited (stock code: 600312), a company listed on the Shanghai Stock Exchange. From June 2016 to March 2022, he was independent non-executive director of China Logistics Property Holdings Company Limited (stock code: 1589), a company principally engaged in premium logistics facilities.

Mr. Wang graduated with a diploma in international finance from the Renmin University School of Finance in July 1985 and obtained a master's degree in Applied Finance from the Macquarie University, Australia in April 1996. He was also admitted as a Senior Associate of the Australian Institute of Banking and Finance in April 1996.

Professor Steven Schwartz, aged 78, has served as an INED since 18 April 2018 and is a member of the Council. He is also the chairman of the Remuneration Committee and a member of the Audit and Finance Committee and Nomination Committee.

Professor Schwartz has over 20 years of experience in higher education. From 1996 to 2002, 2002 to 2005, and 2006 to 2012, Professor Schwartz served as vice chancellor of Murdoch University, Brunel University, and Macquarie University, respectively, where he was responsible for academic growth and development. From 2011 to 2013, he was the chairman of the Australian American Fulbright Commission, a foreign exchange scholarship programme in United States. From May 2013 to December 2017, he was the CEO of the Council for the Humanities, Arts and Social Sciences of Canberra in Australia. From June 2015 to May 2018, he was the chairman of the Australian Curriculum Assessment and Reporting Authority. From December 2018 to December 2019, Professor Schwartz was the consultant for Australian Government Department of Health.

DIRECTORS AND SENIOR MANAGEMENT

In 1991, Professor Schwartz was admitted as a fellow of the Academy of Social Sciences in Australia. He is currently an honorary senior fellow of the LH Martin Institute of the University of Melbourne, which is a national institute aiming to serve the tertiary education sector in Australia and New Zealand. He was awarded the Order of Australia in January 2013.

Professor Schwartz obtained his degree in Bachelor of Arts from the Brooklyn College of the City University of New York in June 1967. He then obtained his Master Degree in Psychology and his PhD from Syracuse University in New York in January 1970 and June 1971, respectively.

Mr. Jonathan Richard O'Dea, aged 59, has served as an INED since 15 February 2023 and is the chairman of the Nomination Committee and a member of the Audit and Finance Committee. Mr. O'Dea has been appointed as chairperson of the Risk and Compliance Committee with effect from 18 November 2024. He held a number of senior leadership roles across private and public sectors in Australia. From 2007 to 2023, Mr. O'Dea was a member of the NSW Parliament, serving local constituents and contributing to policy and reform initiatives. While a Member of Parliament, Mr. O'Dea also served as Speaker of the NSW Parliament from 2019 to 2023. As Speaker, Mr. O'Dea chaired the NSW Legislative Assembly and the NSW Parliament Presiding Officer and Executive Group, and served as an international representative with the Commonwealth Parliamentary Association.

Prior to joining the NSW Parliament, he had executive and non-executive director roles in the insurance sector.

Mr. O'Dea obtained a Bachelor of Arts and Laws from the University of Sydney in 1989, a Graduate Diploma of Legal Practice from the NSW College of Law in 1990, a Master of Laws from the University of Sydney in 1994 and a Master of Business Administration from Deakin University in Australia in 2002. In 2009, he was awarded an Advanced Diploma with Order of Merit from the Australian Institute of Company Directors.

Professor Dominic Robert Beresford Verity, aged 59, has served as an independent non-executive Director since 2 December 2024. He is currently an external member and Chair of the Academic Board of the Company's Australian National Institute of Management and Commerce, and a member of the Risk and Compliance Committee. He is also currently a Professor at the Mathematical Sciences Institute of Australian National University; and an Emeritus Professor of the School of Mathematical and Physical Sciences of Macquarie University.

Professor Verity has extensive experience and knowledge in the field of mathematics and computer science. He started his computational career in the early 1980s as a software developer and computer programmer for Acorn Computers Limited (now ARM Limited), which invented the ARM microprocessor. From 1993 to 2000, he worked in the investment banking industry as a quantitative analyst in equity derivatives, securities valuation and hedging for Deutsche Bank Australia and as the Head of Equity Derivatives Trading for HSBC Securities Australia.

Professor Verity then returned to academia and served 20 years as an educator, mathematics researcher and professor in the Division of Information and Communication Sciences (now the Faculty of Science and Engineering) of Macquarie University, as well as in various executive positions with Macquarie University, and has acquired in-depth experience and understanding of the governance and administration of universities and higher education systems. He has served as an executive member of the Division of Information and Communication Sciences of Macquarie University from 2001 to 2007, responsible for business development and operational administration of its postgraduate programs. He also served for more than 10 years as an elected member of the Academic Senate of Macquarie University, including as a member of the Academic Program Committee from 2003 to 2007, responsible for standards and quality oversight of postgraduate programs throughout Macquarie University, and as the Chair of the Learning and Teaching Committee from 2011 to 2014. Ultimately, he was elected as Chair of the Academic Senate, responsible for the overall leadership of the academic governance of Macquarie University, in which capacity he was also an ex officio member of the University Council, the governing body of Macquarie University.

DIRECTORS AND SENIOR MANAGEMENT

Professor Verity also holds a number of awards, and his contributions to the academic field of mathematics and computer science have been well recognised, including the Vice-Chancellor's Award for Teaching Excellence issued by Macquarie University, the National Citation for Outstanding Contribution to Student Learning "for a decade of inspirational and innovative educational leadership in the field of information technology" issued by the Australian Learning and Teaching Council, and was the winner of the Professional and Scholarly Excellence (PROSE) Award in the Mathematics and Statistics category issued by the Association of American Publishers for the book "The Elements of ∞ -Category Theory".

Professor Verity is an alumnus of Fitzwilliam College, Cambridge University from which he graduated with a Bachelor of Science (BSc) in Mathematics with double first-class honours in 1987, was awarded the Part III Mathematics (equivalent to a Masters degree) with distinction in 1988, and completed his Doctor of Philosophy in Mathematics in 1992.

Changes to Directors' Information

Save as disclosed herein, the Directors confirm that in relation to their profile, no information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Senior Management

Dr. Rongning Xu's biography can be referred to in the section headed "Executive Directors" in this report.

Ms. Yan Li Yu, aged 62, has been our Vice President (Internal Affairs) since 2015. She is primarily responsible for managing our internal affairs, including finance and accounting, human resources and administration aspects.

Ms. Yu has extensive experience in corporate and internal affairs of the Company since joining the Company in 2002 as one of the first employees. She was Senior manager of Finance, Administration and Human Resources from 2011 to 2015, and has been overseeing these matters ever since.

Ms. Yu obtained a Master of Commerce in Professional Accounting from the University of New South Wales in 2003. She was also admitted to full membership of CPA Australia in 2007 and became the Fellow of CPA Australia in 2017.

Company Secretary

Ms. Min Ying, aged 38, has served as the company secretary of the Company since April 2017.

Ms. Ying joined the Company in July 2013 as a tutor of TOP and served in this role till December 2013. Since December 2013, Ms. Ying was employed by a firm of chartered accountants as a manager where she was responsible for matters in relation to accountancy services. Ms. Ying re-joined the Company in July 2014 as accountant of the Company and was appointed as the IPO project manager in December 2016, where she was responsible for IPO project coordination and analysis of the performance of education companies in various equity markets.

Ms. Ying is an associate member of both the Governance Institute of Australia and the Chartered Governance Institute, formally known as Institute of Chartered Secretaries and Administrators. Ms. Ying obtained her Bachelor of Engineering degree from the Chinese University of Hong Kong in December 2009 and her Master of Accounting (CPA Extension) degree from Macquarie University in Australia in 2012. In January 2017, she was admitted to full membership of CPA Australia.

REPORT OF THE DIRECTORS

Registration and Listing

The Company was registered in New South Wales, Australia under the Corporations Act with limited liability on 2 October 2001. The Company's shares were successfully listed on the Main Board of the Stock Exchange on 11 May 2018.

Principal Activities

The Group is principally engaged in providing private higher education services and English language courses in Australia. The Group includes one subsidiary in Australia and one subsidiary in China which were set up in 2019, and there were no significant changes in the nature of the Group's principal activities since then.

Results and Business Review

The results of the Group for the year ended 30 June 2025 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 112 of this annual report.

A review of the business of the Group during the year and its future development and outlook, important events affecting the Group occurred during the year ended 30 June 2025 and an analysis of the Group's financial performance, and key relationships with stakeholders as required under Schedule 5 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) are set out in the sections headed "Chairperson's Statement", "Management Discussion and Analysis" and "Environmental, Social and Governance Report" of this annual report and which also constitute part of this report.

A summary, in the form of a comparative table, of the published results and of the assets and liabilities of the Group for the last five financial years, as extracted from the Group's audited consolidated financial statements, is set out in the section headed "Financial Summary" on page 171 of this annual report.

Principal Risks and Uncertainties

The principal risks and uncertainties for the Group include the followings:

- The Group's business is heavily dependent on the market recognition of the brand and reputation. If the Group is unable to maintain or sustain its brand reputation and recognition, it may adversely affect the Group's financial condition, results of operations and growth prospects.
- As a higher education provider in Australia with international students, the Group is subject to periodic registration requirements which are valid for a limited period, and it must undergo extensive reviews in accordance with the regulatory requirements to obtain registration renewals.
- The Group's business operations are subject to varying legislation, regulations and government policies particularly relating to education and immigration both in Australia and overseas countries/regions.
- The Group's business and results of operations heavily depend on the number of students it may admit, which in turn is subject to the capacity approved from the regulatory authorities and the international education market in Australia.
- The Group's business is dependent on the level of tuition fees it is able to charge and our ability to maintain and raise tuition fees.
- The Group's growth strategies included expanding academic and non-academic education and training provision in Australia and overseas which may not be able to be successfully executed.

REPORT OF THE DIRECTORS

Dividend

The Board recommends the payment of a final dividend of HK0.6 cents per ordinary share for the year ended 30 June 2025 (2024: HK0.2 cents).

Subject to the Shareholders' approval of the recommended distribution at the forthcoming AGM, the final dividend will be paid on or about Tuesday, 16 December 2025 to the Shareholders whose names appear on the register of members of the Company on Monday, 8 December 2025.

Annual General Meeting

The forthcoming AGM will be held on Thursday, 27 November 2025. A notice convening the AGM and all other relevant documents will be published and dispatched to the Shareholders who requested the printed copy.

Closure of Register of Members

For determining the entitlement to attend and vote at the forthcoming AGM to be held on Thursday, 27 November 2025, the register of members of the Company will be closed from Monday, 24 November 2025 to Thursday, 27 November 2025, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Friday, 21 November 2025. The record date will be Thursday, 27 November 2025.

For determining the entitlement to receive the final dividend, the register of members of the Company will be closed by the Company from Thursday, 4 December 2025 to Monday, 8 December 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. All share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Wednesday, 3 December 2025.

Share Capital

Details of changes during the year in the share capital of the Company are set out in note 24 to the consolidated financial statements.

Property, Plant and Equipment

Details of movements in property, plant and equipment of the Group during the year ended 30 June 2025 are set out in note 13 to the consolidated financial statements.

Distributable Reserves of the Company

Details of movements in the retained profits of the Company during the year ended 30 June 2025 are set out on page 114 of this annual report.

As at 30 June 2025, the Company's reserves available for distribution, calculated in accordance with the provisions of section 254T and 588G of the Corporations Act, amounted to AUD\$17.9 million.

Directors

The Directors during the year ended 30 June 2025 and up to the date of this report are:

Executive Directors:

Dr. Rongning Xu (*CEO*)
Ms. Xing Shi Huang (*Deputy Chairperson*)
Mr. Qingquan Yang

Non-executive Directors:

Dr. Amen Kwai Ping Lee (*Chairperson*)
Mr. Yi Dai
Mr. Edward Chiang

Independent non-executive Directors:

Professor Steven Schwartz
Mr. Tianye Wang
Mr. Jonathan Richard O'Dea
Professor Dominic Robert Beresford Verity

Pursuant to code provision B.2.2, Part 2 of the CG Code contained in Appendix C1 to the Listing Rules, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Accordingly, it was determined by the Board that Dr. Rongning Xu, Mr. Yi Dai and Mr. Tianye Wang shall retire by rotation at the forthcoming AGM and, being eligible, would offer themselves for re-election at the forthcoming AGM.

Pursuant to Article 18.4 of the Constitution, any person appointed by the Directors to fill a casual vacancy on or as addition to the Board shall hold office only until the next following AGM and shall then be eligible for re-election. Accordingly, Professor Dominic Robert Beresford Verity shall be subject to re-election at the forthcoming AGM.

Directors' Biographies

Biographical details of the Directors are set out on pages 12 to 16 of this annual report.

Directors' Service Contracts and Letter of Appointment

Each of the executive Directors has entered into a service contract with the Company for an initial term of three years commencing from the date of his/her appointment/redesignation as an executive Director which may only be terminated in accordance with the provisions of the service contract or by (i) the Company giving to any executive Director not less than three months' prior notice in writing or (ii) any executive Director giving to the Company not less than three months' prior notice in writing.

Each of the non-executive Directors has entered into an appointment letter with the Company for an initial period of three years commencing from the date of his/her appointment/redesignation as a non-executive Director which may only be terminated in accordance with the provisions of the service contract or by (i) the Company giving to any non-executive Director not less than three months' prior notice in writing or (ii) any non-executive Director giving to the Company not less than three months' prior notice in writing.

REPORT OF THE DIRECTORS

Each of the INEDs has entered into an appointment letter with the Company for an initial period of three years commencing from the date of his/her appointment/redesignation as an INED which may only be terminated in accordance with the provisions of the service contract or by (i) the Company giving to any INED not less than one month's prior notice in writing or (ii) any INED giving to the Company not less than one month's prior notice in writing.

Save as aforesaid, no Director proposed for re-election at the AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than normal statutory compensation.

None of the Directors had any interests in any business which competes or is likely to compete, directly or indirectly, with the business of the Company.

Independence of INED

The Company has received annual confirmations of independence from each of the INEDs, pursuant to Rule 3.13 of the Listing Rules. The Company considers them to be independent.

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2025, the interests and short positions of the Directors and chief executive of the Company in the share capital and underlying shares and debentures of the Company (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director/Chief Executive	Capacity/Nature of interest	Number of Shares and Underlying Shares ⁽¹⁾	Approximate % of Shareholding in the Company ⁽²⁾
Dr. Rongning Xu	Beneficial owner	7,294,274 ⁽³⁾	0.29%
Ms. Xing Shi Huang	Executor or administrator	348,826,000 ⁽⁴⁾	14.31%
Dr. Amen Kwai Ping Lee	Beneficial owner	150,302,000	6.16%
Professor Steven Schwartz	Beneficial owner	3,872,000	0.15%
Mr. Qingquan Yang	Beneficial owner ⁽⁵⁾ ; interest in controlled corporation ⁽⁵⁾	365,764,000	15.01%

Notes:

- (1) All interests stated are long positions.
- (2) The calculation is based on the total number of 2,436,394,000 Shares in issue as at 30 June 2025.
- (3) This represents Dr. Rongning Xu's entitlement to receive up to 1,294,274 Shares pursuant to the exercise of options granted to her under the Share Option Scheme, subject to the conditions (including vesting conditions) of those options, and the entitlement to receive up to 6,000,000 Shares pursuant to the exercise of Awarded Shares granted to her under the Share Award Scheme, subject to the conditions (including vesting conditions) of those Awarded Shares.
- (4) Ms. Xing Shi Huang is the widow of the late Dr. Zhu, who beneficially owned 228,506,000 Shares and the entitlement to receive up to 120,320,000 Shares pursuant to the exercise of performance rights granted to Dr. Zhu under the Pre-IPO Performance Rights Plan. Such Shares and entitlement form part of Dr. Zhu's estate. Pursuant to letters of administration granted by the Supreme Court of New South Wales on 24 January 2022, Ms. Huang was appointed as administrator of Dr. Zhu's estate. As such, Ms. Huang is deemed to be interested in the 348,826,000 Shares within the meaning of Part XV of the SFO.
- (5) Mr. Qingquan Yang directly holds 153,862,000 Shares and Billion Glory, which is wholly-owned by Mr. Yang, directly holds 211,902,000 Shares. Accordingly, Mr. Yang is deemed to be interested in 211,902,000 Shares held by Billion Glory by virtue of the disclosure requirements of the SFO.

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executives of the Company had registered an interest or short position in the shares, underlying shares or debentures of the Company that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Rights to Acquire Shares or Debentures

Save for the Pre-IPO Performance Rights and the share options granted to certain Directors, at no time during the year was the Company a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

REPORT OF THE DIRECTORS

Substantial Shareholders' Interests and Short Positions In Shares and Underlying Shares

As at 30 June 2025, so far as the Directors are aware, the following persons (other than Directors or chief executives of the Company) or corporations have interests or short positions in the Shares and the underlying Shares of the Company which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO:

Name of Shareholder	Nature of Interest	Position	Number of Shares	Approximate percentage ⁽¹⁾
Ms. Shuling Chen	Interest of a spouse ⁽²⁾	Long	365,764,000	15.01%
Billion Glory	Beneficial owner	Long	211,902,000	8.69%
Tristar United	Beneficial owner	Long	150,002,000	6.15%
Ms. Josephine Kam Shan Lam	Interest of a spouse ⁽³⁾	Long	150,302,000	6.16%
Guoli Minsheng	Beneficial owner	Long	351,180,000	14.41%
PwC Australia	Beneficial owner ⁽⁴⁾	Long	264,708,000	10.86%
Minsheng Education Group	Interest in a controlled corporation ⁽⁵⁾	Long	209,000,000	8.57%
Mr. Jian Ying Hang	Interest in a controlled corporation ⁽⁶⁾	Long	351,180,000	14.41%
Mr. Qiu Wen Lu	Interest in a controlled corporation ⁽⁶⁾	Long	351,180,000	14.41%

Notes:

- (1) The calculation is based on the total number of 2,436,394,000 Shares in issue as at 30 June 2025.
- (2) Ms. Shuling Chen is the spouse of Mr. Qingquan Yang and is deemed to be interested in the shareholding interests of Mr. Yang by virtue of the disclosure requirements of the SFO.
- (3) Ms. Josephine Kam Shan Lam is the spouse of Dr. Amen Kwai Ping Lee and is deemed to be interested in the shareholding interests of Dr. Lee by virtue of the disclosure requirements of the SFO.
- (4) PwC Nominees is the registered owner of the Shares and holds the Shares as a bare trustee for PwC Australia as the sole beneficiary of a trust under a trust arrangement between PwC Nominees and PwC Australia. Accordingly, PwC Australia is deemed to be interested in 264,708,000 Shares held by PwC Nominees as nominee and bare trustee by virtue of the disclosure requirements of the SFO.
- (5) Minsheng Education Group is the sole shareholder of Minsheng Development which directly holds 209,000,000 Shares, and accordingly, Minsheng Education Group is deemed to be interested in 209,000,000 Shares held by Minsheng Development by virtue of the disclosure requirements of the SFO.
- (6) Mr. Jian Ying Hang and Mr. Qiu Wen Lu jointly hold approximately 55.09% in Guoli Minsheng and Guoli Minsheng directly holds 351,180,000 Shares. Accordingly, Mr. Jian Ying Hang and Mr. Qiu Wen Lu are deemed to be interested in 351,180,000 Shares held by Guoli Minsheng by virtue of the disclosure requirements of the SFO.

Pre-IPO Performance Rights Plan, Share Option Scheme and Share Award Scheme

The Company has adopted Pre-IPO Performance Rights Plan, Share Option Scheme and Share Award Scheme for the purpose of motivating eligible participants to optimise their future contributions to the Company and/or to reward them for their past contributions.

Pre-IPO Performance Rights Plan

The Pre-IPO Performance Rights Plan is not a share option scheme and is not subject to the provisions of Chapter 17 of the Listing Rules.

The following is a summary of the principal terms of the Pre-IPO Performance Rights Plan the Company adopted on 8 June 2017:

Purposes of the Pre-IPO Performance Rights Plan

The Pre-IPO Performance Rights Plan creates a long-term incentive framework aimed at creating a stronger link between the Company and the Eligible Persons (defined below), whilst increasing Shareholder value.

Performance Rights

A performance right under the Pre-IPO Performance Rights Plan ("Pre-IPO Performance Right(s)") gives an Eligible Person (defined below) the right to, subject to the absolute discretion of the Board and to the terms of the Pre-IPO Performance Rights Plan, including but not limited to satisfaction of any vesting conditions, acquire Shares notified to the Eligible Person by the Company or to receive a cash payment in lieu of a Share.

The Board may decide, in its absolute discretion, to substitute the issue, transfer or allocation of Shares on the exercise of Pre-IPO Performance Rights, for the payment to the Pre-IPO Performance Rights Participants (defined below) of a cash amount calculated in accordance with the following formula:

$$\text{Number of Pre-IPO Performance Rights} \times \text{Market Value of a Share on the Exercise Date of the Pre-IPO Performance Rights}$$

Pre-IPO Performance Rights participants in the Pre-IPO Performance Rights Plan

A participant of the Pre-IPO Performance Rights Plan ("Pre-IPO Performance Rights Participants") means any person in respect of whom an offer to participate in the Pre-IPO Performance Rights Plan is accepted and includes:

- (a) any employee, director or member of the Council of one or more members of the Company and its subsidiaries selected by the Board in its absolute discretion to participate in the Pre-IPO Performance Rights Plan ("Eligible Persons"); and
- (b) in relation to an Eligible Person, a body corporate who is:
 - (i) an entity controlled by the Eligible Person ("controlled" has the corresponding meaning of "control" as defined in section 50AA of the Corporations Act); or
 - (ii) any other entity as the Board may determine in its absolute discretion ("Affiliates").

REPORT OF THE DIRECTORS

Administration of the Pre-IPO Performance Rights Plan

The Pre-IPO Performance Rights Plan is to be administered by the Board. The Board may make further provisions for the operation of the Pre-IPO Performance Rights Plan which are consistent with the clauses in the Pre-IPO Performance Rights Plan.

Offer of Performance Rights

From time to time, the Company may make an offer to participate in the Pre-IPO Performance Rights Plan to an Eligible Person or their Affiliate. An offer to an Eligible Person or their Affiliate to apply for Pre-IPO Performance Rights may be made on such terms and conditions as the Board decides from time to time, and the Board shall have the power, in its sole discretion to:

- (a) determine the number of Pre-IPO Performance Rights the subject of the offer;
- (b) approve or not approve any Affiliate;
- (c) determine the exercise price (if any) to exercise the Pre-IPO Performance Rights and be issued, transferred or allocated Shares subject to the Pre-IPO Performance Rights Plan;
- (d) determine the vesting, disposal and forfeiture restrictions that apply to those Pre-IPO Performance Rights;
- (e) determine the manner in which the offer may be accepted;
- (f) amend any offer related to any Pre-IPO Performance Rights;
- (g) determine appropriate procedures, regulations and guidelines for the administration of the Pre-IPO Performance Rights Plan;
- (h) determine whether a cash payment will be payable to a Participant in lieu of a Share being issued, transferred or allocated; and
- (i) take advice in relation to the exercise of any of its powers or discretions under these clauses.

The offer to an Eligible Person or their Affiliate must be accompanied by an application form. The Company may require from the relevant Eligible Person or Affiliate: (aa) any information that it regards as necessary concerning the Eligible Person or Affiliate; and (bb) confirmation that any information previously provided by the Eligible Person or Affiliate to the Company still remains true and correct in all material respects.

Acceptance of offer

On receipt of an offer, the Eligible Person to whom the offer was addressed (or a nominated Affiliate) may apply for the number of Pre-IPO Performance Rights described in that offer by sending to the person designated by the Company a duly completed and signed application form in accordance with the offer and Pre-IPO Performance Rights Plan.

Rights attached to Pre-IPO Performance Rights

An offer will be in respect of a single grant of Pre-IPO Performance Rights and does not entitle an Eligible Person or an Affiliate of an Eligible Person to participate in any subsequent grants.

A Pre-IPO Performance Right does not confer on an Eligible Person, an Affiliate of an Eligible Person or a Pre-IPO Performance Right holder:

- (a) any voting rights in respect of Shares or in respect of any other equity securities of the Company;
- (b) the right to participate in new issues of Shares or other equity securities of the Company;
- (c) the right to attend or vote at any general meeting or other meeting of holders of any Shares or other equity securities of the Company;
- (d) the right to receive any dividends or other distributions or to receive or otherwise participate in any returns of capital from the Company; or
- (e) the right to participate in a liquidation or winding up of the Company.

Rights attached to the Shares

All Shares issued or transferred on exercise of Pre-IPO Performance Rights in accordance with the Pre-IPO Performance Rights Plan will (i) be issued as fully paid; (ii) be free of any security interests; and (iii) rank equally in all respects with the other Shares on issue in the Company as at the date of issue and be subject to the terms of the Constitution, Shareholders agreement (if any) and the Pre-IPO Performance Rights Plan.

Vesting

An offer may specify any (i) vesting conditions; or (ii) other vesting events, which must be satisfied before a Pre-IPO Performance Right vests ("Vesting Conditions"). The Board may, in its absolute discretion, determine any: (i) Vesting Conditions; or (ii) other vesting events, or (iii) may waive any vesting conditions or events in its sole discretion, in respect of any Pre-IPO Performance Right. A Pre-IPO Performance Right will only vest on the occurrence or satisfaction of the Vesting Conditions or other vesting events specified in respect of that Pre-IPO Performance Right.

Lapse of Pre-IPO Performance Rights

An unvested Pre-IPO Performance Rights shall lapse immediately upon the following events:

- (a) if a Trigger Event (defined below) occurs in relation to a Pre-IPO Performance Right holder (or related Eligible Person), who is a Bad Leaver (defined below);
- (b) if a Trigger Event (defined below) occurs in relation to a Pre-IPO Performance Right holder (or related Eligible Person), who is a Good Leaver (defined below), unless the Board in its absolute discretion serves a notice in writing within 30 days of the Trigger Event on the Pre-IPO Performance Rights Participant ("Non-Lapse Notice"), advising the Pre-IPO Performance Rights Participant that all or any of his or her unvested Pre-IPO Performance Rights have not lapsed;
- (c) where in the opinion of the Board in its absolute discretion any of the following occurs:
 - (i) the Pre-IPO Performance Rights Participant acts, or has acted, fraudulently or dishonestly; or
 - (ii) the Pre-IPO Performance Rights Participant is in material breach of any of his or her duties or obligations to the Company or its related bodies corporate under the rules of the Pre-IPO Performance Rights Plan or otherwise; or
 - (iii) an event has occurred which in the Board's absolute discretion would result in the Participant obtaining an inappropriate benefit if the rights of the Company under this clause are not exercised.

REPORT OF THE DIRECTORS

The Company may also require Pre-IPO Performance Rights to be exercised or lapse if a Liquidity Event (defined below) is to occur, if:

- (a) the Company expects a Liquidity Event (defined below) to occur; or
- (b) a Liquidity Event (defined below) whether or not anticipated by the Company does occur, and in such circumstances the Company may, by notice to all Pre-IPO Performance Right holders, require that all outstanding performance either be exercised:
 - (i) on or before the Exit Date (defined below) pertaining to the relevant Liquidity Event; or
 - (ii) in the case of an unanticipated Liquidity Event, a date after the Exit Date for that event, or if they are not exercised to lapse on a date specified by the Board in its absolute discretion.

For the purpose of the Pre-IPO Performance Rights Plan:

- (a) "Exit Date" means each of:
 - (i) in respect of an IPO, the date of admission of the Company or a special purpose vehicle formed for the purpose of a Listing which directly or indirectly (including through one or more interposed entities) owns at least 50 per cent of the capital of the Company, to the official list of ASX Limited or any other recognised stock exchange;
 - (ii) in respect of a Share Sale, the date on which the parties complete the sale and purchase of the Shares; or
 - (iii) in respect of a Business Sale, the date of the first distribution to Shareholders arising from the Business Sale.
- (b) "Bad Leaver" means an Eligible Person whose employment or engagement with the Company or member of the Company due to the termination of employment or engagement or vacation of office of such Eligible Person where such Eligible Person:
 - (aa) is engaged in serious or wilful misconduct; or
 - (bb) is or has been seriously negligent in the performance of their duties; or
 - (cc) committed a serious breach of their employment contract; or
 - (dd) committed an act, whether at work or otherwise, which brings the Company into disrepute; or
 - (ee) has been convicted of an offence punishable by imprisonment; or
 - (ff) are as a result of circumstances other than those set out in the definition of "Good Leaver".
- (c) "Good Leaver" means the employment or engagement of an Eligible Person with the Company ceases as a result of circumstances other than those set out in the definition of "Bad Leaver"; or the Board in its absolute discretion determines the participant to be a Good Leaver.
- (d) "Liquidity Event" means
 - (i) an initial public offering of a member of the Company or its subsidiary ("Group") or a special purpose vehicle formed for the purpose of a listing which directly or indirectly (including through one or more interposed entities) owns at least 50 per cent of the capital of the Company to the official list of the ASX Limited or any other recognised stock exchange ("IPO");

- (ii) a sale to a third party purchaser of all (or substantially all) of the assets and business undertaking of the Company (including by way of a sale of Shares of the Company's subsidiaries) provided that no sale or transfer undertaken to effect a corporate reorganisation of the Company will constitute a Business Sale ("Business Sale"); or
 - (iii) a sale by Shareholders (in one transaction or a series of connected transactions) to a third party purchaser of all of the issued Shares provided that no sale or transfer undertaken to effect a corporate reorganisation of the Company will constitute a Share Sale ("Share Sale").
- (e) "Trigger Event" means when an Eligible Person whose employment with the Company or members of the Company ceases.

Cancellation of Pre-IPO Performance Rights and suspension and cancellation of the plan

The Board may, in its absolute discretion on a Liquidity Event, cancel some or all of the Pre-IPO Performance Rights (whether vested or not) in exchange for their market value in accordance with the Pre-IPO Performance Rights Plan. The Board may also from time to time suspend the operation of the Pre-IPO Performance Rights Plan and may at any time cancel the Pre-IPO Performance Rights Plan. The suspension or cancellation of the Pre-IPO Performance Rights Plan must not prejudice any existing rights of Pre-IPO Performance Rights Participants.

Reorganisation events

"Reorganisation Event" means any one or more of the following:

- (a) a distribution of cash or securities by way of a return of capital;
- (b) a bonus issue of Shares by the Company;
- (c) a share split, consolidation or other similar action in respect of the share capital of the Company; or
- (d) any other internal reorganisation, recapitalisation, reclassification or similar event with respect to the share capital of the Company.

Subject to this paragraph, the Pre-IPO Performance Rights Plan continues to apply in full force and effect despite any Reorganisation Event. If any Reorganisation Event occurs before all Pre-IPO Performance Rights capable of vesting in favour of the Pre-IPO Performance Right holder have vested in favour of that Pre-IPO Performance Right holder, the Company will procure that the terms of the Pre-IPO Performance Rights Plan are varied in such a way as determined by the Board in its absolute discretion, which neither disadvantages nor advantages that Pre-IPO Performance Right holder nor adversely affects the rights of the other holders of Shares, to account for the effect of the Reorganisation Event. Each Pre-IPO Performance Right holder and Eligible Person agrees to any such variations to the Pre-IPO Performance Rights Plan.

Alteration or amendment to the Pre-IPO Performance Rights Plan

The Pre-IPO Performance Rights Plan may be amended from time to time by resolution of the Board subject to the requirements of the Corporations Act from time to time. Any such amendment however, must not adversely affect the rights of Pre-IPO Performance Rights Participants or Pre-IPO Performance Right holders in respect of Pre-IPO Performance Rights granted prior to such amendment without the consent of those Participants and Pre-IPO Performance Right holders (as applicable), unless such amendment is required by, or necessitated by law, the Corporations Act, or any clauses of any other recognised stock exchange, any other relevant law or to address potential adverse tax implications affecting the Pre-IPO Performance Rights Plan arising from changes to laws relating to taxation, the interpretation of laws relating to taxation by the relevant governmental authorities (including the release of any ruling), courts or tribunals.

REPORT OF THE DIRECTORS

Pre-IPO Performance Rights Granted under the Pre-IPO Performance Rights Plan

Movements in the Pre-IPO Performance Rights granted under the Pre-IPO Performance Rights Plan during the year are as follows:

Grantee	Balance as at 1 July 2024 (number of underlying Shares)	Granted during the Year	Exercised during the Year	Lapsed/ cancelled during the Year	Balance at 30 June 2025 (number of underlying Shares)
Directors					
Dr. Minshen Zhu (deceased) (ceased on 28 April 2021)	120,320,000	–	–	–	120,320,000
Council Members					
Prof. Stephen Nicholas	2,066,000	–	–	–	2,066,000
Prof. John Hearn (deceased) (appointed as an INED and ceased as an INED on 1 November 2024 following his passing away)	2,066,000	–	–	–	2,066,000
Dr. Le Ma	462,000	–	–	–	462,000

As disclosed in the Company's announcement dated 30 April 2021, Dr. Minshen Zhu passed away on 28 April 2021. Pursuant to the Pre-IPO Performance Rights Plan Rules (as modified by the offer letter from the Company to Dr. Zhu dated 10 June 2017), Dr. Zhu was considered to be a Good Leaver. The Board has determined to issue a Non-Lapse Notice on 27 May 2021 that all of Dr. Zhu's unvested Pre-IPO Performance Rights as of the date of the Non-Lapse Notice, being 60,160 Pre-IPO Performance Rights (equivalent to 120,320,000 Shares upon the full exercise of such rights), have not lapsed and all Vesting Conditions in respect of such rights are deemed to have been satisfied. Such rights form part of Dr. Zhu's estate.

The Pre-IPO Performance Rights granted to the grantees other than Dr. Minshen Zhu will be vested during a 3-year period, during which 33% of the total rights will be vested in each year. The grantee may exercise in whole or in part of all vested Pre-IPO Performance Rights at any time during the 15 years commencing from the date the Pre-IPO Performance Rights were issued.

The grantees of the performance rights granted under the Pre-IPO Performance Rights Plan above is/are not required to pay for the grant of any performance rights under the Pre-IPO Performance Rights Plan.

Save and except as disclosed above, no other rights have been granted or agreed to be granted by the Company under the Pre-IPO Performance Rights Plan.

Share Option Scheme

The following is a summary of the principal terms of the Share Option Scheme adopted under the written resolutions of the Shareholders of the Company passed on 18 April 2018:

Purpose

The purpose of the Share Option Scheme is to enable the Company to grant options to selected participants as incentives or rewards for their contribution to the Company or its subsidiaries ("Group").

Who may join

The Directors may, at their absolute discretion, invite any person belonging to any of the following classes of participants ("Participant"), to take up options to subscribe for Shares:

- (a) any employee or proposed employee (whether full-time or part-time and including any executive Director), consultants or advisers of or to the Company, any of its subsidiaries or any entity ("Invested Entity") in which the Group holds an equity interest;
- (b) any non-executive Directors (including INEDs), any of the subsidiaries or any Invested Entity;
- (c) any Council member of the Company;
- (d) any supplier of goods or services to any member of the Group or any Invested Entity;
- (e) any customer of the Group or any Invested Entity;
- (f) any person or entity that provides research, development or other technological support to the Group or any Invested Entity; and
- (g) any Shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity.

For the purposes of this Scheme, the options may be granted to any company wholly-owned by one or more persons belonging to any of the above classes of Participants. For the avoidance of doubt, (i) the Company has no obligation to make any offer to any Participant and/or to accept any acceptance of the offer by any Participant if to do so would require the Company to issue a disclosure document under Chapter 6D of the Corporations Act or a product disclosure statement under Chapter 7 of the Corporations Act or any applicable laws, and (ii) the grant of any options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of Participants shall not, by itself, unless the Directors otherwise determine, be construed as a grant of option under this Scheme.

The basis of eligibility of any of the above classes of participants to the grant of any options shall be determined by the Directors from time to time on the basis of the participants' contribution to the development and growth of the Group. In order for a person to satisfy the Directors that he is qualified to be (or where applicable, continues to qualify to be) a participant, such person shall provide all such information as the Directors may request for the purpose of assessing his eligibility (or continuing eligibility).

Maximum number of Shares

- (a) The maximum number of Shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group must not in aggregate exceed 30% of the Company's issued share capital from time to time. No options may be granted under any schemes of the Company or the subsidiaries of the Company if such grant will result in the maximum number being exceeded.
- (b) As at 30 June 2018, the total number of Shares which may be issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes of the Group) must not in aggregate exceed 10% of the total number of Shares in issue at the time dealings in the Shares first commence on the Stock Exchange (excluding the Shares which may be issued pursuant to the exercise of the options that may be granted under the Share Option Scheme) which amounts to 251,342,800 Shares (the "General Mandate Limit").

REPORT OF THE DIRECTORS

- (c) Subject to (b) above and without prejudice to (d), the Company may issue a circular to its Shareholders in compliance with Rule 17.03B, Rule 17.03C and Rule 17.06 of the Listing Rules and/or such other requirements as prescribed in the Listing Rules and seek approval of its Shareholders in general meeting to refresh the General Mandate Limit provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group must not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit and for the purpose of calculating the limit, options (including those outstanding, cancelled or lapsed in accordance with the Share Option Scheme or exercised options) previously granted under the Share Option Scheme and any other share option schemes of the Group will not be counted. As at 30 June 2025, the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group must not exceed 251,342,800 Shares.
- (d) Subject to (a) above and without prejudice to (c) above, the Company may issue a circular to its Shareholders in compliance with Rule 17.03B, Rule 17.03C and Rule 17.06 of the Listing Rules and/or such other requirements as prescribed in the Listing Rules and seek separate Shareholders' approval in general meeting to grant options beyond the General Mandate Limit or, if applicable, the refreshed limit referred to in (c) above to participants specifically identified by the Company before such approval is sought.

Maximum entitlement of each participant and connected persons

- (a) Unless approved by the Shareholders, the total number of Shares issued and to be issued upon exercise of all outstanding options granted under the Share Option Scheme and any other share option schemes of the Group (including both exercised and outstanding options) to each participant in any 12-month period must not exceed 1% of the Shares in issue (the "Individual Limit").
- (b) Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to the Shareholders in compliance with Rule 17.03D and Rule 17.06 of the Listing Rules and/or such other requirements as prescribed in the Listing Rules and the approval of the Shareholders in general meeting with such participant and his close associates (or his associates if the participant is a connected person) abstaining from voting. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before the Shareholders' approval and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under Rule 17.03E of the Listing Rules.
- (c) In addition to the Shareholders' approval set out in Rule 17.03B, Rule 17.03C and Rule 17.03D of the Listing Rules, each grant of options under the Share Option Scheme or any other share option schemes of the Group to a Director, chief executive or substantial Shareholder or any of their respective associates must be approved by the INEDs (excluding any INED who is the grantee of the options).
- (d) Where any grant of options to a substantial Shareholder or an INED or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) under the Share Option Scheme or any other share option schemes of the Group to such person in the 12-month period up to and including the date of such grant:
- (i) representing in aggregate more than 0.1% of the Shares in issue; and
 - (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, such further grant of options must be approved by the Shareholders. The Company must send a circular to the Shareholders. All of the connected persons must abstain from voting in favour at such general meeting. Any core connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such option must be taken on a poll.

Minimum period of holding an option and performance target

The Directors may, at their absolute discretion, fix any minimum period for which an option must be held, any performance targets that must be achieved and any other conditions that must be fulfilled before the options can be exercised upon the grant of an option to a participant.

Subscription price for Shares

The subscription price of a Share in respect of any option granted under the Share Option Scheme, subject to any adjustments made in accordance with the Share Option Scheme, shall be such price as the Board in its absolute discretion shall determine, provided that such price shall not be less than the highest of (i) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant of the option (which must be a business day); (ii) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option (which must be a business day); and (iii) the nominal value of the Share. A consideration of AUD\$1.00 is payable on acceptance of the offer of the grant of an option.

Rights are personal to grantee

An option granted under the Share Option Scheme shall not be transferable or assignable and is personal to the grantee.

Time of exercise of option

An option may be accepted by a participant within 28 days from the date of the offer of grant of the option.

Rights on ceasing employment or death

If the grantee of an option, who is an employee of the Group or any Invested Entity at the time of the grant of the option, ceases to be an employee of the Group or Invested Entity for any reason other than death, ill-health or retirement in accordance with his contract of employment or certain other grounds, before exercising the option in full, the option (to the extent not already exercised) shall lapse on the date of cessation or termination and not be exercisable unless the Directors otherwise determine, in which case the grantee may exercise the option (to the extent not already exercised) in whole or in part within such period as the Directors may determine following the date of such cessation or termination, which date shall be the last day on which the grantee was actually at work with the Group or the relevant Invested Entity, whether salary is paid in lieu of notice or not. Failing such exercise, the option will lapse.

If the grantee of an option, who is an employee of the Group or any Invested Entity at the time of the grant of the option, ceases to be an employee of the Company or Invested Entity by reason of death, ill-health or retirement in accordance with his contract of employment, before exercising the option in full, the grantee or, if appropriate, his lawful personal representative(s) may exercise the option in whole or in part (to the extent not already exercised) within a period of 12 months following the date of cessation of employment which date shall be the last day on which the grantee was at work with the Group or any Invested Entity, whether salary is paid in lieu of notice or not (or such longer period as the Directors may determine), failing which it will lapse.

Rights on a general offer, a compromise or arrangement

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the grantees (or his personal representative(s)) on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, Shareholders. If such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, a grantee (or his personal representative(s)) shall, notwithstanding any other terms on which his options were granted, be entitled to exercise his option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company in accordance with the provisions of the Share Option Scheme at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under scheme of arrangement, as the case may be.

REPORT OF THE DIRECTORS

Rights on winding-up

In the event of an effective resolution being proposed for the voluntary winding-up of the Company during the option period, the grantee of an option (or his personal representative(s)) may, subject to the provisions of all applicable laws, by notice in writing to the Company elect to exercise the option (to the extent not already exercised) either to its full extent or to the extent specified in such notice within two business days prior to the proposed general meeting of the Company considering such winding up, such notice to be accompanied by the subscription price for the Shares in respect of which the notice is given, whereupon the grantee will be entitled, in respect of the Shares falling to be allotted and issued upon the exercise of his options, to receive out of the assets available in the liquidation *pari passu* with the holders of Shares such sum as would have been received in respect of the Shares the subject of such election. Subject to the above, an option will lapse automatically (to the extent not exercised) on the date of commencement of the winding-up of the Company.

Ranking of Shares

The Shares to be allotted and issued upon the exercise of an option will be subject to all the provisions of the Company's Constitution for the time being in force and will rank *pari passu* in all respects with the then existing fully paid Shares in issue on the date on which the option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (the "Exercise Date") and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefore shall be before the Exercise Date. A Share allotted and issued upon the exercise of an option shall not carry voting rights until the name of the grantee has been duly entered on the register of members of the Company as the holder thereof.

Period of the Share Option Scheme

Unless terminated by the Company by resolution in general meeting, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date on which the Share Option Scheme becomes unconditional, i.e. 18 April 2018.

Alteration of the Share Option Scheme

The Share Option Scheme may be altered in any respect by a resolution of the Board except that any material alteration to its terms and conditions, any change to the terms of options granted (except for changes which automatically take effect under the existing terms of the Share Option Scheme) and the matters contained in the relevant provisions of the Listing Rules shall not be altered to the advantage of the grantees or prospective grantees without the prior sanction of any resolution of the Company in general meeting.

The amended terms of the Share Option Scheme or the options must still comply with the applicable requirements under the Listing Rules. Any change to the authority of the Directors or scheme administrators (if applicable) in relation to any alteration to the terms of the Share Option Scheme must be approved by the Shareholders in general meeting.

Effect of alterations to capital

In the event of any alteration in the capital structure of the Company whilst any option remains exercisable or the Share Option Scheme remains in effect, and such event arises from a capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital or otherwise howsoever, then, in any such case, the Company shall instruct the auditors for the time being or an independent financial adviser to the Company to certify in writing the adjustment, if any, to be made either generally or as regards any particular grantee, to (a) the number of Shares to which the Share Option Scheme or any option(s) relates (insofar as it is/they are unexercised), and/or (b) the subscription price of any unexercised option, and/or (c) the maximum number of Shares referred to in the subparagraph headed "Maximum number of Shares" above, and (d) an adjustment as so certified by the auditors or the independent financial adviser to the Company shall be made, provided that (i) any such adjustment shall be made on the basis that the aggregate subscription price payable by a grantee on the full exercise of any option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; (ii) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; (iii) no such adjustment shall be made the effect of which would be to increase the proportion of the issued share capital of the Company for which any grantee would have been entitled to subscribe had he exercised all the options held by him immediately prior to such adjustment; (iv) the issue of Shares or securities of the Company as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and (v) for the avoidance of doubt, any adjustments shall be made in compliance with the Listing Rules and the "Supplementary Guidance on Main Board Listing Rule 17.03(13)/GEM Listing Rules 23.03(13) and the note immediately after the rule" set out in the letter from the Stock Exchange to all listed issuers dated 5 September 2005 or other relevant guidance as the Stock Exchange may from time to time issue. In addition, in respect of any such adjustments, other than any made on a capitalisation issue, such auditors or independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements that they give a participant the same proportion (or rights in respect of the same proportion) of the equity capital as that to which that person was previously entitled.

Cancellation of options

The Directors may affect the cancellation of any options granted but not exercised on such terms as may be agreed with the relevant grantee, as the Directors may in their absolute discretion see fit and in a manner that complies with all applicable legal requirements for cancellation. Where the Company cancels any options granted and offers to grant or grants new options to the same grantee, the offer or grant of such new options may only be made under the Share Option Scheme if there are available unissued options (excluding the cancelled options) within each of the limits as referred of in the subparagraph headed "Maximum Number of Shares" above.

Conditions of the Share Option Scheme

The Share Option Scheme is conditional on (i) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the Shares on the Main Board of the Stock Exchange, which Shares may fall to be issued pursuant to the exercise of options granted under the Share Option Scheme; (ii) upon the obligations of the Underwriters under the Underwriting Agreements becoming unconditional (including, if relevant, as a result of the waiver of any conditions by the Joint Global Coordinators, for themselves and on behalf of the Underwriters) and such obligation not being terminated in accordance with the terms of the Underwriting Agreements; and (iii) the commencement of dealings in the Shares on the Stock Exchange.

REPORT OF THE DIRECTORS

Termination of the Share Option Scheme

The Company may by resolution in general meeting at any time terminate the operation of Share Option Scheme and in such event no further options will be offered but in all other respects the provisions of Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any outstanding options granted prior to such termination or otherwise as may be required in accordance with the provisions of the Share Option Scheme and outstanding options granted prior to such termination shall continue to be valid and exercisable in accordance with the provisions of the Share Option Scheme.

Details of the options granted, including options exercised or outstanding, under Share Option Scheme and (if applicable) options that become void or non-exercisable as a result of the termination must be disclosed in the circular to Shareholders of the Company seeking approval of the first new scheme to be established after such termination.

Status of the Listing Rules

The Share Option Scheme shall comply with the Listing Rules as amended from time to time. In the event that there are differences between the terms of the Share Option Scheme and the Listing Rules, the Listing Rules shall prevail. No offer of option or no Share may be issued to a Participant if to do so would contravene the Listing Rules, the Corporations Act, the Constitution or any applicable law in Australia, Hong Kong or other relevant jurisdictions.

Employee Share Options

On 18 July 2018 ("Date of Grant"), the Company granted share options (the "Share Options") to subscribe for a total of 25,781,938 Shares under the Share Option Scheme, among which, the options to subscribe for 1,294,274 Shares were granted to a former executive Director, and to Dr. Rongning Xu, the executive Director, respectively. The share options granted to the former executive Director lapsed on 10 December 2021.

The consideration for the acceptance of the Share Options was AUD\$1.00. The exercise price of the Share Options granted is HK\$0.560, which represents no less than the highest of the following: (i) the closing price of HK\$0.540 per Share as stated in the Stock Exchange's daily quotation sheet on the Date of Grant; (ii) the average of the closing prices as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Date of Grant of HK\$0.560 per Share; and (iii) the nominal value of the Share.

The validity period of the Share Options is 10 years from the Date of Grant, i.e. from 18 July 2018 to 17 July 2028 (both days inclusive), and the Share Options shall lapse at the expiry of the validity period.

The Share Options shall be vested in three tranches in accordance with the following dates: (i) up to 33.33% of the Share Options shall be vested to each Grantee at any time after expiration of 12 months from the Date of Grant, i.e. 17 July 2019; (ii) up to 33.33% of the Share Options shall be vested to each Grantee at any time after expiration of 24 months from the Date of Grant, i.e. 17 July 2020; (iii) up to 33.34% of the Share Options shall be vested to each Grantee at any time after expiration of 36 months from the Date of Grant, i.e. 17 July 2021.

Details of the movement of Share Options granted under the Share Option Scheme for the year ended 30 June 2025 are as follows:

Grantee	Balance as at 1 July 2024	Granted during the Year	Exercised during the Year	Lapsed/ cancelled during the Year	Balance as at 30 June 2025
Directors					
Dr. Rongning Xu	1,294,274	–	–	–	1,294,274
Employees in aggregate	13,796,959	–	–	–	13,796,959
Total	15,091,233	–	–	–	15,091,233

Agent Share Options

On 11 November 2021 (the "Grant Date"), the Company granted share options to subscribe for a total of 48,600,000 Shares under the Share Option Scheme to the eligible student recruitment agents (the "Agent Share Options").

The Grantees are third-party education consultancy services who play an important role in promoting the Institutes and the courses offered to prospective students, and assisting students with application process and other aspects of student life in the Institutes. The board of directors of the Company believes that the grant of the Agent Share Options to the Grantees will incentivise them to put additional effort in promoting the Institute's brand influence in Australia and overseas markets, which will ultimately expand and increase market share of the Company.

The closing price of the Shares on 10 November 2021, being the date immediately before the Grant Date, was HK\$0.16 per Share.

The consideration for the acceptance of the Agent Share Options was AUD\$1.00. The exercise price of the Agent Share Options granted is HK\$0.200, which represents (i) a premium of approximately 23.5% to the closing price of HK\$0.162 per Share as stated in the Stock Exchange's daily quotation sheet on the Grant Date; and (ii) a premium of approximately 16.0% to the average closing price of HK\$0.172 per Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Grant Date.

The validity period of the Agent Share Options is 10 years from the Grant Date, i.e. from 11 November 2021 to 10 November 2031 (both days inclusive), and the Agent Share Options shall lapse at the expiry of the validity period.

Subject to the vesting conditions of the Share Option Scheme and as set out in the respective letters of grant issued, the Agent Share Options shall be vested in three tranches in accordance with the following dates: (i) up to 30% of the Agent Share Options shall be vested to each Grantee at any time after the expiry of 14 months and 5 days from the Grant Date, i.e. on 16 January 2023; (ii) up to 30% of the Agent Share Options shall be vested to each Grantee at any time after the expiry of 26 months and 5 days from the Grant Date, i.e. on 16 January 2024; (iii) up to 40% of the Agent Share Options shall be vested to each Grantee at any time after the expiry of 38 months and 5 days from the Grant Date, i.e. on 16 January 2025.

REPORT OF THE DIRECTORS

Details of the movement of Agent Share Options granted under the Share Option Scheme for year ended 30 June 2025 are as follows:

Grantee	Balance as at 1 July 2024	Granted during the Reporting Period	Exercised during the Reporting Period	Lapsed/ cancelled during the Reporting Period	Balance as at 30 June 2025
KTM Consulting Pty Ltd	4,760,000	–	–	2,720,000	2,040,000
Newstars Education Counselors Pty Ltd	2,720,000	–	–	2,720,000	–
Aussie Professional Group Pty Ltd	2,720,000	–	–	2,720,000	–
The trustee for Austop Capital Holdings Unit Trust	2,100,000	–	–	1,200,000	900,000
A.C.I.C. Pty Ltd	2,100,000	–	–	1,200,000	900,000
Monkey King Student Service Centre Pty Ltd	1,000,000	–	–	1,000,000	–
Total	15,400,000	–	–	11,560,000	3,840,000

Save and except as disclosed above, no other options have been granted or agreed to be granted by the Company under the Share Option Scheme.

Share Award Scheme

On 23 October 2018, the Company adopted the Share Award Scheme ("Scheme") in which the Employees will be entitled to participate.

The following is a summary of the principal terms of the Share Award Scheme:

Objectives

The specific objectives of the Scheme are (i) to recognise the contributions by certain Employees and to provide them with incentives in order to retain them for the continual operation and development of the Company; and (ii) to attract suitable personnel for further development of the Company.

Duration

Subject to any early termination as may be determined by the Board pursuant to the rules relating to the Share Award Scheme as amended from time to time ("Scheme Rules"), the Scheme shall be valid and effective for a term of 10 years commencing on 23 October 2018, being the date on which the Scheme is adopted by the Company ("Adoption Date").

Administration

The Scheme shall be subject to the administration of the Board, the share award committee ("Committee") and the Trustee in accordance with the Scheme Rules and the Trust Deed. The decision of the Board with respect to any matter arising under the Scheme shall be final and binding. The Trustee shall hold the Trust Fund in accordance with the terms of the Trust Deed.

Scheme limit

The Board shall not make any further award of Awarded Shares which will result in the aggregate number of Shares awarded by the Board under the Scheme exceeding 1.5% of the total number of the issued Shares as at the Adoption Date, being 38,828,220 Shares.

The maximum aggregate number of Shares which may be awarded to any Selected Employee under the Scheme shall not exceed 0.5% of the total number of the issued Shares as at the Adoption Date, being 12,942,740 Shares.

Operation of the Scheme

The Board or the Committee may from time to time cause to be paid a Contributed Amount to the Trust by way of settlement or otherwise contributed by the Company or such other person as directed by the Board or the Committee from time to time which shall constitute part of the Trust Fund, for the purchase of Shares and other purposes set out in the Scheme Rules and the Trust Deed.

Subject to the Scheme Rules, the Committee may from time to time instruct the Trustee to purchase Shares on the Stock Exchange (or from such other Shareholder(s) of the Company as may be agreed by the Board, subject to compliance with the applicable laws and Listing Rules), and to hold them for the benefit of the Employees under the Trust on and subject to the terms and conditions of the Scheme and the Trust Deed.

Award of the Awarded Shares ("Award")

Subject to the Scheme Rules, the Board may from time to time at its absolute discretion select any Employee for participation in the Scheme as a Selected Employee, and grant such number of Awarded Shares to any Selected Employee at no consideration and on and subject to such terms and conditions as it may in its absolute discretion determine.

In determining the number of Awarded Shares to be granted to any Selected Employee, the Board shall take into consideration matters including, but without limitation to:

- (a) the present contribution and expected contribution of the relevant Selected Employee to the financial performance, development and/or regulatory compliance of the Company;
- (b) the general financial condition of the Company;
- (c) the Company's overall business objectives and future development plan; and
- (d) any other matter which the Board considers relevant.

The Board is entitled to impose any conditions (including a period of continued service with the Company after the Award) as it deems appropriate in its absolute discretion with respect to the vesting of the Awarded Shares on the Selected Employee, and shall inform such Selected Employee the relevant conditions of the Award and the Awarded Shares.

Where any grant of Awarded Shares is proposed to be made to any Selected Employee who is a Director (including an INED), such grant must first be approved by all the members of the Remuneration Committee, or in the case where the grant is proposed to be made to any member of the Remuneration Committee, by all of the other members of the Remuneration Committee.

Where any grant of Awarded Shares is proposed to be made to any person who is a connected person of the Company within the meaning of the Listing Rules, the Company shall comply with such provisions of the Listing Rules as may be applicable unless otherwise exempted under the Listing Rules.

REPORT OF THE DIRECTORS

Vesting of the Awarded Shares

Subject to the terms and conditions of the Scheme and the fulfilment of all relevant vesting conditions (if any), the respective Awarded Shares shall vest in such Selected Employee in accordance with the vesting schedule (if any) and the Trustee shall cause the relevant number of Shares to be allocated to such Selected Employee on the Vesting Date.

Voting rights

The Trustee shall not exercise the voting rights in respect of any Shares held by it under the Trust which have not been vested and allocated to the specific Selected Employee under the Scheme and the Trust Deed.

Termination

The Scheme shall terminate on the earlier of (i) the tenth anniversary date of the Adoption Date; and (ii) such date of early termination as determined by the Board by a resolution of the Board, provided that such termination shall not materially and adversely affect any subsisting rights of any Selected Employee under the Scheme.

Awarded Shares Granted under the Share Award Scheme

On 28 February 2019, the Company granted a total of 12,000,000 Awarded Shares to two Selected Employees for nil consideration in accordance with the Scheme Rules, among which, 6,000,000 Awarded Shares were granted to a former executive Director, and to Dr. Rongning Xu, the executive Director, respectively. The Awarded Shares granted to the former executive Director lapsed on 10 December 2021.

Furthermore, on 24 May 2019, the Company granted a total of 19,000,000 Awarded Shares to four Selected Employees for nil consideration in accordance with the Scheme Rules.

The Awarded Shares granted to Selected Employees will vest subject to the satisfaction of the vesting conditions as that on the applicable vesting dates (fifth anniversary of the date of grant), the grantee remains as an employee of the Company.

For the year ended 30 June 2025, the Trustee pursuant to the Trust Deed and Share Award Scheme has not purchased any Shares from the market.

Details of the grant of Awarded Shares to the Directors and other employees of the Company are as follows:

Grantee	Balance as at 1 July 2024	Granted during the Year	Exercised during the Year	Lapsed or cancelled during the Year	Balance as at 30 June 2025
Dr. Rongning Xu	6,000,000	–	–	–	6,000,000
Employees (in aggregate)	19,000,000	–	–	–	19,000,000
Total	25,000,000	–	–	–	25,000,000

Purchase, Sale or Redemption of The Company's Listed Securities

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Borrowings

As at 30 June 2025, the Company had no borrowings (30 June 2024: Nil).

Equity-Linked Agreements

Save as disclosed in "Pre-IPO Performance Rights Plan, Share Option Scheme and Share Award Scheme", neither (i) any agreement that will or may result in the Company issuing Shares; or (ii) any agreement requiring the Company to enter into any agreement specified in (i), were entered into by the Company during the year ended 30 June 2025 or subsisted at 30 June 2025.

Directors' Interests in Transaction, Arrangement or Contract of Significance

No Director nor an entity connected with a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Company to which the Company was a party during the year ended 30 June 2025.

Management Contract

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed for the year ended 30 June 2025.

Contracts of Significance

During the Reporting Period, save as otherwise disclosed in this annual report, there had been no contract of significance between the Company or any of its subsidiaries and a controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries.

Major Customers and Suppliers

In the year under review, the Company did not have any single customer who accounted for more than 5% of the revenue. Purchases from the Company's five largest suppliers accounted for less than 30% of the total purchases for the year ended 30 June 2025.

None of the Directors of the Company or any of their associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's share capital) had any beneficial interest in the Company's five largest customers.

Connected Transactions

During the Reporting Period, save as otherwise disclosed in this annual report, there had been no connected transactions.

REPORT OF THE DIRECTORS

Related Party Transactions

Details of related party transactions during the year ended 30 June 2025 are set out in note 28 to the consolidated financial statements.

The Company confirmed it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Donations

The Group did not make charitable donations during the year ended 30 June 2025 (2024: AUD\$53,000).

Employees and Remuneration Policies

During the year ended 30 June 2025, the Company employed 135 staff (2024: 128).

The remuneration packages of the employees of the Company are determined with reference to their qualification, working experience, performance, contribution to the Company and prevailing market rate.

The Company's remuneration policy is formulated under the guidance of the Australian Law, industry award as well as various market factors to ensure that the remuneration offered to employees, including Directors and senior management, is based on skill, knowledge, responsibilities and involvement in the Company's affairs. The Company pays its permanent staff with a basic annual salary plus superannuation and other standard entitlements under Australian employment law; and pays its casual staff on a sessional basis with an hourly basis plus standard entitlements for casual staff.

A Remuneration Committee was set up for reviewing the Company's remuneration policy and structure for all Directors and senior management of the Company, having regard to the Company's operating results, individual performance of the Directors and senior management and comparable market practices. None of the Directors will determine their own remuneration.

The Directors and senior management may also receive options to be granted under the Share Option Scheme. For further details of the Share Option Scheme, please refer to "Pre-IPO Performance Rights Plan, Share Option Scheme and Share Award Scheme" in this annual report.

The Company considers the continuing development of professional knowledge and skills for employees to be essential. The Company believes that the continued growth and success of business is built upon employee excellence and their ability to provide quality of services to the students and corporate clients, and is also a key element on our objective to retain a team of quality and skilled core workforce.

The Company strongly encourages all employees to participate in systematic training and professional development. In addition, the Company provides comprehensive training programs to ensure that employees have the training required to fulfil the continuous professional training requirements of their respective profession.

Remuneration of Directors and the Five Highest Paid Employees

Details of the Directors' remuneration and the five highest paid employees in the Company are set out in note 8 and note 9 to the consolidated financial statements in this annual report.

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Constitution, or under the Corporations Act, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total number of issued Shares are held by the public as at the date of this report.

Use of Net Proceeds from the Company's Initial Public Offering

Net proceeds from the Listing (including the over-allotment option and after deducting underwriting fee and relevant expenses) amounted to approximately HK\$171.7 million or AUD\$30 million. As at 30 June 2025, a total amount of approximately HK\$122.3 million out of net proceeds had been used by the Group according to the allocation set out in the announcement dated 27 February 2020.

Purpose	Percentage to total amount	Net proceeds HK\$ (million)	Utilised Amount HK\$ (million)	Unutilised amount HK\$ (million)	Expected timeline for utilising the unutilised amount ⁽¹⁾
Acquiring or investing in educational groups/institutions in the PRC and in Australia	41.0%	70.4	21.0	49.4	by the end of 2025
Developing "Intelligent Education", which includes utilising digital education solutions for course contents, infrastructure of campuses and offices, and teaching and learning methods	27.8%	47.8	47.8	–	–
Upgrading TOP's campus	9.4%	16.1	16.1	–	–
Expanding TOP's campus locations	5.5%	9.5	9.5	–	–
Establishing virtual student experience centre	0.6%	1.0	1.0	–	–
Expanding TOP's research and scholarship activities and professional development towards our strategic goal	3.1%	5.3	5.3	–	–
Expanding TOP's marketing activities	4.4%	7.6	7.6	–	–
Working capital and general corporate purposes	8.2%	14.0	14.0	–	–
Total	100.0%	171.7	122.3	49.4	

Notes:

- (1) The expected timeline for utilising the remaining amount of proceeds is based on the best estimation made by the Group. It will be subject to change based on the current and future development of market and environment conditions.
- (2) The unutilised proceeds are currently expected to be used by the end of 2025 and the delay in the use of such proceeds is primarily due to additional time required for (i) conducting detailed research and feasibility studies on potential investment targets, and (ii) discussions and negotiations regarding potential cooperative opportunities and commercial uncertainties under current complex, uncertain and volatile international environment.

REPORT OF THE DIRECTORS

Tax Relief and Exemption

The Company is not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities.

Permitted Indemnity Provision

The Company shall indemnify any current or former Directors, officers, auditor and agent of the Company (the "Officer") or a related body corporate of the Company, out of the property of the Company, against any liability which that Director or the officer may incur because of being an Officer or in carrying out the business or exercising the powers of the Company, to the extent that it is permitted to do so under the Corporations Act.

Under the Constitution, this indemnity applies except to the extent that:

- the Company is forbidden by law to indemnify the person against the liability or legal costs; or
- an indemnity by the Company of the person against the liability or legal costs, if given, would be made void by law.

Compliance With the Relevant Laws and Regulations

During the year ended 30 June 2025, the Company was not aware of material non-compliance with the relevant laws and regulations that have a significant impact on the business and operations of the Company.

Events After the Reporting Period

On 15 July 2025, the Company completed the purchase of all the 264,708,000 Shares held by PwC Nominees (the "Buy-back Shares") according to the share buy-back agreement between the Company and PwC Nominees, representing approximately 10.86% of the total issued Shares at the time of completion. The consideration was approximately HK\$0.0425 per Buy-Back Share, being the total consideration of HK\$11,243,168.30.

The Buy-back Shares were cancelled on 25 July 2025. The total number of issued Shares after cancellation is 2,171,686,000.

Auditors

At the AGM held on 29 November 2024, Ernst & Young retired and Baker Tilly Hong Kong Limited and RSM Australia Partners were appointed as auditors of the Company. Save for the aforementioned, there has been no other change in the auditors in the past three years.

Baker Tilly Hong Kong Limited and RSM Australia Partners will retire at the forthcoming AGM and a resolution for their reappointment as auditors of the Company will be proposed thereat.

On behalf of the Board

Amen Kwai Ping Lee

Chairperson

Australia, 26 September 2025

CORPORATE GOVERNANCE REPORT

Corporate Governance Culture

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards and the importance of stakeholders is recognised at the Board level and throughout the Group. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. The Company strive to provide high quality and reliable products and services, and to create values to the stakeholders through sustainable growth and continuous development.

Corporate governance is the process by which the Board instructs management of the Group to conduct its affairs with a view to ensuring that its objectives are met. The Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure:

- satisfactory and sustainable returns to Shareholders;
- that the interests of those who deal with the Company are safeguarded;
- that overall business risk is understood and managed appropriately;
- the delivery of high-quality products and services to the satisfaction of customers; and
- that high standards of integrity are maintained.

Corporate Governance Practices

The Board of the Company is committed to maintaining good corporate governance standards.

The Board believes that good corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the CG Code contained in Appendix C1 of the Listing Rules as the basis of the Company's corporate governance practices.

The Board is of the view that during the Reporting Period, the Company had complied with applicable code provisions of the CG Code.

The Company has also put in place certain recommended best practices as set out in the CG Code.

Directors' Securities Transactions

The Company has adopted Model Code as the code regarding Directors' securities transactions.

Specific enquiry has been made by the Company with all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 30 June 2025.

The Company has also adopted the Model Code as the Employees Written Guidelines, to regulate the securities transactions of the relevant employees who are likely to be in possession of unpublished price-sensitive information of the Company. To the best knowledge of the Company, no incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

CORPORATE GOVERNANCE REPORT

Board of Directors

The Company is headed by an effective Board which assumes responsibility for its leadership and control and is collectively responsible for promoting the Company's success by directing and supervising the Company's affairs. Directors take decisions objectively in the best interests of the Company.

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business and regularly reviews the contribution required from a Director to perform his responsibilities to the Company and whether the Director is spending sufficient time performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of executive Director and non-executive Directors (including INEDs) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

Looking forward, in light of the CG Code and Listing Rule amendments which took effect on 1 July 2025, the Board will continue to regularly review and optimise its overall structure and composition, skills matrix balance, diversity and other related requirements for better succession planning of the Board, to maintain its efficiency and effectiveness and to uphold good governance standards.

Board Composition

The Board currently comprises of the following Directors:

Executive Directors

Dr. Rongning Xu (*CEO*)

Ms. Xing Shi Huang (*Deputy Chairperson*) (*re-designated on 1 October 2024*)

Mr. Qingquan Yang (*re-designated on 1 October 2024*)

Non-executive Directors

Dr. Amen Kwai Ping Lee (*Chairperson*)

Mr. Yi Dai

Mr. Edward Chiang

Independent Non-executive Directors

Professor Steven Schwartz

Mr. Tianye Wang

Mr. Jonathan Richard O'Dea

Professor Dominic Robert Beresford Verity (*appointed on 2 December 2024*)

Professor John Patrick Hearn and Professor Dominic Robert Beresford Verity, who have been appointed as INEDs during the financial year ended 30 June 2025, have obtained the legal advice referred to in Rule 3.09D of the Listing Rules on 29 October 2024 and 27 November 2024, respectively, and both of them have confirmed they understood their obligations as a director of a listed issuer. Professor John Patrick Hearn subsequently ceased as an INED on 1 November 2024 following his passing away.

The biographical information of the Directors is set out in the section headed "Directors and Senior Management" on pages 12 to 16 of this annual report.

The relationships between the Directors (where applicable) are disclosed in the respective Director's biography under the section headed "Directors and Senior Management".

Save as disclosed above, there is no relationships (including financial, business, family or other material/relevant relationship(s)) between the Board members and in particular, between the Chairman and the CEO.

Attendance Records of Directors

The attendance record of each Director at the Board and Board Committee meetings and the general meetings of the Company held during the year ended 30 June 2025 is set out in the table below:

Name of Director	Attendance/Number of Meetings				
	Board	Audit and Finance Committee	Remuneration Committee	Nomination Committee	Annual General Meeting
Dr. Rongning Xu	4/4	N/A	N/A	N/A	1/1
Dr. Amen Kwai Ping Lee	4/4	N/A	1/1	N/A	1/1
Mr. Yi Dai	4/4	N/A	N/A	N/A	1/1
Mr. Edward Chiang	4/4	N/A	N/A	N/A	1/1
Ms. Xing Shi Huang	4/4	N/A	N/A	1/1	1/1
Mr. Qingquan Yang	4/4	N/A	N/A	N/A	1/1
Professor Steven Schwartz	4/4	2/2	1/1	1/1	1/1
Mr. Tianye Wang	4/4	2/2	1/1	N/A	0/1
Mr. Jonathan Richard O'Dea	4/4	2/2	N/A	1/1	1/1
Professor Dominic Robert Beresford Verity (appointed on 2 December 2024)	3/3	N/A	N/A	N/A	N/A
Professor John Patrick Hearn (appointed on 1 November 2024 and ceased on 1 November 2024 following his passing away)	N/A	N/A	N/A	N/A	N/A

Apart from regular Board meetings, the Chairperson also held a meeting with the INEDs without the presence of other Directors during the year.

The INEDs and Non-executive Directors have attended general meetings of the Company to gain and develop a balanced understanding of the view of the Shareholders.

Board Meetings

Regular Board meetings should be held at least four times a year involving active participation, either in person or through electronic means of communication, of a majority of Directors.

CORPORATE GOVERNANCE REPORT

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board should assume responsibility for leadership and control of the Company, and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including Non-executive Directors and INEDs, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

The INEDs are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

The Company has arranged appropriate insurance coverage on Directors' and officers' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

Chairperson and Chief Executive Officer

The positions of Chairperson and CEO are held by Dr. Amen Kwai Ping Lee and Dr. Rongning Xu respectively. The Chairperson/Deputy Chairperson provides leadership and is responsible for the effective functioning and leadership of the Board. The CEO focuses on the Company's business development and daily management and operations generally.

Independent Non-executive Directors

During the year ended 30 June 2025, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three Independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the INEDs in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all INEDs are independent.

Board Independence Evaluation

The Company has established a Board Independence Evaluation Mechanism which sets out the processes and procedures to ensure a strong independent element on the Board, which allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests:-

- Encouraging the INEDs to provide their advice based on their professional experience and skills;
- Communicating between the Chairperson/Deputy Chairperson and other INEDs during and outside meetings for their views; and
- Having meetings between the Chairperson/Deputy Chairperson and other INEDs for their comments.

The objectives of the evaluation are to improve Board effectiveness, maximise strengths, and identify the areas that need improvement or further development. The evaluation process also clarifies what actions of the Company need to be taken to maintain and improve the Board performance, for instance, addressing individual training and development needs of each Director.

Pursuant to the Board Independence Evaluation Mechanism, the Board will conduct annual review on its independence. The Board Independence Evaluation Report will be presented to the Board which will collectively discuss the results and the action plan for improvement, if appropriate.

During the year ended 30 June 2025, all Directors have completed the independence evaluation in the form of a questionnaire individually. The Board Independence Evaluation Report was presented to the Board, and the evaluation results were satisfactory.

During the year ended 30 June 2025, the Board reviewed the implementation and effectiveness of the Board Independence Evaluation Mechanism, and the results were satisfactory.

Appointment and Re-election of Directors

The non-executive Directors (including INEDs) are appointed for a specific term of three years, subject to renewal after the expiry of the then current term, rotation, removal, vacation or termination.

Article 18.4 of the Company's Constitution provides that any person appointed by the Directors to fill a casual vacancy on or as addition to the Board shall hold office only until the next following annual general meeting and shall then be eligible for re-election.

There is no provision in the Constitution governing the retirement of Directors by rotation at AGM. In accordance with code provision B.2.2, Part 2 of the CG Code, every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

Dr. Rongning Xu, Mr. Yi Dai, Mr. Tianye Wang and Professor Dominic Robert Beresford Verity shall retire by rotation at the forthcoming AGM and, being eligible, would offer themselves for re-election as Directors at the forthcoming AGM. Shareholders are advised to refer to the circular of the Company published on 28 October 2025 containing, among other things, (i) a notice convening the forthcoming AGM; and (ii) further information (including the views of the Nomination Committee and the recommendations by the Board) in respect of the proposed re-election of the retiring Directors at the forthcoming AGM.

CORPORATE GOVERNANCE REPORT

Continuous Professional Development of Directors

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director has received a formal and comprehensive induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally facilitated briefings for Directors would be arranged and reading material on relevant topics would be provided to Directors where appropriate.

All Directors are encouraged to attend relevant training courses at the Company's expenses.

In addition, relevant reading materials, including the compliance manual, legal and regulatory updates and seminar handouts, have been provided to the Directors for their reference and study.

The training records of the Directors for the year ended 30 June 2025 are summarized as follows:

Directors	Type of Training ^{Note}
Executive Directors	
Dr. Rongning Xu	A and B
Ms. Xing Shi Huang (<i>re-designated on 1 October 2024</i>)	A and B
Mr. Qingquan Yang (<i>re-designated on 1 October 2024</i>)	A and B
Non-Executive Directors	
Dr. Amen Kwai Ping Lee	A and B
Mr. Yi Dai	A and B
Mr. Edward Chiang	A and B
Independent Non-Executive Directors	
Professor Steven Schwartz	A and B
Mr. Tianye Wang	A and B
Mr. Jonathan Richard O'Dea	A and B
Professor Dominic Robert Beresford Verity (<i>appointed on 2 December 2024</i>)	A and B
Professor John Patrick Hearn (<i>appointed on 1 November 2024 and ceased on 1 November 2024 following his passing away</i>)	N/A

Note:

Types of Training

A: Attending training sessions, including but not limited to, briefings, seminars, conferences and workshops

B: Reading relevant news alerts, newspapers, journals, magazines and relevant publications

Board Committees

The Board has established three committees, namely, the Audit and Finance Committee, Remuneration Committee and Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the Audit and Finance Committee, Remuneration Committee and Nomination Committee are posted on the Company's website and the Stock Exchange's website and are available to Shareholders upon request.

The list of the chairperson and members of each Board committee is set out under "Corporate Information" on page 2.

Audit and Finance Committee

The Audit and Finance Committee consists of three INEDs, namely Professor Steven Schwartz, Mr. Tianye Wang and Mr. Jonathan Richard O'Dea. Mr. Tianye Wang is the chairman of the Audit and Finance Committee.

The terms of reference of the Audit and Finance Committee are of no less exacting terms than those set out in the CG Code. The main duties of the Audit and Finance Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems, effectiveness of the internal audit function, scope of audit and appointment of external auditors, and arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Audit and Finance Committee held two meetings to review, in respect of the year ended 30 June 2025, the interim and annual financial results and reports and significant issues on the financial reporting, operational and compliance controls, the effectiveness of the risk management and internal control systems and internal audit function, change of external auditors, appointment of external auditors, connected transactions and arrangements for employees to raise concerns about possible improprieties.

The Audit and Finance Committee also met the external auditors once without the presence of the Executive Directors.

Remuneration Committee

The Remuneration Committee consists of three members, namely Dr. Amen Kwai Ping Lee, non-executive Director, Professor Steven Schwartz, INED, and Mr. Tianye Wang, INED. Professor Steven Schwartz is the chairman of the Remuneration Committee.

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code. The primary functions of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration packages of individual Directors and senior management, the remuneration policy and structure for all Directors and senior management; and establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration.

The Remuneration Committee met once during the year to consider the relevant matters and to review and make recommendations to the Board on the remuneration policy and the remuneration packages of the executive Directors and senior management.

Details of the remuneration of the Directors and the senior management by band are set out in note 8 in the Notes to the audited consolidated financial statements for the year ended 30 June 2025.

The Company's remuneration policy is formulated under the guidance of the Australian Law, industry award as well as various market factors to ensure that the remuneration offered to employees, including Directors and senior management, is based on skill, knowledge, responsibilities and involvement in the Company's affairs. The Company pays its permanent staff with a basic annual salary plus superannuation and other standard entitlements under Australian employment law; and pays its casual staff on a sessional basis with an hourly basis plus standard entitlements for casual staff.

CORPORATE GOVERNANCE REPORT

The Remuneration Committee was set up for reviewing the Company's remuneration policy and structure for all Directors and senior management of the Company, having regard to the Company's operating results, individual performance of the Directors and senior management and comparable market practices. None of the Directors will determine their own remuneration.

The remuneration packages of executive Directors are also determined with reference to the Company's performance, the prevailing market conditions and the performance or contribution of each executive Director. The remuneration for the executive Directors comprises basic salary, pensions, discretionary bonus (if any) and other standard entitlements under Australian employment law. Executive Directors shall receive options and awards to be granted under the Company's Share Option Scheme and Share Award Scheme. The remuneration policy for non-executive Directors and INEDs is to ensure that non-executive Directors and INEDs are adequately compensated for their efforts and time dedicated to the Company's affairs, including their participation in Board committees. The remuneration for the non-executive Directors and INEDs mainly comprises Director's fee which is determined with reference to their duties and responsibilities by the Board. Individual Directors and senior management have not been involved in deciding their own remuneration.

The Remuneration Committee also made recommendations to the Board on the terms of service contracts or letters of appointment of the new INED appointed and the Directors re-designated during the year.

Nomination Committee

The Nomination Committee consists of three members, namely Ms. Xing Shi Huang, executive Director, Professor Steven Schwartz, INED and Mr. Jonathan Richard O'Dea, INED. Mr. Jonathan Richard O'Dea is the chairman of the Nomination Committee.

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code. The principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, reviewing the Board Diversity Policy and the Nomination Procedures for Directors and assessing the independence of INEDs.

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board Diversity Policy, including but not limited to gender, age, cultural and educational background, ethnicity or professional experience, skills, knowledge and length of services. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's relevant criteria as set out in the Nomination Procedures for Directors and Board Diversity Policy that are necessary to complement the corporate strategy and achieve board diversity, where appropriate, before making recommendation to the Board.

The Nomination Committee met once to review the structure, size and composition of the Board and the independence of the INEDs, and to consider the qualifications of the retiring Directors standing for election at the AGM, to review the Board Diversity Policy and Nomination Procedures for Directors and to consider and recommend to the Board on the re-designation of Directors and appointment of INEDs. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board had been maintained throughout the year ended on 30 June 2025.

Looking forward, in light of the CG Code and Listing Rule amendments which took effect on 1 July 2025, the Nomination Committee will continue to regularly review the structure, size and composition of the Board and the Company's internal policies, and make recommendations to the Board to optimise its overall structure and composition, skills matrix balance, diversity and other related requirements for better succession planning of the Board, to maintain its efficiency and effectiveness and to uphold good governance standards.

Board Diversity Policy

The Company has adopted a Board Diversity Policy which sets out the approach to achieve diversity of the Board and is available on the website of the Company. The Company recognizes and embraces the benefits of having a diverse board and sees increasing diversity at the board level as an essential element in maintaining the Company's competitive advantage.

Pursuant to the Board Diversity Policy, the Nomination Committee will review annually the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and to ensure that the Board maintains a balanced diverse profile. In relation to reviewing and assessing the board composition, the Nomination Committee is committed to diversity at all levels and will consider a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

The Company aims to maintain an appropriate balance of diversity perspectives that are relevant to the Company's business growth and is also committed to ensuring that recruitment and selection practices at all levels (from the Board downwards) are appropriately structured so that a diverse range of candidates are considered.

The Board will consider setting measurable objectives to implement the Board Diversity Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives.

For the year ended 30 June 2025, the Nomination Committee considered that the Board is sufficiently diverse in terms of gender. Looking forward, in light of the CG Code and Listing Rule amendments which took effect on 1 July 2025, the Nomination Committee has recommended, and the Board has resolved, to adopt a measurable objective of achieving at least 30% female representation on the Board by 31 December 2026.

The male to female ratio in the workforce (including management and excluding the Board) is 5.9: 4.1. Extract(s) from ESG report sets out mitigating factors or circumstances which make achieving gender diversity across the workforce (including senior management) less relevant. Details of the workforce number are set out under "Employees and Remuneration Policies" on page 40.

The Nomination Committee will review and update the Board Diversity Policy, as appropriate, to ensure its effectiveness and incorporate measurable diversity objectives.

Gender Diversity

The Company values gender diversity across all levels of the Group. The following table sets out the gender ratio in the workforce of the Group, including the Board and management as at the date of this annual report:

	Female	Male
Board	20.0% (2)	80.0% (8)
Management	60.0% (3)	40.0% (2)
Other employees	40.8% (53)	59.2% (77)
Overall workforce	39.4% (56)	60.6% (86)

Details on the gender ratio of the Group together with relevant data can be found in the Environmental, Social and Governance Report on pages 67 to 106 of this annual report.

CORPORATE GOVERNANCE REPORT

Director Nomination Policy

The Board has delegated its responsibilities and authority for selection and appointment of Directors to the Nomination Committee of the Company.

The Company has adopted a Nomination Procedures for Directors which sets out the selection criteria and process and the board succession planning considerations in relation to nomination and appointment of Directors and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at board level.

The nomination process set out in the Nomination Procedures for Directors is as follows:

Nomination by the Nomination Committee

- (i) The Nomination Committee reviews the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and makes recommendations on any proposed change to the Board to complement the corporate strategy of the Company.
- (ii) When it is necessary to fill a causal vacancy or appoint an additional director, the Nomination Committee shall initiate a search seeking input from the Board members and may recommend the hiring of an executive search firm, if necessary, to identify suitable and qualified candidate for serving on the Board.
- (iii) The Nomination Committee shall evaluate any potential candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.
- (iv) If the process yields one or more desirable candidates, the Nomination Committee shall rank them by order of preference based on the respective expertise, skills, experience, professional qualifications and reference check of each candidate, and the needs of the Company.
- (v) The Nomination Committee shall then recommend the appointment of the appropriate person among the candidates nominated for directorship based on the result of ranking as set out in paragraph (iv).

Re-election of Director at Annual General Meeting

- (i) In accordance with the Company's constitution, any new director appointed to fill a causal vacancy or as an addition to the Board shall submit himself for re-election at the annual general meeting immediately after his appointment.
- (ii) The Nomination Committee shall review the overall contribution and service to the Company of the retiring director including his attendance of Board meetings and, where applicable, general meetings, and the level of participation and performance on the Board.
- (iii) The Nomination Committee shall also review the expertise and professional qualifications of the retiring director, who offered himself for re-election at the annual general meeting, to determine whether such director continues to meet the criteria as set out in paragraph (ii).
- (iv) Based on the review made by Nomination Committee, the Board shall make recommendations to the Shareholder on candidates standing for re-election at the annual general meeting, and provide the available biographical information of the retiring director in accordance with the Listing Rules to enable the Shareholders to make an informed decision on the re-election of such candidates at annual general meeting.

The Nomination Procedures for Directors set out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- Character and integrity;
- Qualifications and business experience relevant and beneficial to the Company;
- Willingness to devote adequate time to discharge duties as a member of the Board;
- Accomplishments in personal careers;
- Present needs of the Board for particular expertise, skills or experience and whether the candidates would satisfy those needs;
- Requirements for the Board to have independent Directors in accordance with the Listing Rules and whether the candidates for independent Directors would be considered independent with reference to the independence guidelines set out in the Listing Rules;
- Board Diversity Policy and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board; and
- Such other perspectives appropriate to the Company's business.

The Nomination Procedures for Directors also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings.

During the year ended 30 June 2025:

- Ms. Xing Shi Huang and Mr. Qingquan Yang were re-designated from non-executive Director to executive Director on 1 October 2024;
- Professor John Patrick Hearn was appointed as an INED with effect from 1 November 2024 and subsequently ceased as an INED on 1 November 2024 following his passing away; and
- on 2 December 2024, Professor Dominic Robert Beresford Verity was appointed as an INED. Professor Verity will subsequently retire by rotation at the forthcoming AGM and, being eligible, will offer himself for re-election as an INED at the forthcoming AGM.

Shareholders are advised to refer to the circular of the Company published on 28 October 2025 containing, among other things, (i) a notice convening the forthcoming AGM; and (ii) further information (including the views of the Nomination Committee and the recommendations by the Board) in respect of the proposed re-election of the retiring Directors at the forthcoming AGM.

The Nomination Committee will review the Nomination Procedures for Directors, as appropriate, to ensure its effectiveness.

Corporate Governance Functions

The Board is responsible for performing the functions set out in the code provision A.2.1, Part 2 of the CG Code.

During the year, the Board had reviewed the Company's corporate governance policies and practices, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

Risk Management and Internal Controls

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

CORPORATE GOVERNANCE REPORT

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

The Board is the ultimate decision-making authority and the corporate governance body. It is also responsible for institutional and academic governance directed at achieving the vision and mission of the Institute, compliant with all relevant legislation, including the HES Framework and the ESOS Framework. The Academic Board and its sub-committees are responsible for managing academic risks, while the Principal and administrative management team are responsible for managing non-academic risks such as regulatory compliance, management and other areas.

The Company utilises an integrated risk management system to minimize and protect against a range of strategic, operational, business, financial and legal risks. Through our risk management system, the Company seeks to manage and reduce risks, encourage effective and reliable communication, maintain legal and regulatory compliance and ensure the quality of our education provision.

The Company has developed and adopted various risk management procedures and guidelines with defined authority for implementation by key business processes and office functions.

The Company's risk management and internal control systems have been developed with the following principles, features and processes:

Risk Appetite Statement

Risk appetite is the degree of risk an organization will accept in pursuing its mission and striving to achieve its strategic objective. While taking risks is an unavoidable part of an organization growth, development and continuing operation, there are some levels of risk that should not be taken, all things considered.

TOP's Risk Appetite Statement describes the level of risk that it is willing to take in the various broad areas of its activity, such as student recruitment, health and safety, business continuity, and growth. Generally, TOP has a low to medium appetite for risk.

The Risk Appetite Statement is developed initially by the Executive and then discussed, and modified if required, by the Board, with advice from the Risk and Compliance Committee and from the Academic Board in so far as academic risk is concerned. The Board approves the Risk Appetite Statement. It is reviewed annually by the Board.

The development of the Risk Appetite Statement takes account of the following:

- TOP's Mission and Strategic Plan.
- The best interests of stakeholders overall including shareholders, students, staff, and alumni.
- The regulatory and legal requirements of all relevant jurisdictions.
- Current and planned projects.
- Current effectiveness of the risk management system, particularly in regard to strategic, academic, financial and operational risks.
- Emerging risk factors as well as emerging risk.
- The current and developing higher education environment, as well as the economic, governmental, and regulatory environment more broadly.
- Lessons from recent experience and the experience of similar institutions.

Risk Management Culture

A key ingredient in effective risk management is an organisational culture of risk awareness, including shared understandings of acceptable and unacceptable risk levels. It includes a willingness to raise issues related to risk in an open and honest fashion and, as the corollary, a willingness of managers, the Executive, and members of governance bodies to listen to what is said and to properly consider matters raised. The starting point for understanding acceptable and unacceptable levels of risk, in the context of organizational and operational decision-making and action, is TOP's risk appetite as defined by its Risk Appetite Statement (RAS).

As indicated above, the RAS describes the levels of risk, with respect to various broad areas of activity, with which TOP is willing to take. Importantly, the achievement of TOP's strategic and operational goals will inevitably involve accepting moderate, or even, occasionally, high, levels of risk in particular areas. Effective risk management operates within the parameters defined in the RAS and does not require the complete elimination of risk or the avoidance of all risk.

Building an appropriate organisational culture requires the development and implementation of a plan to acquaint staff across the entity with TOP's approach to risk management, including the processes and mechanisms involved, and to its overall risk appetite. These matters are covered in staff induction, through regular presentations on risk, and through the discussion of risk matters in organizational areas and among colleagues. In addition, Board members, and committee members generally, the Executive and area managers, model appropriate behaviours in regard to risk matters, "setting the tone from the top".

The process of the risk management is a continuous one of identification, analysis, evaluation, treatment or mitigation, monitoring, reviewing and reporting, with a combined bottom up and top-down approach and clear communication in each direction, and across the institution, through defined channels.

TOP aims to develop a risk management culture exemplifying the following characteristics:

- All Board and committee members, senior management, and staff at all levels, are responsible and accountable for managing risk, and are seen to be thus responsible and accountable.
- Risk management is transparent, and risk issues are openly and honestly discussed
- throughout the organisation.
- Risk is understood to be positive as well as negative, depending on the context, costs, benefits, and the RAS.
- Risk management is embedded in all decision-making and entity processes, including at strategic, operational and project levels.
- Risk management utilises relevant current and accurate information, while acknowledging any informational limitations.
- Risk management is proportionate to the context of the decision under consideration.
- Risk management processes are continuously improved and are regularly evaluated.

Risk Identification

Risk identification involves identifying circumstances, events and occurrences that may impact materially on TOP's objectives or activities. Such circumstances, events and occurrences may be external to the organisation or arise within it. Risk identification is contextualized to particular objectives and activities or set of objectives and activities. Identifying risk requires that those circumstances, events and occurrences be reasonably foreseeable. Risk arises from the possibility that opportunities will not be utilised, as well as from the possibility that threats will materialize. Risk identification has limits in that there are, for example, risks that may not be reasonably foreseeable and so are difficult to identify, including so-called "black swan" events. Protection against some such risks is provided by robust business continuity planning.

CORPORATE GOVERNANCE REPORT

Risks are of various kinds, depending on their complexity, their significance and the level at which they impact the institution. It is useful to focus on four main risk categories, keeping in mind that not all risks fall clearly within one of other of these categories. It is useful also to be aware that various risks and are best managed as a set or group.

Material risks (which include strategic risks) are risks pertaining to the achievement of the organisation's strategic goals and objectives as spelt out in its strategic plan. They include risks that materially threaten the achievement of TOP's mission and strategic objectives, its financial viability and the sustainability of the entity, its overall reputation and brand, and its compliance with regulatory and legal requirements. Some material risks are also academic risks, which is to say pervasive risks to academic quality and academic standards, including regulatory standards, such as the risk posed by the inappropriate use of generative AI. Material risks, which may include significant risks accepted in order to achieve significant benefits, must be managed carefully by the Executive with oversight by, and regular reporting, to the Board through the Risk and Compliance Committee.

There are numerous mechanisms for the identification of material risks. Crucially, the process of strategic plan development involves the careful identification of strategic risks. However, material risks may alter, and new material risks emerge, during the life of a strategic plan. The Executive plays a key role in the identification of material risks, as does the Academic Board in the case of those that are academic risks. Moreover, staff generally are encouraged to contribute to the identification of material risk through various fora. Relevant mechanisms include regular discussion of emerging issues, scenario analysis, market and sector research, environment scanning (including identifying regulatory changes and changes to government policy), risk identification workshops, work area meetings, benchmarking with similar organisations, and utilizing external specialist knowledge.

Academic risks include risks to academic quality and academic standards, to academic reputation, to meeting accreditation requirements, to rigorous academic governance and oversight arrangements, to the quality of the student experience, and to student well-being and safety. They include risks to compliance with the Higher Education Standards Framework Standards (Threshold Standards) 2021 generally.

Operational risks are risks pertaining to the day-to-day operations of a particular organisational area, such as an academic grouping, the human resources function, or the finance function. Some operational risks are academic risks, such as the risk of academic staff within an academic grouping failing to adhere to specific academic policies. Moreover, in some cases operational risks connect with material risk, as with operational risks around safety contributing to the strategic risk around health and safety or the risk around academic policy compliance in a particular area connecting with the material and academic risk of regulatory noncompliance.

Managers and staff in operational areas play a key role in identifying operational risks, including through regular discussion of risk issues with colleagues, benchmarking with similar operational areas, seeking expert advice, and through staff development activities.

Project risks are generally associated with significant planned change underpinned by a change or transformation plan, such as a plan for organisational renewal or curriculum renewal, or with more specific project activities such as particular capital works projects, information technology projects or new business partnerships. Project risks are typically identified prior to the commencement of the relevant project and are regularly reviewed and updated as the project proceeds.

Project risk identification is incorporated in the project plan, and, depending on the scope of the plan, could include participation by the Executive, the Academic Board (such as in the case of curriculum renewal projects), managers, staff in specific organisational areas, or external experts.

Risk Analysis

Once a risk is identified, then the risk analysis process may commence. Risk analysis involves developing an accurate understanding of the relevant risk, including of what might cause it to eventuate, what could happen if it did eventuate and how it could be effectively mitigated or controlled, by altering its likelihood or its impact, or both.

Risk analysis is undertaken on the basis of the current status of the risk, including any controls that are already in place. It involves establishing the inherent risk, namely the risk before the implementation of controls, and the residual risk, which is the risk subsequent to the implementation of controls.

Risk analysis involves judging the likelihood or probability that a risk will eventuate, using the following categories: Almost Certain, Likely, Possible, Unlikely, Rare. It involves also judging the impact or consequences of the risk, if it were to eventuate, using the following categories: Insignificant, Minor, Moderate, Major, Severe. These categories form the axes of a risk ranking matrix enabling the further categorization, or rating, of a risk as Low, Medium, High, or Extreme, determined by the combination of the judgments regarding likelihood and impact.

The Likelihood categories may be defined in terms of specific probability ranges:

Almost Certain means having a probability of greater than 80%.

Likely means having a probability of 61% to 80%.

Possible means having a probability of 41% to 60%.

Unlikely means having a probability of between 20% and 40%.

Rare means having a probability of less than 20%.

However, assigning such specific probability ranges may give the impression that more precision is possible in making these judgements than there actually is. It is important to keep in mind that there is some degree of subjectivity involved and quite a bit of blurriness at the boundaries of the categories.

The Consequence categories are perhaps better defined using phrases rather than statistical quantities:

Severe means causing long term loss/harm, going concern risk.

Major means causing significant loss/harm, inability to achieve objectives.

Moderate means causing moderate loss/harm, external disruption.

Minor means causing some short term loss or harm, internal disruption.

Insignificant means brief/reversible loss or harm, very low impact.

Again, there is quite a bit of subjectivity involved in judging which category is applicable. This is one reason that involving a number of people in the analysis of risk is useful. It contributes towards balancing different perspective and assigning categories in a way that is not too idiosyncratic. It is also a reason that openness and honesty in discussions around risk is so important – it is a safeguard against groupthink and against the domination of the process by one or two individuals.

CORPORATE GOVERNANCE REPORT

Risk Assessment Matrix

		Likelihood				
		Rare	Unlikely	Possible	Likely	Almost Certain
Consequences	Severe	Medium	Medium	High	High	Extreme
	Major	Low	Medium	Medium	High	High
	Moderate	Low	Low	Medium	Medium	High
	Minor	Low	Low	Low	Medium	Medium
	Insignificant	Low	Low	Low	Low	Low

Risk Evaluation

Risk matrices are the basis for risk evaluation and the rating of risks. They enable the institution, senior management, a committee, a functional area, or a project oversight team, to rank risks and thus to prioritise risk management actions and to determine where best to allocate resources for risk management. For example, a risk initially rated as High or Extreme may be mitigated, or further mitigated, through actions designed to reduce its likelihood or to reduce its impact or both.

Importantly, risk evaluation must include consideration of TOP's risk appetite and tolerances across the various categories of its activity. Where risk evaluation identifies risks where the existing rating exceeds a level that is tolerable or where it is approaching the point where it will exceed that level, then further risk mitigation, or treatment, is required. Further, risk evaluation underpins judgments about the urgency with which risk mitigation should be undertaken, the nature of the action required, appropriate mechanisms for monitoring the risk, and related reporting arrangements, enabling the institution or a responsible role, to be assured that the risk is appropriately mitigated or controlled.

Risk Treatment

Risk treatments, which are risk controls, or mitigating actions, are required where a risk is not within or is approaching tolerances, or where there is otherwise a desire to reduce a risk. Risk treatment involves balancing the potential benefits against cost and effort. Risks which fall outside TOP's risk appetite are a priority and should be escalated.

Risk treatment options include:

- Avoiding the risk, by not proceeding or continuing with an activity or course of action or by choosing an alternative, less risky, means of achieving the same, or a similar, objective.
- Mitigating the risk, by improving risk management controls to reduce likelihood or by implementing strategies that minimise adverse consequences or both.
- Transferring the risk, by shifting all or part of the responsibility for the risk to another party by outsourcing or through insurance.
- Accepting the risk, if it is within tolerances, by trusting the adequacy of existing controls, monitoring the risk, and developing contingency plans for implementation if the risk changes to exceed or approach tolerances.

The risk treatment process is iterative process and involves the following components:

- Developing risk treatment options.
- Selecting one or more risk treatment options by balancing the potential benefits against costs, effort or disadvantages of implementation.
- Implementing selected options.
- Assessing the effectiveness of the implemented risk treatment.
- Deciding whether the residual risk is acceptable or whether it is not acceptable.
- Going through the process once more.

Monitoring and Reporting Risk and Risk Registers

Effective risk management requires diligent monitoring of risks both to provide assurance that risks are being effectively managed and to signal the need for additional controls or actions where risks are not being effectively managed. Risk controls or mitigations must be regularly monitored and, likewise, the progress of action plans related to risk mitigation must be monitored to provide assurance that milestones are being met.

Risk monitoring underpins the necessary management and governance oversight of the risk management process. Risks are assigned to risk owners whose responsibility it is to ensure regular monitoring of assigned risks and ensure the accuracy and currency of the relevant risk rating and of the information relating to the risk contained in the relevant risk register.

The risk register is a core element of the risk management process. It is a documented record of the identified risks, risk owners, the significance or rating of risks, controls in place to mitigate risks, actions plan implemented to further mitigate risks, and an indicator of whether the risk is stable or trending up or trending down. Risk registers are living documents in that they are continuously under review and regularly updated. They provide the basis of risk reporting to management and to the Board, through the Risk and Compliance Committee, and the Academic Board. The key risk registers at TOP are the Material Risk Register and the Academic Risk Register.

Risks that have the potential to materially impact the achievement of TOP's mission and strategic objectives, overall reputation or brand, or its capacity to continue operating effectively, including through meeting regulatory requirements, are included in the Material Risk Register. The Material Risk Register includes key academic risks, in particular those closely tied to regulatory compliance.

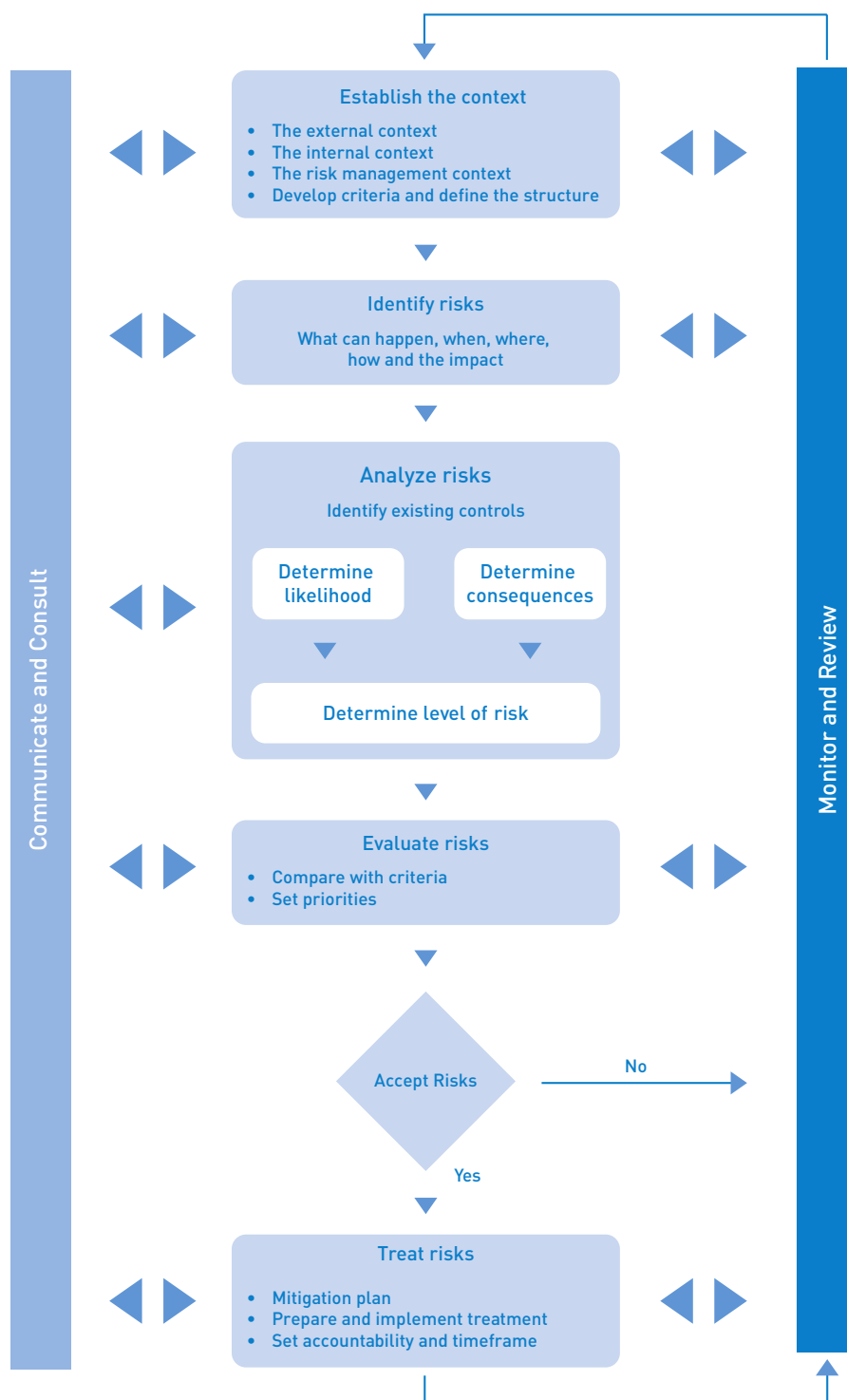
The Academic Risk Register includes a broader range of academic risks related to academic quality and academic standards, to academic policies and procedures, and to the student experience, including student well-being and safety, among others.

There may be other risk registers for work areas or for projects as required, which include risks that are neither material, in the sense described above, nor appropriate to be included in the Academic Risk Register.

CORPORATE GOVERNANCE REPORT

The overall risk management process is usefully depicted in the following diagram:

Identification, Analysis and Assessment



Risk Management at Top

TOP's culture of risk management is that each management position in the organisation plays a role, and at relevant levels of responsibility, in managing risk, as follows.

Implementation of the Framework requires the regular monitoring of the potential risks as part of each staff member's day-to-day responsibilities. In line with the relevant policies, procedures, and approved plans, each staff member is charged with the responsibility of identifying potential risks. However, investigation and analysis of the risks, and development and implementation of appropriate measures to minimise or eliminate the risk may only take place with appropriate consultation and approval from the staff member's supervisor and/or higher reports.

If the initial assessment identifies "risk factors" that cannot be mitigated through use of existing or implemented approved procedures agreed with the officer immediate manager or supervisor, then the officer should discuss with the related role(s) and report to the supervisor(s) in line with the following diagram and in reference of the Organisational Charter for further identification, analysis and mitigation at the higher level of the management.

The Directors and the management of TOP must comply with specific rules on an ongoing basis (known as continuing obligations), which include the:

- Constitution of TOP
- Corporations Act 2001
- Listing Rules
- Securities and Futures Ordinance, Securities and Futures Commission of Hong Kong
- Companies Ordinance, Chapter 622 of the Laws of Hong Kong

Discharging the continuing obligations ensures, among other things, that TOP and the Board treat all shareholders fairly, and keep investors and the public fully informed of matters which might affect their interests.

The administrative, senior management, as well as the Principal/President, the Chief Executive Officer should be monitoring, analysing, identifying and mitigating the potential risks or risk factors during the day-to-day management and report to Academic Board, Audit and Finance Committee, Risk and Compliance Committee or the Board for the governance bodies' monitoring and risk control on corporation level risks.

When the Board, or other governance committees have discussed and identified a material risk and have developed or approved a risk management plan, the President and senior management team are responsible for its implementation, reporting back to the relevant governance bodies on outcomes.

All departments conducted internal control assessment regularly to identify risks that potentially impact the business of the Company and various aspects including key operational and financial processes, regulatory compliance and information security. Self-evaluation has been conducted annually to confirm that control policies are properly complied with by each department.

The management has confirmed to the Board, the Audit and Finance Committee and the Risk and Compliance Committees on the effectiveness of the risk management and internal control systems for the year ended 30 June 2025. The Board, as supported by the Audit and Finance Committee and Risk and Compliance Committees as well as the management report, reviewed the risk management and internal control systems, including the financial, operational and compliance controls, for the year ended 30 June 2025, and considered that such systems are effective and adequate. The annual review also covered the financial reporting and staff qualifications, experiences and relevant resources.

CORPORATE GOVERNANCE REPORT

The Company would appoint independent consultancy firm to conduct a thorough review of risk management and internal control systems of the Company and its subsidiaries on regular intervals basis when necessary.

The Company has the Whistleblowing Policy and system in place to facilitate employees of the Company to raise, in confidence and anonymity, concerns about possible improprieties in financial reporting, internal control or other matters of the Company, with the Audit and Finance Committee, the Company Secretary, Human Resources Manager or an independent legal adviser, about possible improprieties in any matters related to the Company. Policy and system that promote and support anti-corruption laws and regulations are also in place to safeguard against corruption and bribery within the Company. The Company has an internal reporting channel that is open and available for employees of the Company to report any suspected corruption and bribery. The Company continues to carry out anti-corruption and anti-bribery activities to cultivate a culture of integrity, and actively organizes anti-corruption training and inspections to ensure the effectiveness of anti-corruption and anti-bribery.

The Company has also in place the Fraud and Anti-Corruption Policy to safeguard against corruption and bribery within the Company. The Company has an internal reporting channel that is open and available for employees of the Company to report any suspected corruption and bribery. Employees can also make anonymous reports following the Staff Complaint Procedure, for investigating the reported incidents and taking appropriate measures. The Company continues to carry out anti-corruption and anti-bribery activities to cultivate a culture of integrity, and actively organizes anti-corruption training and inspections to ensure the effectiveness of anti-corruption and anti-bribery. The Fraud and Anti-Corruption Policy is available on the website of the Company.

During the year ended 30 June 2025, the Company held one anti-corruption training and briefing to all employees. There were no non-compliance cases in relation to bribery and corruption.

TOP adopts a disclosure policy which complies with the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission. An upward Reporting Approach is adopted to monitor the potential inside information. The Board or the designated person(s) will review and assess the potential inside information and to maintain strict confidential of any inside information until it being properly disclosed when consider to be appropriate.

Directors' Responsibility in Respect of the Financial Statements

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 30 June 2025.

The Directors have prepared the financial statements in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board. Appropriate accounting policies have also been used and applied consistently except the adoption of revised standards, amendments to standards and interpretation.

The financial statements of the Company are prepared on a going concern basis, the Directors are of the view that they give a true and fair view of the financial position, performance and cash flow of the Group for the year ended 30 June 2025, and the disclosure of other financial information and report therein complies with relevant legal requirements.

The statement of the independent auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditors' Report of this Annual Report.

Auditors' Remuneration

The remuneration paid to the external auditors of the Company in respect of audit services and non-audit services of tax advisory for the year ended 30 June 2025 amounted to approximately AUD\$170,000 and AUD\$37,000, respectively.

Service Category	Fees Paid/Payable AUD\$'000
Audit Services	170
Non-audit Services	
– Tax advisory services	15
– Agreed upon procedures	22
Total	207

Company Secretary

Ms. Min Ying has been the sole company secretary of the Company since 1 July 2021.

All Directors have access to the advice and services of the company secretary on corporate governance and board practices and matters.

Ms. Ying has undertaken not less than 15 hours of relevant professional training respectively during the year ended 30 June 2025 in compliance with Rule 3.29 of the Listing Rules.

Shareholders' Rights

The Company engages with Shareholders through various communication channels and a Shareholders' communication policy is in place to ensure that Shareholders' views and concerns are appropriately addressed. The policy is regularly reviewed to ensure its effectiveness.

To safeguard Shareholder interests and rights, separate resolution should be proposed for each substantially separate issue at general meetings, including the election of individual Director. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

Convening a General Meeting

General meetings may be convened by the Board on requisition of Shareholder(s) of the Company representing at least 5% of the total voting rights of all the Shareholders having a right to vote at general meetings pursuant to Section 249D of the Corporations Act.

Shareholders should follow the requirements and procedures as set out in the Corporations Act and where applicable, the Company's Constitution, for convening a general meeting.

CORPORATE GOVERNANCE REPORT

Putting Forward Proposals at General Meetings

Pursuant to Section 249N of the Corporations Act, Shareholders representing at least 5% of the total voting rights of all Shareholders; or at least 100 Shareholders (as the case may be) who have a right to vote at the relevant annual general meeting, may request to circulate a resolution to be moved at a general meeting.

Shareholders should follow the requirements and procedures as set out in the Corporations Act and where applicable, the Company's Constitution, for circulating a resolution for general meeting.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board of the Company, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Registered Office in Australia:

Suite 1, Biomedical Building
1 Central Avenue
Eveleigh, New South Wales 2015
Sydney
Australia
(For the attention of the Company Secretary)

Or

Principal Place of Business in Hong Kong:

Room 1916, 19/F
Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong
(For the attention of the Company Secretary)

Or

By email:

ir@top.edu.au

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above addresses and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

Investor Relations

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company maintains a website at www.top.edu.au as a platform to provide access for Shareholders and investors with updated information on the Company's business.

The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. At the annual general meeting, Directors (or their delegates as appropriate) are available to meet Shareholders and answer their enquiries.

During the year under review, the Company has not made any changes to its Constitution. An up to date version of the Company's Constitution is also available on the Company's website and the Stock Exchange's website.

Policies Relating to Shareholders

Shareholders' Communication Policy

The Company has in place a Shareholders' Communication Policy to ensure that Shareholders' views and concerns are appropriately addressed. The policy is regularly reviewed to ensure its effectiveness.

The Board ensures the Shareholders are well communicated via various channels for important issues according to the Shareholders' Communication Policy and encourage the Shareholders to raise any question or feedback on the communication methods. Due to the emerging environment, the Board believes the hybrid means of communication would be more effective and benefit more for the Shareholders.

The Company has established a number of channels for maintaining an on-going dialogue with its Shareholders as follows:

- (i) Shareholders' enquiries
 - (a) Shareholders should direct their questions about their shareholdings to the Company's share registrar.
 - (b) Shareholders and the investment community may at any time make a request for the Company's information to the extent such information is publicly available.
 - (c) Shareholders and the investment community shall be provided with designated contacts in order to enable them to make any query in respect of the Company.
- (ii) Corporate Communication
 - (d) Corporate communication will be provided to Shareholders in plain language and in both English and Chinese versions to facilitate Shareholders' understanding. Shareholders have the right to choose the language (either English or Chinese) or means of receipt of the corporate communications (in hard copy or through electronic means).
 - (e) Shareholders are encouraged to provide, amongst other things, in particular, their email addresses to the Company in order to facilitate timely and effective communications.

CORPORATE GOVERNANCE REPORT

(iii) Corporate Website

- (f) Information on the Company's website is updated on a regular basis.
- (g) Information released by the Company to the Stock Exchange is also posted on the Company's website for corporate communications immediately thereafter. Such information includes financial statements, results announcements, circulars and notices of general meetings and associated explanatory documents etc.

(iv) Shareholders' Meetings

- (h) Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings.
- (i) Appropriate arrangements for the annual general meetings shall be in place to encourage Shareholders' participation.
- (j) The process of the Company's general meeting will be monitored and reviewed on a regular basis, and, if necessary, changes will be made to ensure that Shareholders' needs are best served.
- (k) Board members, in particular, the chairs of Board committees or their delegates, appropriate management executives and external auditors will attend annual general meetings to answer Shareholders' questions.
- (l) Shareholders are encouraged to attend shareholders' activities organised by the Company, where information about the Company, including its latest strategic plan, will be communicated.

(v) Investment Market Communications

- (m) Investor/analysts briefings and one-on-one meetings, roadshows (both domestic and international), media interviews, marketing activities for investors and specialist industry forums etc. will be available on a regular basis in order to facilitate communication between the Company, Shareholders and the investment community.

Dividend Policy

The Company has adopted a Dividend Policy on payment of dividends. The Company does not have any pre-determined dividend payout ratio. Depending on the financial conditions of the Company and the Group and the conditions and factors as set out in the Dividend Policy, dividends may be proposed and/or declared by the Board during a financial year and any final dividend for a financial year will be subject to the Shareholders' approval. Details of the final dividend of the year ended 30 June 2025 have been disclosed in the annual report of the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Scope, Standard and Principles

This Environmental, Social and Governance report (the “ESG Report”) has been prepared by Top Education Group Ltd. (“the Group”, “TOP” or “Our”) in accordance with the “Environmental, Social and Governance Reporting Guide” (the “ESG Reporting Guide”) as set out in Appendix C2 to the Listing Rules issued by the Stock Exchange.

The ESG Report describes the Environmental, Social and Governance (“ESG”) progress made with the Group during the period from 1 July 2024 to 30 June 2025 (the “Reporting Period”), as defined and revised from time to time based on the ESG material assessment conducted annually, in order to focus TOP’s ESG efforts on the geographical locations and businesses processes (the “Reporting Scope”) where the most significant ESG risk and impact may be.

The Reporting Scope covers all major campuses of the TOP, including 3 locations of the South Eveleigh Campus (Biomedical Building, Bay 3 of the Locomotive Workshop and Level 3 of Yerrabingin House, 1 location of the Hobart Campus and 1 location of the Perth Campus. The scope of this ESG Report is consistent with the Annual Report.

The ESG Report is prepared in both Chinese and English. In case of any discrepancy or inconsistency, the English version shall prevail.

TOP adheres to the four fundamental reporting principles set out in the ESG Reporting Guide in the preparation of the ESG Report. These reporting principles and the way TOP applies these in the ESG Report is set out below:

Reporting Principles	How it is applied to this Report
Materiality	The ESG Report covers the key environmental and social issues concerned by different stakeholders. These material environmental and social issues were identified through consideration by the Board, audit and finance committee and academic board, discussion between the Board and management and engagement with different stakeholders. Identification process of substantive issues and the matrix of substantive issues along internal and external dimensions are disclosed in this Report, further details of which are set out in the “Stakeholder Engagement and Materiality Assessment” of this Report.
Quantitative	Information on the standards, methodologies, assumptions and/or calculation used, and source of key emission and conversion factors used for both quantitative environmental and social key performance indicators (“KPIs”) are disclosed in the ESG Report. Details of these information are all explained in the notes section following relevant KPIs.
Balance	The ESG Report provides an unbiased picture of TOP’s performance during the Reporting Period. Information was disclosed in an objective manner, avoid selections, omissions, or presentation formats that may inappropriately influence the judgment made by report readers.
Consistency	This Report adopts the same compilation method as that of the previous reporting period, so that readers can make meaningful comparisons of the ESG information during the Reporting Period against that of last year. In addition, it also provides explanations for the parts and statistical methods and formulas that were disclosed for the first time, and for data that have changed.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Board Confirmation

The Board and the management have reviewed and endorsed the ESG material assessment and the ESG Report, and approval was obtained from the Board of Directors on 26 September 2025.

Mission, Esg Governance and Approach

Mission

"Innovation towards Intelligent Education".

This is the TOP's motto, which highlights the mission and the spirit of our approach and character, the commitment to provide its students with the very best possible quality higher education in the field of business and law that lead to immediate and fulfilling careers in the public and private, domestic, and international sectors.

Esg Governance Structure and Approach

TOP acknowledges the importance of effective ESG initiatives to our operation. We aspire to deliver long-term benefits for all stakeholders by operating in a responsible and ethical manner, taking not only economic factors but also social and environmental factors into consideration. As a socially responsible company, the Board recognises the importance of ESG in enhancing the value of TOP and its overall responsibility for our ESG strategy and reporting. TOP delivers its ESG strategy through effective management of ESG risks and cultivation of an ESG-aware culture. The Group aligns its ESG approach with its existing risk management framework, thus ensuring that the delivery of ESG efforts is effective and is coherent with current business strategies and reactive to changing business environment.

The Group's ESG approach is overseen by the Board to ensure that the ESG strategy aligns with the Group's core values. The Board bears overall responsibility for assessing and determining the nature and extent of risks it is willing to assume to achieve the Company's strategic objectives, as well as for establishing, maintaining, and reviewing the effectiveness of appropriate and effective risk management and internal control systems. These systems are designed to manage – not entirely eliminate – the risk of "failure to achieve business objectives" and can only provide reasonable, not absolute, assurance against material misstatements or losses. In the process of working with management to drive the Group's value enhancement and performance optimization, the Board also undertakes the responsibility of assessing and identifying ESG-related risks.

We set up a ESG Working Group ("Working Group") dedicated to ESG matters, which is responsible for communicating closely with various departments, maintaining a full understanding of their work as well as collecting and analysing ESG issues that TOP's employees and students and various other stakeholders may concern in their daily contact. The ESG working group will collect feedbacks from stakeholders directly in the form of questionnaires when necessary.

The Board will provide advice on the Group's ESG strategy based on the results of the assessments and analysis from time to time, while the ESG Working Group will also help to explain the Group's ESG strategies and policies to all functional departments, which could ensure the effective implementation of the Group's employees in their daily work. The Board assumes full responsibility for the ESG strategies and reporting of the Group and implements a top-down governance model with full support from the ESG Working Group. Meanwhile, two-way communication between different levels of the organisation is carried out to foster a good culture and atmosphere for sustainable development among the teams of the Group.



The Board, working together with the management, delivers ESG strategy and reporting through the continuous assessment and identification of ESG risks in engagement with TOP's employees, students and various other stakeholders, and in the course of our efforts in promoting a sustainability culture within the Group.

This sustainability culture is the engine that drives the long-term sustainable growth of TOP; it drives the formulation of appropriate ESG policies and procedures to mitigate ESG related risks; it drives the measuring and monitoring of the ESG performances progress, and it also drives the reporting of these progresses to investors and key stakeholders.

TOP's efforts focus on areas that are material to both stakeholders and the business based on the results of the ESG material assessment. Further details of the assessment and these focused areas can be found in the later section titled "Stakeholder Engagement and Materiality Assessment". Material ESG-related issues are critical to both short-term and long-term success of TOP's business, and their ESG impact will be highly relevant to TOP's business. The KPIs of material ESG-related issues are regularly reviewed against goals and targets set-up by the Board and the management throughout the process of the preparing of ESG reporting to determine progress and adjustment made to the original goals and targets where appropriate.

Looking forward to 2026 and beyond, the Group invests its efforts in the exploration of sustainability improvement through the assimilation of ESG concepts into daily operations at its workplace, and through the establishment of policies and procedures and written guidelines, and also through providing ESG awareness training and reminder notices from time to time. By raising ESG awareness among TOP's students and employees, they together also become ambassadors of TOP's sustainability efforts.

TOP is committed to providing students with the highest quality higher education courses and experiences, teaching comprehensive knowledge and skills, while fostering students' awareness of sustainable development, prompting them to take the initiative to assume social responsibility, and serve the global community while inheriting the TOP culture. This organic sustainability culture also ensures that the potential reach of TOP's ESG efforts are sufficiently broad to cover key parts of TOP's business as well as other areas.

Stakeholder Engagement and Materiality Assessment

Stakeholder Engagement Approach

With reference to the Megatrend from World Economic Forum, MSCI and SASB's materiality assessment and understanding the expectations and demands of TOP's stakeholders (including shareholders, corporate customers, students and their parents, employees, suppliers, creditors, regulatory authorities and the public) are key to TOP's ESG approach.

After sorting and integrating these ESG issues, the working group will assist the Board in developing an assessment of the materiality of the ESG issues. These issues will be screened and ranked in order of the materiality, categorised into four major aspects of environment, employee, services or community. The ESG working group will analyse the risks and opportunities of the ESG issues from the materiality assessment and then report its analysis to the Board.

Stakeholder engagement is done through typical communication channels in TOP's ordinary contact with stakeholders, during which their views and feedback are collected through constructive dialogs and maintaining a close working relationship with them. The stakeholder groups, their expectations and their typical communication channels with TOP are shown below:

Stakeholder Groups	Expectations	Typical communication channels
Government and regulatory authorities	- Educational service quality and risk management - Compliance with laws and regulations - Internal inspection - Employees' and students' health and safety	- Seminars for staff - Financial reports, announcements, and circulars - Direct communication via email and telephone
Corporate customers, students & their parents	- Research and teaching quality - Student information protection - Administrational and psychological support and care for overseas students - School atmosphere - Health and safety protection - Career prospect - Fair assessment	- Open day - Collection of complaints and feedback - Maintaining good communication with students - Caring for student life - Helping families experiencing difficulties - Survey of student's satisfaction
Employees	- Training and career development opportunities - Salary and welfare - Working environment - Health and safety protection	- Staff activities - Employee notice board - Training, seminars, and workshops - Meetings of the Academic Board and its sub-committees - Staff orientation - Regular memo to staff - Direct communication to collect opinions from staff - Staff training, seminars, and briefings - Cultural activities
Suppliers and agents	- Good business relationship - Fair and honest dealing - Information sharing	- Regular communication via email or telephone - Regular progress meetings or reports - On-site visits

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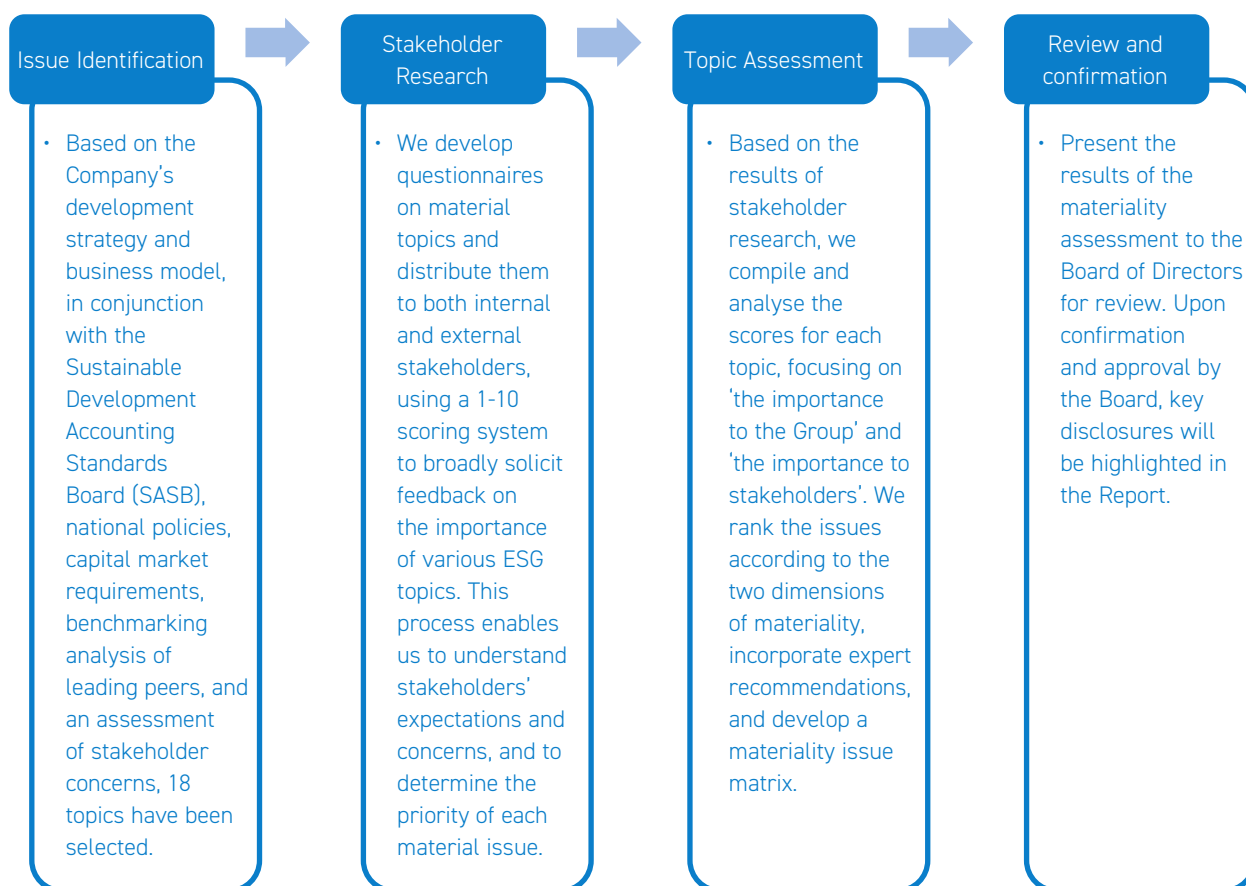
Stakeholder Groups	Expectations	Typical communication channels
Shareholders and investors	• Return on investment • Information disclosure and transparency • Protect the rights and interests of shareholders • Disclose relevant and accurate information in a timely manner • Corporate governance policies • Run business in compliance with laws and regulations • Combat corruption and uphold integrity	• Shareholders' meetings, AGM, etc. • Financial reports, announcements and circulars and other publicly available information • Company enquiries via e-mail and phone • Information disclosure of listed companies • Roadshows/conference calls/meetings with investors/shareholders • Enquiries via telephone/emails • Investors' on-site visits • Website information disclosure on the Stock Exchange and the Group
Local communities, non-government organisations, prospective students and the general public	• Employment opportunities • Ecological environment • Community development • Social commonwealth • Enthusiasm towards public welfare • Charitable donations • Reduction in pollutant emissions • Reduction in waste	• Charitable activities • Community investment and service • Stakeholder engagement • Environmental protection activities • Sponsorships and donations
Media	• Transparency of information • Good media relations	• Website information disclosure on Stock Exchange and the Group • Financial reports, announcements and circulars and other publicly available information

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Materiality Assessment

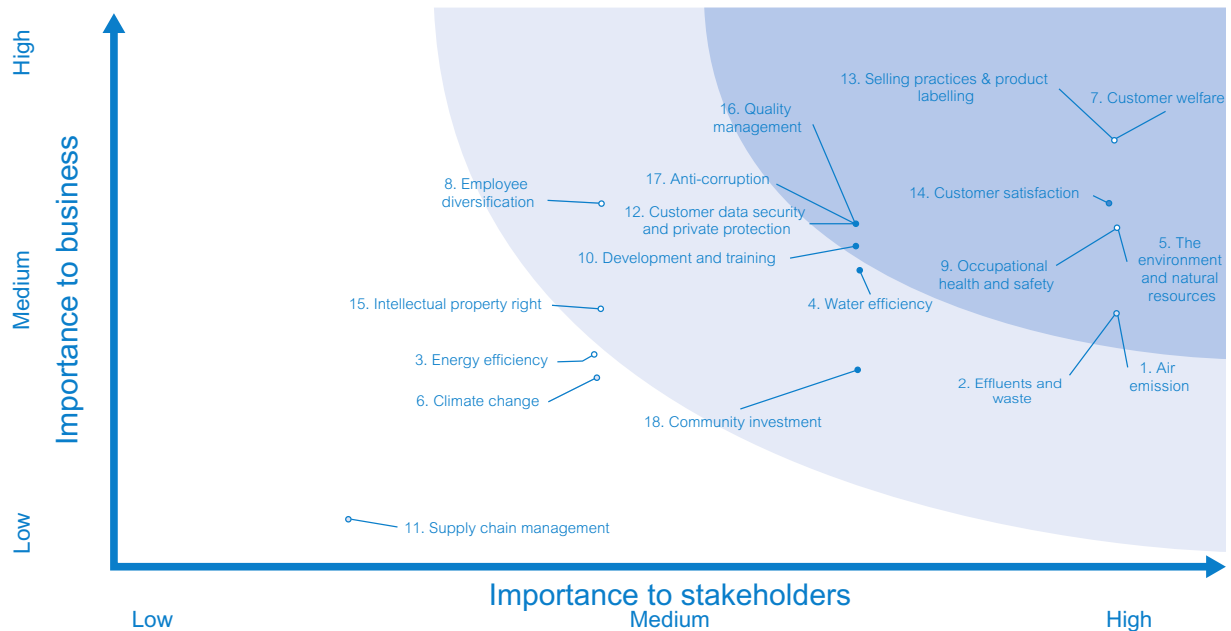
To fully identify sustainable development matters and clarify their priorities, TOP invited various stakeholders to participate in the assessment of material topics in the ESG areas through questionnaires, interviews and other methods. Among them, key stakeholders including shareholders, directors, management teams, employees and students all participated in the discussions to jointly review key focus areas and provide feedback on ESG-related issues.

In accordance with the list of ESG dimensions specified in the ESG Reporting Guide, TOP conducted information collection, assessed the impact level of each dimension, and finally formulated the following materiality assessment results. This initiative is intended to ensure that this report can address the key concerns of stakeholders regarding the Group's ESG matters in a targeted manner, and the specific process of the materiality assessment will be elaborated in the following sections.



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The following is the Group's ESG issue materiality analysis matrix:



Environmental	Employees	Services	Community
1. Air emission	7. Customer welfare	11. Supply chain management	18. Community investment
2. Effluents and waste	8. Employee diversification	12. Customer data security and privacy protection	
3. Energy efficiency	9. Occupational health and safety	13. Selling practices & product labelling	
4. Water efficiency	10. Development and training	14. Customer satisfaction	
5. The environment and natural resources		15. Intellectual property right	
6. Climate change		16. Quality management	
		17. Anti-corruption	

The key materials proposed by the stakeholders mainly focus on social aspects; in comparison, the attention paid to environmental aspects is slightly lower. During the Reporting Period, the Group has organized several training sessions and group discussions regarding the key material aspects topics identified in the last reporting period. The discussion for material topics raised for this Reporting Period will be held in the next reporting period. Concerning data protection and employee diversification, the Group will keep all stakeholders updated regarding any amendments in policies and regulation on protecting the handling of personal information about individuals.

With these results in mind, TOP will continue to improve its ESG processes and performance by actively communicating with its stakeholders and constantly reviewing and improving its internal policies. Details of these ESG efforts during the Reporting Period are presented below in four sections, namely "Environment", "Employees", "Services" and "Community".

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Environment

The core business activities of TOP focus on providing higher education services, with a commitment to developing green campus initiatives. Its main operating locations include the Group headquarters and various schools. Given the nature of our business, the direct environmental impact of our activities is minimal. Nevertheless, TOP recognizes the significance of environmental protection and has implemented a range of measures to regularly manage emissions and waste generated during our business operations.

During the Reporting Period, the Group strictly complied with key environmental laws and regulations relevant to its business operations, ensuring that all operational activities adhered to national and local environmental requirements. Meanwhile, in response to the aforementioned key environmental issues, we have formulated a series of comprehensive environmental management systems and policies. These initiatives aim to further advance the concept of green operations and fulfil our social responsibility in environmental protection. The laws and regulations complied with by the Group include but are not limited to:

- Environment Biodiversity Conservation Act 1999
- Protection of the Environment Legislation Amendment Act 2014
- Protection of the Environmental Legislation Amendment Act 2011
- Protection of the Environment Operations Act 1997
- NSW Waste Avoidance and Resource Recovery Act 2001
- Protection of the Environment Operations (General) Regulation 2022

Aspect A1: Emissions and Wastes

Air and Green House Gas ("GHG") emissions

In the compilation of our ESG report for the Reporting Period, TOP has conducted a more in-depth analysis of data related to the environmental impact of company vehicle utilization, with a particular focus on greenhouse gas ("GHG") emissions. Given the increase in marketing activities during the Reporting Period, vehicle usage has become more frequent, leading to significant changes in fuel consumption and corresponding environmental footprint, the impact of Group vehicles on our overall ESG performance has become more material. This updated assessment, which reflects the evolving operational realities, aligns with the latest results of our materiality analysis. Accordingly, TOP has made a deliberate decision to formally disclose the key performance indicators ("KPIs") specifically related to vehicle-derived air emissions and associated Scope 1 direct GHG emissions in this year's report. To ensure ongoing accuracy and transparency, TOP will continue to strengthen the monitoring of vehicle usage, fuel consumption, and emission data, with regular reviews to assess the materiality of such impacts for future reporting cycles.

During the Reporting Period, the sources of TOP's GHG emissions primarily include three key categories: Scope 1 direct emissions from the Group vehicle operations, Scope 2 indirect energy emissions from purchased electricity and Scope 3 other indirect energy from business travel. Regarding purchased electricity, it is sourced from a provider whose power generation process involves fossil fuel combustion, which results in GHG emissions. This electricity provider remains subject to the rigorous environmental protection laws and regulations enforced by the Australian Government, including requirements for continuous pollution level monitoring, the development and implementation of comprehensive pollution incident response management plans, and compliance with mandatory environmental audits. These regulatory measures are designed to ensure the electricity provider operates in an environmentally responsible manner, minimizing its environmental impact and advancing sustainability.

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The approximate volume of GHG emissions in CO₂ equivalent emissions ("CO₂e") during the Reporting Period were as follows:

(Units: Tonnes of CO ₂ e)		For the year ended 30 June			
		2025		2024	
GHG emissions	Emission sources	Total volume Intensities emitted	Intensities ¹	Total volume Intensities emitted	Intensities ¹
Scope 1: Energy direct emissions ²	Vehicles usage	1	0.4	No Applicable	No Applicable
Scope 2: Energy indirect emissions ¹	Purchased electricity	83	21	76	19
Scope 3: Other Energy indirect emissions emission	Business travel – Flight	29	7	32	8
Total		113	28	107	27

¹ Intensity is measured by the total volume emitted for that scope during the Reporting Period divided by a denominator. The denominators of GHG emission are determined as follows:

Scope 1: 4(2024: Not Applicable), being the number of buildings where the staff needed to use vehicles during the Reporting Period.

Scope 2: 4 (2024: 4), being the number of buildings where purchased electricity was used/estimated by the energy company during the Reporting Period. Level 3 of Yerrabingin House's electricity charge is included in the building management fees; thus, TOP does not have the usage data. However, it is an eco-friendly campus with daylighting design which TOP believes the emission from electricity used was minimal.

Scope 3: 4(2024: 4), being the number of buildings where the staff needed to business travel during the Reporting Period.

² Energy direct/indirect emissions' calculations are reference to the "National Greenhouse Accounts Factors 2024" issued by Australian Government.

The Scope 2 energy indirect GHG emissions (resulting from purchased electricity) increased by 9% in the Reporting Period compared to the previous year. Recognizing this upward trend, TOP is fully committed to strengthening its GHG emission reduction efforts – with a focus on optimizing electricity procurement strategies, enhancing energy efficiency in operations, and exploring low-carbon energy alternatives. These measures aim to address the current emission increase, gradually bring Scope 2 emissions back to a more sustainable level, and lay a solid foundation for maintaining stable and low emission performance in the upcoming year.

During the Reporting Period, business travel emissions, which account for a relatively high proportion of the Scope 3 emissions, decreased by 11% compared with the previous year. This is attributed to the Group's initiatives such as promoting remote meetings and guiding green travel, which not only achieved carbon emission reductions but also saved travel costs. The Group will further refine the management of business travel carbon emissions in the future, which will be detailed in the later section titled "Environmental Protection Measures".

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Wastes

Wastes generated by the Group were entirely non-hazardous in nature and minimal in quantity, consisting of domestic waste such as food wraps, drinking cans and bottles, wastepaper products and stationeries from office, the Group has implemented classified recycling.

Despite this, TOP has implemented various waste reduction measures to further reduce the amount of waste around the building, which will be detailed in the later section titled “Environmental Protection Measures”. No data on waste generation were collected, since significant efforts would have been required for its collection, but analytical results of these data would have been of insignificant value compared to our other ESG efforts during the Reporting Period. Therefore, the Group does not set reduction target on waste. And, TOP is an education provider, hence does not use packaging materials in the course of business.

In addition to strong waste management measures aimed at minimizing and efficiently disposing of non-hazardous waste, TOP has taken an important step in addressing the growing problem of e-waste. Recognizing the potential hazards that electronic equipment can pose to the environment when improperly disposed of the Group utilised dedicated e-waste recycling facilities established in South Eveleigh Campus. These e-waste bin provide a convenient and responsible method for disposing of discarded electronic devices, accepting items such as computers, monitors, printers, mobile phones, and batteries. Through this channel, we encourage employees, students, and other stakeholders to dispose of e-waste in a standardized manner. Meanwhile, the group arranges e-waste disposal operations every two weeks to ensure the regular implementation of disposal work. This well-scheduled operation ensures that e-waste is disposed of in an environmentally friendly manner.

Aspect A2: Use of Energy and Resources

Electricity was the major source of energy used by TOP during the Reporting Period, used in all areas of our business operation such as general lighting in classrooms and offices, and the powering of equipment such as ventilators, projectors, computers, screens, and printers around the area. The total energy consumption during the Reporting Period was 125,171 (2024: 103,913) kilowatt hour (“kWh”), averaging a consumption amount of approximately 10,500 (2024: 8,700) kWh per month, basically maintained the same as last year. With TOP’s continuous environmental protection efforts as described in the later section titled “Environmental Protection Measures”, TOP targets to keep the electricity usage at the same level as the Reporting Period.

TOP’s water consumption remains modest, primarily allocated to essential facilities such as toilets and kitchens, constituting the bulk of our resource utilization during the Reporting Period. Our access to water that meets the necessary quality standards for its intended uses is unhindered, as it plays a supportive role in our operations. While acknowledging the potential value of collecting and analysing KPIs related to water consumption, TOP has prudently decided against it during this reporting cycle. The extensive efforts required for such an analysis were deemed disproportionate to the marginal insights it would provide, particularly when weighed against the Group’s broader ESG achievements. Consequently, TOP has refrained from setting specific water efficiency targets at present.

In order to safeguard the quality of education and the fairness and security of the examinations, TOP has consistently maintained the traditional paper-based mode of examination, requiring students to return to school for in-person tests. While this approach effectively ensures examination integrity and educational standards, TOP is also proactively committed to minimizing paper consumption in other operational areas. Going forward, we will continue to uphold the paper-based examination format to preserve educational quality, while further optimizing paper usage in non-examination-related processes – such as streamlining administrative documents, promoting digital workflows for internal communications, and prioritizing recycled paper for necessary printed materials – to fulfil our environmental responsibilities.

Nonetheless, both energy and resource conservation are essential parts of TOP’s ESG strategy which will be detailed in the later section titled “Environmental Protection Measures”.

Aspect A3: Environment and Natural Resources

Aside from water, as detailed in the previous section, we did not consume any significant resources or cause notable environmental impacts during the Reporting Period. Wastewater generated from toilets and pantries was appropriately managed through the city's designated pipeline network, which connects to the main sewer system for sewage treatment.

Nonetheless as outlined in the next section, we are committed to environmental protection and have adopted and implemented a few measures to reduce the negative impact on our environment and habitat.

Environmental Protection Measures

As a responsible higher education provider in Australia which is home to a diverse species of wildlife, it is no doubt that one of TOP's strategic priorities is the conservation of this beautiful environment through integrating ESG concepts into the cultivation of TOP's student and employee.

Specifically, TOP has the following measures which are regularly conducted to achieve its ESG strategy during its operations:

- We have eco-friendly campus, using construction materials which are strictly environmental-friendly;
- The campus uses automatic lighting system, in which the lights in an area turn on only when it detects people's presence and then automatically turn themselves off a period of time after they have left;
- In addition, the campus uses a daylighting design which reduces the use of electricity by introducing natural daylight to indoor areas as far as possible;
- LED technology had been employed in a visual artwork on the exterior of Yerrabingin House; this work also invited staff and students to reflect on relationship between weather, environment and mood;
- We will continue to develop our "Intelligent Education" strategy, which includes digital education solutions that complement traditional classroom teaching to facilitate the effectiveness of studies and efficiency of utilising resources;
- Educational posters are displayed in common area of the campus to promote the importance of environmental protection to students and employees in order to enhance their environmental awareness;
- Our policies and procedures are regularly updated to incorporate rules and guidelines on environmental protection in order to assimilate them into daily workflows;
- These policies and procedures enable TOP to minimize emissions and conserve the use of energy by:
 - i. Reminding our employees to turn off office equipment such as computers, photocopiers, printers, air conditioners and others when not in use, or during non-office hours such as evenings and weekend;
 - ii. When purchasing computers and electronics, IT departments compares the energy consumption among potential equipment to avoid the use of high energy consumption equipment.
 - iii. Reminding our employees to keep the doors and windows shut when air conditioners are in operation;
 - iv. Encouraging our employees to commute or travel to/from external meetings through the use of carpooling (i.e., car share) wherever possible;

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- v. Making arrangements to inspect electricity and power equipment regularly, ensuring their safety as well as operating efficiency;
 - vi. Reminding employees to stay at the office after work hours only when necessary, as well as working from home instead of from office should they need to work during weekend;
 - vii. Requesting the property manager to set the central air conditioning to be automatically turned off immediately after office hour, to decrease the usage of electricity and to encourage staff to work from home if need over-time.
- These policies and procedures also enable us to minimize waste and conserve the use of resources (for example, paper) by:
 - i. Reminding employees to reduce the use of office supplies wherever possible;
 - ii. Centralizing the orders for office supplies from various departments to reduce delivery distance and packaging wastes;
 - iii. Reusing or recycling packaging such as plastic or paper bag, and paper cartons;
 - iv. Collecting cardboard in a bin at the Biomedical Building rubbish room and utilizing the cardboard disposal service provided by the landlord to recycle this waste;
 - v. Dispose computers responsibly by handing them over to authorized e-waste collection and computer recycling service sites for recycling;
 - vi. Reduce excessive printing by going paperless as far as possible, by distributing information and documents through electronic means in daily workflows;
 - vii. Utilizing digital devices to the greatest extent for internal meeting and internal communications, which cuts down on paper printing as well as travelling;
 - viii. Reusing printed paper wherever possible, subject to the personal data privacy requirements;
 - ix. Encourages thinking twice before printing any email, and the message "Please consider the environment before printing this email" is attached to the bottom of every email sent to remind the recipient to do the same;
 - x. Use e-material such as flyers, student guide and videos when conducting agent training;
 - xi. Send all monthly newsletter and campaign materials to agents via email; and
 - xii. Pay more attention to better utilize website to provide information to agents and students so that all products information can be found from TOP's website.

- With regards to TOP's company vehicles:
 - i. Drivers are encouraged to study traffic rules, traffic maps and routes so that they take efficient paths to their destinations, saving them time as well as fuel;
 - ii. Drivers are also encouraged to switch off engines when idling for more than a short period, and also require them to be proficient in the technical performance of the vehicle so they can use it much more efficiently;
 - iii. The usage of Group's owned vehicles is controlled through strict approval process;
 - iv. Conduct inspection and maintenance of vehicles regularly to keep them in good condition, as well as ensuring safety and operating efficiency;
 - v. Encourage to dispose of old vehicles by selling it in second-hand market rather than scraping it wherever possible;
 - vi. Monitor the usage of vehicles, to decide whether the current number of vehicles is more than our needs. If so, we would consider disposing to further reduce the consumption. For example, we disposed one of the vehicles after evaluating our actual demand.

TOP is also committed to complying with environmental laws and regulations. We strictly comply with the Environment Protection and Biodiversity Conservation Act 1999, Protection of the Environment Operations (General) Regulation 2022 under the Protection of the Environment Operations Act 1997 in Australia, and all other relevant laws and regulations relating to exhaust gas and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste and heritage protection.

During the Reporting Period, TOP has not received any complaint from an individual or the authority, nor has paid or was liable to pay any penalty because of any breach of relevant environmental laws and regulations in Australia (2024: Nil).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect A4: Climate Change

TOP has identified physical risks (acute & chronic) accurately, established emergency protocols, leveraged cloud tools for climate resilience, and considered transition risks, including policy/legal risks from GHG & energy regulations, with a focus on minimal impact due to its low energy usage, while continuously monitoring and mitigating potential risks. The details are roughly as follows:

Risk Category		Impact on the Group	Response Strategy
Physical Risks	Acute Risks (e.g., Intense Rainstorms, Wildfires, Extreme Heat, violent storms, heavy snowfall)	Poses immediate safety hazards to staff and students	- Established emergency and evacuation protocols to safeguard staff and students - Utilize a risk register within the risk management system to document risks, opportunities, and associated mitigation/adaptation measures identified during management meetings - Report material risks to the management team and board for control and oversight - Protect corporate assets by purchasing property insurance
	Chronic Risks (e.g., Sea Level Rise)	Disruptions to business continuity due to severe weather conditions Long-term impacts requiring gradual adaptation	- Strategically leverage cloud-based tools to ensure business continuity - While not standard practice, offer VPN access for remote work in exceptional circumstances, upon senior management approval, to maintain operations and productivity - Monitor climate change trends and assess long-term implications - Develop long-term adaptation strategies, such as structural reinforcement and drainage system upgrades - Enhance staff and student awareness and training on climate change resilience
Transitional Risks	Policy and Legal Risks	Potential for increased government regulations on GHG emissions and energy usage	- Recognize relatively low risk due to minimal energy usage and GHG emissions inherent to business nature - Continuously monitor the issuance of new laws and regulations - Assess the risks posed to TOP in a timely manner and implement measures to mitigate potential impacts

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Risk Category	Impact on the Group	Response Strategy
Technology innovation	Investments in new technologies may increase due to innovations in production technology in response to environmental requirements and product research and development (R&D) findings, or front-end costs may rise to adopt/ deploy new operations and processes	• Pay attention to technical innovation • Actively respond to relevant environmental requirements
Market	Under the guidance of policies and markets, and as the market is increasingly aware of lower-carbon alternatives and environmental protection, they will opt for greener products, which may have an impact on the Group's raw material procurement	• Formulate relevant procurement policies • Reduce the consumption procurement of relevant resources
Reputation	The Group may suffer from reputational risk if it fails to meet stakeholder expectations or there is any behaviour in violation of relevant laws and regulations	• Pay continuous attention to stakeholders' expectations • Actively respond to and stage climate change related activities

Employees

Aspect B1: Employment

At TOP, workforce constitutes not only the core strength of our business operations but also the indispensable foundation for driving our sustainable growth. Recognizing this, Top place paramount importance on fostering a work environment that is fair, harmonious, conducive, ethical, and safe for every employee.

TOP strictly adheres to the General Employee Award for the Higher Education Sector (MA000007) and the Academic Employee Award for the Higher Education Sector (MA000006) issued by the Fair Work Commission of Australia to ensure that employees in all positions, from cleaning and clerical to academic research, receive core entitlements such as pay, leave benefits, redundancy notices, and compensation, that meet or exceed the statutory standards.

To achieve this, TOP has devised a comprehensive suite of human resource policies, accompanied by an employee handbook, addressing key areas such as compensation packages, recruitment and selection criteria, career advancement pathways, disciplinary frameworks, leave benefits, and other employee perks. Furthermore, we provide guidelines concerning employee privacy, external engagements, professional development opportunities, performance evaluations, occupational health and safety standards, a code of conduct, anti-bribery measures, equal opportunity practices, and grievance handling mechanisms. These policies are transparently disseminated to all employees, regardless of their tenure or position within the organization.

TOP upholds the principles of respecting and safeguarding employee rights, as outlined in our robust anti-discrimination and anti-harassment policies. Recruitment, compensation, and disciplinary practices are grounded in fairness, devoid of any bias based on race, gender, nationality, ethnicity, religious beliefs, sexual orientation, socio-economic status, disability, or any factor other than an individual's qualifications and ability to fulfil job requirements. TOP imposes no arbitrary age restrictions beyond legal employment thresholds. We encourage a culture of professionalism, integrity, impartiality, and honesty among all employees, and have zero tolerance for unethical behaviour, discrimination, bullying, or harassment in any form. To ensure compliance, employees are mandated to adhere to "Code of Conduct," and we have established effective grievance procedures to receive and address employee feedback and complaints, as elaborated in the subsequent section "Aspect B7: Anti-corruption."

TOP nurtures strong employee relations and boasts a history free from significant labour disputes since its inception. To uphold this foundation and ensure standardized employment practices, TOP allocates significant resources and time to comply with relevant policies and laws, including but not limited to:

- The Fair Work Act 2009 ("FWA")
- National Employment Standards
- Fair Work Regulations 2009
- Industry-specific awards: Higher Education Industry-Academic Staff Award 2020 and Higher Education Industry-General Staff Award 2020
- Independent Contractors Act 2006

During the Reporting Period, TOP maintained a clean record, receiving no complaints from individuals or authorities, and incurring no penalties or liabilities related to breaches of the FWA, its associated regulations, or other pertinent Australian employment laws and regulations (2024: Nil). By adhering to these frameworks, TOP ensures that its employment management aligns with legal requirements and industry standards, further safeguarding the rights and interests of employees.

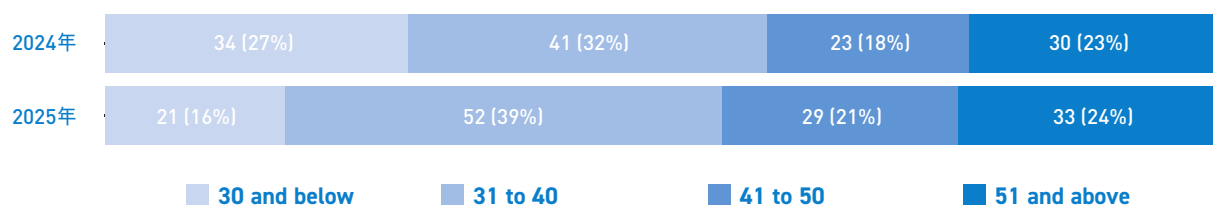
Workforce

TOP had 135 (2024: 128) employees working in Australia during the Reporting Period, TOP has achieved significant growth in Australia. To address this growth and ensure continued business success, TOP has developed a comprehensive Human Resources ("HR") workplace strategic plan. The plan aims to meet the demand for current and future student enrolments while continually assessing and optimizing the structure of competencies required for the institution to adapt to the rapidly changing education market.

Teaching quality is one of TOP's core competencies. To this end, we have rigorously established academic staff qualification requirements for teaching positions to ensure that every faculty member has a professional background that is above the level of the course he or she is teaching. Specifically, faculty teaching undergraduate courses must have at least a master's degree or higher to ensure depth and breadth of content. Teachers are also encouraged to enhance their competitiveness by obtaining additional degrees to further enhance the quality of teaching.

The workforce number and rate categorized by age group and role are depicted below:

By Age Group



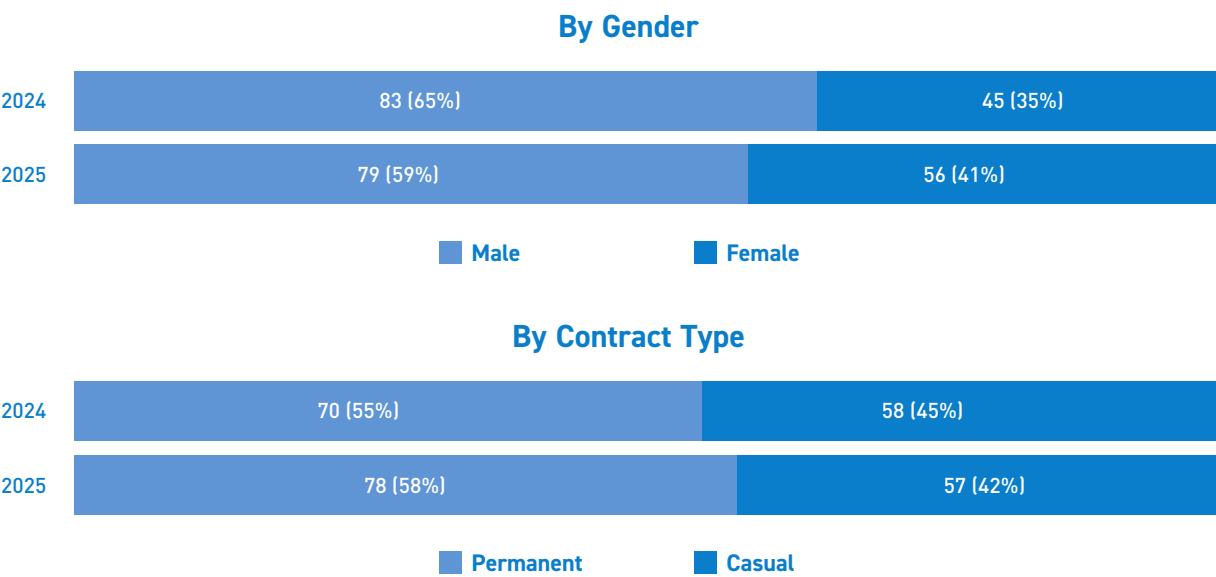
By Role



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Academic staff consists of professors, tutors, exam invigilators, librarians, and student ambassadors. They are largely responsible for academic-related duties such as tutoring, teaching, and undertaking of research. Administrative staff consists of directors and student support and services staff who deals with the daily administrative duties such as processing student application and admission matters, organization of classes, launching of new courses, and student communication, etc.

The workforce numbers and rates categorised by gender and the contract type are depicted below:



In order to ensure consistency of teaching quality, TOP has maintained its casual academic ratio over the years. Meanwhile, employment under a casual basis remains an option open to those staff who prefer flexibility. For instance, some academic staff may wish to teach at other institutions or pursue other lines of work while also working to teach at TOP. On the other hand, by being able to employ staff on a sessional basis provides TOP with the flexibility to offer courses on a broader variety of topics, allows TOP to adapt for market demands more easily, and make better accommodation for student requirements.

In terms of gender, the male-to-female ratio has improved to 1.4:1 for the Reporting Period (2024: 1.8:1). TOP has consistently prioritized maintaining workforce diversity throughout the recruiting and hiring process, and we will continue to pay close attention to the gender structure in future recruitment activities. This ongoing focus aims to further consolidate the current balanced gender distribution and ensure that diversity and inclusion remain integral to our talent management strategy in the next Reporting Period.

Recruitment and Retention of Talents

TOP's success depends on its ability to attract, retain and motivate quality personnel. TOP prides itself on the ability to attract and maintain a stable core workforce through providing a fair working environment, a fair remuneration and appraisal scheme, as well as training and development opportunities for employees.

TOP provides a fair working environment through its recruitment, remuneration and promotion policies. It ensures that recruitment, remuneration and promotion decisions are made based on individual merit, considering the individual's work experience history, acquired qualifications, type of professional expertise, general aptitude, as well as the competency level required by the job position and the competency level possessed by the individual. Specifically, TOP's recruitment process includes three core stages: external advertisement release, candidate screening and interviews. Strict process control is implemented to ensure that candidates' capabilities highly match the job description. The company adheres to the principle of equality without distinguishing between nationalities in the recruitment process, and has welcomed new hires from diverse international backgrounds, further enriching the diversity of the team. Meanwhile, in terms of the promotion mechanism, TOP will strive to create and provide promotion opportunities for eligible internal employees. All promotions require candidates to meet clear job requirements and competency standards, and the final promotion decisions will be made by the management after formal discussion and evaluation, to ensure the fairness and rationality of the promotion decisions.

TOP strives to ensure that its employees are reasonably remunerated and properly incentivized. TOP implements an appraisal program that reviews staff performance during their probation period, after the probation period and on an annual basis, to identify areas that meet expectations and areas that are underperforming. Ultimately, these appraisal activities aim to motivate employees to achieve their career goals, help them realize their full potential, and identify ambitious individuals. In addition to the appraisal system, TOP has also set clear criteria for salary adjustments. Salary adjustments must be comprehensively determined based on employees' performance appraisal results, job value and personal capability improvement, to ensure that salary adjustments match employees' contributions. TOP collects up-to-date industry remuneration data and establishes a fair, reasonable and competitive remuneration scheme, to ensure that the remuneration packages it offers are in line with the industry standards for the higher education sector in Australia. Furthermore, to further optimize employee experience and protect employee rights and interests, TOP has clarified the standardized employee resignation process – when an employee resigns, they are required to complete a dedicated resignation checklist, check and return company property (such as office equipment, access cards, etc.) item by item. The resignation procedures can only be completed after the checklist is signed and confirmed by the employee themselves and the corresponding responsible person. At the same time, for local employees in Australia.

The quality of staff underpins TOP's ability to provide quality higher education. TOP refers to TEQSA's ("Tertiary Education Quality and Standards Agency") Higher Education Standards Framework 2015, maintains rigorous policies and procedures with respect to staff recruitment to ensure the quality of the academic staff. Quality assurance policies and procedures will be further discussed in the later section titled "Aspect B6: Product Responsibility".

The quality of TOP's service also relies on the ability of its staff to maintain their teaching quality by keeping abreast with the latest knowledge and development in the subject area of their relevant profession. Training and development of TOP's employees will be discussed in the later section titled "Aspect B3: Development and Training".

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee Turnover

During the Reporting Period, a total of 12 (2024: 7) employees left TOP, representing an employee turnover rate (note 1) of approximately 9% (2024: 6%). Compared to employees leaving in 2024, the turnover rate has increased. However, the Group has supplemented with suitable talents through a standardized recruitment process, maintaining the rationality and stability of the team structure. This change reflects the efforts and effectiveness of the Group's employee retention strategy and work environment optimization. The employee turnover number and rate (note 2) by age group, gender and roles were as follows:

	2025	2024
By Gender		
Male	5 (6%)	6 (7%)
Female	7 (13%)	1 (2%)
By Age Group		
30 and below	2 (10%)	3 (9%)
31 – 40	5 (10%)	1 (2%)
41 – 50	2 (7%)	1 (4%)
51 and above	3 (9%)	2 (6%)
By Role		
Academic	4 (5%)	2 (3%)
Administrative	4 (9%)	4 (11%)
Management	No applicable	No applicable
Marketing	4 (36%)	1 (9%)

Note 1: Overall turnover rate is calculated by dividing the turnover number of employees by the average number of employees at beginning and the end of the year.

Note 2: The rate is computed by dividing number of employees in specific category leaving employment by the number of employees in the corresponding category as at year end.

Aspect B2: Health and Safety

TOP is committed to providing a comfortable and safe working environment for our employees, and we put continuous effort into maintaining and improving of the well-being of our employees.

We have established a workplace health and safety policy, as well as adopted a three-step approach to ensure occupational health and safety ("OHS") risk in the workplace is adequately addressed and complies with the relevant laws and regulations in Australia such as the Work Health and Safety Act 2011. This workplace health and safety policy is clearly delivered to all our employees and is updated from time to time to ensure that our employees are not exposed to risks to their health or safety.

OHS Risk Management Approach

We adopt a three-step OHS risk management approach as follows:

1. Risk Identification

It is the responsibility of all workplace participants to identify risks and inform their line manager or HR department of potential workplace and/or personal hazards. A member of staff who identifies a risk or potential risk in their daily work should notify the HR Department immediately. If a HR representative is unavailable, potential hazards should be reported to the line manager.

2. Risk Assessment

An assessment will be made, and action will be taken on all identified and reported risks. The HR department will assess risk and identify measures to control/eliminate the risk. If the risk is not significant, an assessment and recommendation will be recorded and raised in a management meeting.

3. Addressing the risk

HR department will, in consultation with the Chief Executive Officer, senior management, law enforcement agencies and other organisational groups, design an action plan to control and minimise identified risks. The HR department may, at its discretion, assign workplace participants with tasks and/or additional responsibilities to minimise and/or eliminate risk.

The risk will be monitored at regular intervals to ensure the safety of workplace participants.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Workplace Safety

At TOP, we continue to prioritize workplace safety as a cornerstone in safeguarding the wellbeing of our students, employees, and visitors. Building upon the solid foundation established in 2024, we have further strengthened our workplace safety management system in 2025 to ensure compliance with the highest standards and adaptability to emerging safety challenges.

TOP uses the comprehensive security services provided by the entire park to ensure a safe and secure environment for all who visit or work here. We recognize the need for heightened security measures, especially in our executive offices, and have therefore implemented robust access control measures to further enhance protection and maintain privacy. These efforts demonstrate our commitment to safeguarding the wellbeing of our community and upholding the highest standards of workplace safety.

The HR department and facility management team maintain their commitment to conducting necessary safety checks across all premises. For new leaseholds, comprehensive safety assessments are undertaken prior to signing the tenancy agreement. We have formalized the reporting process, submitting detailed inspection reports and recommendations to the CEO for review. The CEO will consider the relevant recommendations in the staff meeting, seek the necessary additional information, and authorize action to be taken or provide reasons for not addressing any recommendations.

In 2025, TOP formally established a comprehensive OHS policy, encouraging active participation from all employees and students in adhering to health and safety norms in their daily work. This policy integrates not only physical safety requirements but also considerations for mental health and wellbeing, fostering a holistic safety culture. Having a sound emergency and evacuation procedure is part of TOP's responsibility, as a result, floor plans and evacuation procedures are put in noticeable places in all classrooms and offices to indicate the escape routes and exit signs in case of emergency. Students, staff and visitors should follow these procedures where there is an emergency.

TOP fully recognizes the importance of continuous professional training for ensuring personnel safety and has therefore established a hierarchical and categorized safety training system:

- It provides comprehensive first-aid and fire safety training for all employees, ensuring that every employee possesses the necessary emergency response skills to deal with unexpected situations;
- It strengthens specialized training for specific key groups – firefighters in government buildings are required to receive regular advanced training to continuously update their professional knowledge and enhance practical skills, ensuring they can efficiently handle various fire emergency incidents; and
- Key positions that are directly related to premises safety and operational support, such as bus drivers, campus security guards, cleaning and maintenance staff, also receive customized safety training that is highly matched to their specific job functions, ensuring the implementation of safety operation standards in all positions.

We continuously refine our emergency evacuation procedures, ensuring that all classrooms and offices are equipped with prominently displayed floor plans and evacuation instructions. These guide individuals to safety routes and exit signs in case of an emergency. Furthermore, we regularly conduct emergency drills to enhance the response capabilities of students, staff, and visitors.

TOP values the input of our employees, encouraging them to share their perspectives with the HR department. We understand that every voice matters in creating a safe and healthy work environment. To promote work-life balance, we adhere to a five-day workweek and standard working hours in accordance with Australian labor laws. Moreover, we organize various leisure activities to enhance the physical and mental health of our employees, fostering a cohesive and supportive community.

Training

In 2025, we strengthened our commitment to employee development and wellbeing by expanding our training programs. We successfully implemented mandatory sexual harassment prevention training and reinforced mental health awareness, with planned sessions focused on managing stress and promoting resilience. To further enhance mental health support for employees, we have established a comprehensive mental health support system, which includes deploying mental health first aiders and conducting campus violence prevention campaigns. Additionally, we hold dedicated mental health activities every September to raise awareness and provide practical support for employees' mental wellbeing.

Adhering to the social responsibility philosophy of being responsible for its employees, The Group attaches great importance to the protection of employees' rights and interests in the context of IT risk prevention and control. The Group will regularly organize special IT risk training sessions, focusing on high-frequency risk scenarios such as phishing emails and malicious links, to help its employees establish a comprehensive risk prevention mindset. This initiative not only safeguards employees' personal information and property security but also consolidates the foundation for the overall network security protection of the Group's teams.

We conducted multiple adaptive training sessions to equip employees with skills for changing work environments.

Compensation

In addition to the government-mandated employment entitlements, TOP also maintains workers' compensation insurance under workers compensation legislation to provide support for employees in the unfortunate event of sickness or workplace injury which covers their loss of work, medical expenses and rehabilitation.

During the Reporting Period, there were no work-related fatality and injury cases reported in the past three years, including during the Reporting Period.

Aspect B3: Development and Training

TOP places significant importance on the continuing development of professional knowledge and skills for our employees. We believe that the continued growth and success of business is built upon employee excellence and their ability to provide quality of services to students and corporate clients and is also a key element on our objective to retain a team of quality and skilled core workforce.

TOP has established the Training and Professional Development Policy, through systematic training and professional development, to ensure that employees have the training required to fulfil the continuous professional training requirements of their respective profession. All staff members are required to develop an annual Individual Development Plan that identifies areas of development that will lead to professional growth and improved instruction.

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The types of training topics employees completed during the Reporting Period are tabled below:

Training topics	For the year ended 30 June	
	2025 Total Training hours	2024 Total Training hours
Professional & Skills	224.50	426.50
Induction and Ongoing Updates	12.00	187.50
Ethics & Compliance (including code of conduct, Bullying, harassment & discrimination, Grievance handling, anti-corruption etc.)	97.00	106.50
Others (including staff welfare, leadership, etc.)	85.50	65.00
Total training hours	419.00	785.50

The percentage of total employees who took part in the training (note 1) is 100% (2024: 100%). The rate of employees trained by gender and employee category (note 2) are as follows:

	For the year ended 30 June	
	2025 % (Number of Employee trained)	2024 % (Number of Employee trained)
By Gender		
Male	59% (79)	65% (83)
Female	41% (56)	35% (45)
Total	100% (135)	100% (128)
By Employee Category		
Management	4% (5)	2% (3)
Academic	56% (76)	62% (79)
Others	40% (54)	36% (46)
Total	100% (135)	100% (128)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The average training hours per employee (note 3) by gender and by employee category are as follows:

	For the year ended 30 June	
	2025 (Average training hours)	2024 (Average training hours)
By Gender		
Male	2.56	6.51
Female	3.54	5.46
By Employee Category		
Management	7.50	11.50
Academic	2.98	6.19
Others	2.54	5.70

Note 1: The percentage is computed by dividing the total number of trained employees by the number of employees during the year.

Note 2: The percentage is computed by dividing the number of individuals trained in this employee category by the total number of trained employees.

Note 3: The average hour is calculated by dividing the training hours of employees in a specific category by the number of employees in the corresponding category.

In the dimension of employee development and competency building, TOP has always regarded training as a key initiative to fulfil its ESG talent responsibility. In 2025, amid the steady growth of its workforce, the Company still maintains continuous investment in employee training, completing a total of 419 (2024: 785.50) training hours throughout the year, which provides solid support for enhancing team capabilities and meeting job requirements.

During the Reporting Period, both the total employee training hours and average training hours per employee decreased significantly compared with 2024. The main reason is that the Group specially organized a Strategic Plan Symposium in 2024, and such special symposium activities focusing on strategy communication and feedback collection are usually held once every few years, rather than being annual regular training programs. Although the training hours have been adjusted during the period covered by this report, the Group's emphasis on employee training has remained unchanged. In the future, it will continue to promote employee training work and further enrich the content and forms of training to better improve employees' comprehensive capabilities.

Aspect B4: Labour Standards

The Group prohibits unethical business practices, such as child and forced labour, which is clearly stated in the employee's code of conduct. TOP actively detects and prevents child labour through its comprehensive screening in the recruiting process, checking the identity document, and their working visa if applicable prior to any employment. TOP also provides a grievance process for anyone including employees to file a complaint or report unethical behaviour, which is described in detail in the section "Aspect B7: Anti-corruption". TOP focuses on taking preventive measures at the source and hence is confident that unethical business practices, such as child and forced labour will not occur in the future.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Work schedules are arranged with input from the employees to ensure they are set up fairly, that the employees work voluntarily and are provided with adequate rest and the appropriate work-life balance to ensure service quality excellence. In cases where overtime work is required, employees do so of their own accord and overtime compensation is provided in accordance with relevant labour laws and regulations.

Moreover, as stipulated in their individual employment contracts and staff handbook and in accordance with relevant laws and regulations, all employees are provided entitlements such as maximum weekly hours, flexible working arrangements, annual leave, compassionate leave, sick leave, parental leave, public holidays, and others as stipulated in the National Employment Standards of the FWA and other relevant laws and regulations in Australia.

Services

TOP is devoted to delivering quality high education courses and excellent student experience. In the analogy of a production line, quality products require the establishment of a robust quality control mechanism. As a producer of quality high education courses, TOP is no different. Details of TOP's quality assurance mechanisms will be described in the section titled "Aspect B6: Product Responsibility".

Third-party agents are the main suppliers in TOP's service supply chain. These agents provide students, the majority of whom are international students, with information and advice about various higher education providers, guide them through the application process and many also assist with other aspects of student life such as applying for visas, finding housing, and providing career guidance. TOP coordinates with these agents to ensure that they have accurate information about TOP to provide to students and are knowledgeable about TOP and the application process. These third-party agents are subjected to Australian regulations, and hence it is vital to TOP's business to be able to work closely with these third-party agents and ensure their regulatory compliance.

Aspect B5: Supply Chain Management

TOP has established policies and procedures to ensure that agents meet its standards, by undergoing a vetting process before listing them in TOP's authorised agents list.

Prior to authorising an agent, TOP has a process to review their accreditations, qualifications and references to ensure that the agent is reliable and trustworthy and ensure that they are not agents explicitly banned by the authorities. In addition to the prior review, TOP will also carry out periodic reviews and take appropriate management measures based on the results of the review, including rewarding excellent intermediaries or terminating cooperation with unqualified intermediaries. After such review, TOP provides training to all agents with up-to-date and accurate course and programs information, clarifies agents' obligations or responsibilities under National Code, The Education Services for Overseas Students Act 2000 ("ESOS Act") and the contract. Conduct meeting and campus tour for onshore agent.

TOP gives priority to agents with sustainable business practice credentials when selecting partner agents. Signing long-term written agreements with agents, with all these authorised agents which set out the terms of agents' obligations, these include:

- A duty to adhere to and maintaining compliance with all applicable laws and regulations, such as regulations protecting international students and privacy laws and laws and regulations governing third – party agent;
- A duty to promote TOP and its courses to suitable prospective students with accuracy and integrity and recruiting such students in an ethical and responsible manner;
- A duty to accurately inform prospective students about the requirements of TOP, courses and tuition and fee policies and about the education system and life in Australia;
- A duty to assist students in the application process by ensuring all necessary documentation is included;
- A duty to seek TOP's prior approval for using its name and trademarks in their promotional or marketing activities;
- A duty to providing relevant market information for records and research; and
- A duty not to make any representations or guarantees and not incurring any expenses or liabilities on TOP's behalf without its consent.

In the empowerment and collaboration with supply chain agents, the Group has adopted a digital and efficient support model to provide convenient services for agents while promoting the sustainability of cooperation links. Specific measures include:

- Digital training support: Providing agents with electronic training materials such as e-flyers, online student guides, and video courses to replace traditional paper materials, thereby improving the reach efficiency and update flexibility of training content;
- Efficient information transmission: Sending cooperation documents such as monthly newsletters and marketing campaign materials via email instantly to avoid delays caused by printing and logistics, ensuring agents obtain key information in a timely manner; and
- Centralized resource access: Establishing an one-stop product information platform on the company's official website, integrating product information across all categories to facilitate agents' on-demand inquiries, reducing the communication costs associated with offline information requests, and optimizing the cooperation experience.

TOP's obligations in the written agreements include the following:

- Provide the agent with up-to-date and accurate information about TOP and its courses, and keep them informed about student applications they lodged to TOP;
- Provide the agent with adequate training regarding appropriate conduct;
- Inform the agent of any changes regarding visa requirements or visa application processes;
- Nominate a person to act as a point of contact and liaison with the agent; and,
- Monitor the performance and activities of agents on an ongoing basis and take corrective actions if TOP becomes aware that an agent may be in breach of their contract terms with it or engaging in unethical activity. To that effect, TOP has established and adopted the International Agent Monitoring Policy to ensure the monitoring of agent's compliance.

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TOP conducts regular monitoring of all agents and their referred students to ensure that agreements maintain to be in the best interest of TOP and its students. Regular checks include but not limited to the following:

- Ensure all staff who are allocated to market for TOP have completed TOP's training;
- Check data entered into the record management system accurately reflects Agents' records;
- Keep records of all training and checks on the Agent's profile in TOP's management system; and
- Investigate records after receiving any complaints in relation to Agents' activities.

TOP has maintained a long-term relationship with these authorised agents and with this above-mentioned monitoring policy, TOP may take necessary actions, including cancellation of the client services agreements with perspective agents that breach contract conditions. Agents with unsatisfactory performance shall be removed from the authorised agents list.

During the Reporting Period, TOP has approximately 384 (2024: 412) active authorised agents in the list and all agents have been selected and assessed according to the above-mentioned procedures. The composition of the agents by locations is as follows:

Locations	2025	2024
Australia	362	390
China Mainland	13	15
Southeast Asia	5	6
Hong Kong	1	0
Vietnam	1	1
Others	2	0
Total	384	412

Aspect B6: Product Responsibility

In the education sector, TOP's product responsibility mainly stems from potential harm to students and other relevant parties caused by defects in courses or educational services. These defects include issues related to course content, teaching quality, and the provision of misleading or inaccurate information.

- Unfulfilled Course Commitments: For example, failure to deliver on specific career development outcomes promised by the course.
- Course Quality Issues: Unreasonable course structure or poor teaching quality, resulting in students' inability to grasp essential concepts.
- Non-compliance with Accreditation Standards: Courses failing to meet the requirements set by relevant accrediting bodies.

The Group's policies, implementation procedures, and supervision methods for product quality verification processes are clearly specified in the Course and Unit Review Policy and Procedure and Academic Quality Assurance Framework. These documents have undergone regular reviews during the Reporting Period, with no major changes made.

Quality Assurance

Academic quality assurance is a vital part of TOP's strategic plan and is built into its general business planning and reporting processes. TOP's academic quality assurance ensures that its learning system maintains a high standard of academic integrity and continuously improves the quality of its teaching and learning.

TOP's courses are designed and developed by senior academics with considerable experience and those with previous appointments in Australian universities. The development is supported by TOP's academic staff members under the supervision of the respective Deans.

TOP has an established policy and procedure to regularly review and assess its academic courses. These reviews are an integral part of TOP's quality assurance process which is also a vital element for obtaining approval from TEQSA for its partial Self-Accrediting Authority ("SAA") status. The review includes formal processes that analyse and evaluate the level of educational objectives achieved and the related learning outcomes. In addition, TOP also regularly conducts informal consultations and obtains feedback from the engagement with academic staff, students, the profession and other key stakeholders. These reviews also include benchmarking against other like education providers, including Australian and overseas universities, ensuring that reviews of academic standards are evidence-based analyses.

The quality of employees is another crucial element of ensuring TOP's service quality. Through a comprehensive and rigorous recruitment process, TOP ensures that the employees are sufficiently qualified and experienced. TOP's hiring policy requires that all academic staff have obtained the appropriate qualifications. Many of TOP's professors and lecturers have previously taught at Australian universities.

When TOP hires new academic staff, interviews and check references are conducted for each candidate. Once hired, as detailed in the section titled "Aspect B3: Development and Training", TOP provides induction training and support further academic and professional development opportunities for the academic staff, such as conferences and scholarly publications. These activities help enhance their scholarship, which in turn help continually advance TOP's teaching and learning outcomes.

In the unfortunate event of course discontinuation, for instance, due to major course revision following a formal course review process or changes in student demand, or strategic positioning of a particular market, TOP has a course transition and teach out policy in place to deal with such an incident to lessen any negative impact to employees and students.

Optimization of Educational Products and Services

Digital Construction of Teaching Delivery and Campus Facilities

Due to the resumption of classes and social distancing restrictions were enforced in Australia, TOP has adopted both digitalised methods to deliver online course and face-to-face teaching. TOP will keep closely monitoring regulatory authorities of education on their requirements to resume face-to-face teaching. TOP's digitalised delivery has ensured minimal interruption to students who wish to continue with their study as planned.

Besides online teaching, TOP has implemented an online enrolment system to facilitate existing students to select and enrol courses since March 2020. Prospective students can submit their course applications through the online enrolment system.

Beyond accounting, digital elements have also been integrated into disciplines such as business, management, and data analytics, reflecting the broader trend of digital transformation. To support this interdisciplinary digital integration and optimize the teaching-learning experience, the upgrade of Moodle as the primary learning platform has further enhanced interactivity and flexibility in teaching and learning. Notably, feedback from both students and staff has been positive, highlighting greater engagement and improved accessibility.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Moreover, TOP has continued to enhance its facilities in order to build a “smart campus” during the Reporting Period, such as the utilisation of Cloud Classroom to connect students on pathway programs outside of Australia, as well as online teaching for non-award programs.

TOP also had negotiations with different outstanding research institutions/universities for potential research and development in education technology such as Artificial Intelligence for interactions between teachers and students.

Progress of Environmental Education Courses and Seminars

Compared with the early planning stage last year, the development of environmental education initiatives in 2025 has achieved substantive progress, with the following key advancements:

ESG Microcredential Development: An ESG microcredential developed by external experts has been completed and migrated to the Moodle production site for review. At present, it is under consideration to be included as a professional development requirement for all teaching staff, and a digital badge will be awarded to staff upon completion of the microcredential.

Integration into Existing Curriculum: ESG concepts and case studies have been embedded into relevant business and law subjects, including sustainability accounting, technology, society and ethics, and leadership and ethics, realizing the in-depth integration of environmental education with the existing curriculum system.

Student Engagement in Environmental Practices: The Green Swap for a Better World event has been organized, which effectively raised students’ environmental awareness and encouraged them to participate in the recycling of reusable materials.

During the Reporting Period, the core challenge encountered in the promotion process was the lack of professional accreditation and recognition for the ESG microcredential. To address this issue, the institution has conducted in-depth consultations with the Australian Institute of Company Directors (“AICD”) and optimized the microcredential development standards in accordance with the AICD Director Professional Development framework, ensuring that the microcredential meets industry needs and obtains professional recognition.

Academic Recognition

TOP is one of the authorized providers for Accounting Professional Year Program (“Accounting PYP”), a program co-launched by Certified Public Accountant (“CPA”) Australia, the Institute of Chartered Accountants Australia and New Zealand, and the Institute of Public Accountants and is approved by the Department of Home Affairs (“DHA”). This program provides a combination of highly focused classroom-based workplace readiness skills and training opportunities with qualified trainers with real-world business exposure.

Regulatory Excellence

During the Reporting Period, TOP has invested significant time and resources to ensure compliance with government regulations and policies.

The Group strictly adheres to IT regulatory and security standards by formulating the Information Security Policy. This policy establishes a comprehensive governance framework covering IT risk assessment, access control, asset protection, incident response, and compliance execution. It is regularly revised under the supervision of senior leadership to ensure alignment with industry best practices. Through this policy, TOP effectively safeguards the stability of critical systems, data integrity, and the information security of stakeholders, while fully meeting regulatory compliance requirements in the field of technical management.

TOP's courses are subject to relevant regulatory authorities' regulations and requirements. As a higher education provider with a substantial number of international students, TOP is also required to maintain registration on the Commonwealth Register of Institutions and Courses for Overseas Students ("CRICOS") and is subject to the ESOS Act which oversees education provision to international students.

A proven record of continuous compliance is critical in order to retain or renew the relevant accreditations with the authorities, as well as to make way for future growth.

With regards to marketing publications, TOP has a dedicated team of marketing professionals to ensure that these advertisements and any other content published by TOP are appropriate and in compliance with the relevant laws and regulations in Australia, and in particular ESOS Act and National Code Part D, Standard 1 on the provision accurate course information to students. The above-mentioned standard guides providers in marketing their education and training services and offers a safeguard against unethical practices and assists both providers and students.

Complaint Handling/Student Satisfaction and Feedback

TOP highly values feedback and considers feedback and evaluation as a key component of its internal and external quality assurance. Stakeholders' views about their experience at TOP provide valuable information in maintaining a successful teaching and learning environment and contributing to ongoing improvement.

TOP aims to provide a timely, effective, and transparent system for managing complaints and has multiple channels in place to collect feedback, as outlined in the previous section "Stakeholder Engagement and Materiality Assessment". Stakeholders may also provide feedback to student representatives on the Council, Academic Board, and other governance and management committees. Additionally, students are invited to complete a Student Satisfaction Survey each semester to share their opinions on academic staff, the units they have enrolled in, and any specific issues that arose during the semester.

Since implementation, the feedback and rating system has enhanced transparency and accountability. It has provided valuable insights into teaching quality and supported the continuous improvement of staff performance. As shown in the feedback system, the average student rating for lecturer during the Reporting Period was 4.55.

Based on this feedback, students are generally satisfied with blended learning units and believe their learning experience and outcomes have been enhanced. Student feedback collected through surveys is a key component of the Institute's monitoring, review, and improvement activities, and also serves as an important source of input for staff to reflect on and improve their teaching practices.

TOP strives to ensure students enjoy a positive experience while studying at the Institute. Students have the right to report problems, concerns, or grievances related to any aspect of their education or other relevant activities that fall under the control of TOP and its management staff. TOP will promptly address all complaints and ensure that concerns are handled appropriately and efficiently. To this end, TOP has developed the Student Complaints and Appeals Policy and supporting procedures, and established a Student Grievance Committee to effectively receive and process suggestions and complaints.

Students are informed of this policy prior to enrolment. Furthermore, information about the policy is included in orientation materials, the Student Handbook, and the Institute's official website. All formal complaints and appeals will receive a written acknowledgment, and students will be notified of decisions in writing – including a full explanation of the reasoning and information about further resolution channels, such as external bodies.

During the Reporting Period, TOP has not received any significant complaint related to its services (2024: Nil). TOP as an education provider, at the same time, has no products subject to recalls for safety and health reasons.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

With regards to grievance procedures related to anti-corruption, please refer to the later section "Aspect B7: Anti-corruption".

Protection of Intellectual Property

TOP respects and protects intellectual property rights ("IP rights"), believes it has taken all reasonable measures to prevent infringement of its own IP rights, and strictly complies with the following laws and policies, including but not limited to:

- Copyright Act 1968
- Fair Trading Act 1987
- Designs Act 2023 (Cwlth)
- Trade Marks Act 1995
- Trade Marks Regulations 1995
- Patents Regulations 1991
- Designs Regulations 2004
- Patents Act 1990

TOP has established Academic Intellectual Property Policy, Authorship Policy, Student Academic Integrity Policy, Record and Data Management Policy and Copyright Guidelines to take active steps to protect TOP's own trademarks by making the necessary filing of claims or registration of trademarks. TOP has significant IP rights in terms of course materials, course outlines, lecture notes, case studies, multimedia resources, manuals and handouts etc. TOP protects these IP rights by agreement of non-disclosures and additionally binding employees to Staff Code of Conduct and Ethics Policy to respect and protect the confidentiality of information obtained at TOP. These policies, implementation, and monitoring methods for the protection of company's intellectual property right are set out in "Academic Intellectual Property Policy", "TOP Authorship Policy", and "TOP Code of Conduct for Research".

Measures have been taken to ensure that pre-existing IP is dealt with appropriately. At the commencement of employment at TOP, academic staff must disclose any pre-existing IP or agreements with third parties that may be relevant to their employment at TOP. This decreases the possibility of TOP wrongly claiming IP rights.

During the Reporting Period, TOP has not engaged in and have not been threatened with any claim for infringement of any IP rights, whether as a claimant or as a defendant (2024: Nil).

Personal Data Protection

TOP considers that privacy and security of information are critical operating principles. TOP recognises the importance of keeping personal information of its stakeholders, e.g., students and staff, in strict confidence. TOP has implemented various information privacy and information security programs to protect the security of corporate data as well as personal data privacy, and strictly complies with the following laws and policies, including but not limited to:

- Australian Privacy Act 1988
- Privacy Regulation 2013
- Australian Privacy Principles

In addition to TOP's privacy and information security policy, its employees are bound by the terms of their employment contracts and the Staff Code of Conduct and Ethics Policy. These documents ensure that confidential information is properly protected and kept in strict confidence, and that any information acquired by employees during their employment with TOP will not be disclosed to any person without the prior approval of TOP's designated officer. Any unauthorized copying, dissemination or disclosure of confidential information – including the identities and transaction records of customers – is strictly prohibited.

For information security, TOP has constructed a multi-layer firewall system as the first solid line of defence to safeguard the security and stability of the Group's digital assets. Through close cooperation with service providers, two firewalls have been deployed to conduct strict filtering and real-time monitoring of all data entering and leaving the Group's network, effectively fending off potential network threats. Additionally, blocking policies for IP addresses in specific high-risk countries and regions have been implemented to further reduce the risk of external attacks and ensure the purity and security of the Group's information environment.

Aiming to enhance the research culture at Australian Institute of Management and Commerce ("IMC"), policies and practices related to academic records and research data have been strengthened over the past year. Key measures include secure cloud-based file storage, controlled access, and increased staff awareness of compliance requirements. IMC is guided by the ISO 27001 standard and focuses on enhancing data protection and information security efforts. To this end, the institute has not only developed the IMC IT Security Framework but also compiled the ISO 27001 Alignment Report, and through these two initiatives, it has focused on advancing policy enhancement and the implementation of advanced monitoring tools. So far, the implementation has been effective, with no major issues reported. Looking ahead, IMC will continue to refine systems and processes to ensure the long-term integrity and security of academic records and research data.

In terms of data protection system selection, TOP currently adopts Microsoft Data Center – Australia and consistently adheres to the principle of "balancing business needs and sustainable development". Current decisions are mainly based on mainstream market trends and recommendations from education industry service providers to ensure the stability and completeness of system data. Meanwhile, TOP also recognizes that while pursuing efficient business operations, greater emphasis must be placed on the long-term goal of green development. Therefore, in the future, it plans to conduct a comprehensive assessment of the energy consumption performance of data service platforms in conjunction with business needs, with a view to selecting service providers with higher energy efficiency and lower environmental impact, so as to contribute to the Group's green development.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Regarding personal data access management, TOP has established a dedicated Policy that clearly defines and confirms the specific personnel authorized to access the personal privacy data of students and staff, ensuring standardized and controlled access to such sensitive information.

Since early 2021, the higher degree program under TOP's research initiative has been suspended. Currently, the program is in the process of reactivation, and its policy framework will be reviewed and updated as necessary. All researchers associated with the Institute are required to adhere to the current research policy and research code of conduct.

In the collection and use of personal information, TOP strictly follows the principle of obtaining consent first: it acquires consent from students and customers before collecting their personal information, uses the information only for the intended purpose, and destroys the information when it is no longer required.

Aspect B7: Anti-corruption

TOP is committed to adhering to the highest ethical standards and maintaining a culture of integrity and justice for preventing, detecting and reporting all types of corrupt and fraudulent practices, such as bribes, kickbacks, favouritisms, money-laundering, etc.

To combat such improper conduct, TOP has established a set of policies and procedures, including the Conflict of Interest Policy, Fraud and Anti-Corruption Policy, Grievance Policy, Gifts and Benefits Policy, and Employee Code of Conduct and Ethics. Through the formulation of these policies, TOP aims to guide all employees to strictly comply with Australia's laws and regulations at all times, fulfil their duties, and standardize their behaviours. It also requires employees to act in an ethical and responsible manner, while respecting colleagues, students, and all relevant parties within the campus community. The relevant policies and regulations include, but are not limited to:

- Anti-Money Laundering and Counter-Terrorism Financing Act 2006
- Fraud and Corruption Control (Australian Standard AS8001-2008)
- Ombudsman Act 1974 (NSW)
- Independent Commission Against Corruption Act 1988 (NSW)

For corruption training, it was conducted during the Reporting Period. TOP will continuously monitor the update of laws and regulations and conduct anti-corruption training to its directors and staff in the future. Furthermore, students, employees or any stakeholders can also utilise complaint channels – as describe in the grievance policy – to file complaint to notify TOP of their complaint or suggestion.

TOP's policies and procedures require employees to report gifts, entertainment and travel acceptance while conducting business on behalf of it and to manage such gifts and entertainment provided by business associates according to its guidelines.

TOP takes matters related to bribery and any form of corrupt practices very seriously, and such conduct will not be tolerated. Any employee in violation may be subject to severe disciplinary actions, including summary dismissal and/or legal action.

During the Reporting Period, there was no legal case regarding corrupted practices, nor any case of corruption found by or reported to TOP (2024: Nil).

Community

Aspect B8: Community Investment

To practice the concept of open education and promote the integrated development of the campus and the community, TOP has set up a dedicated century-old area open to the public every Saturday morning. This space not only serves as a key carrier of the campus's historical culture but also acts as a public bridge connecting the university and society. To ensure the maintenance quality and visitor experience of this open area, TOP has dedicated efforts to its environmental upgrading and visitor service support as part of its community-focused initiatives – helping the public deeply embrace the charm of campus culture.

During the Reporting Period, we actively encourage employees to participate in community volunteer services and give back to society through practical actions. All employees have accumulated a total of 62 hours of volunteer service. Through volunteer activities, we convey the concept of corporate social responsibility and inject positive momentum into community development.

In 2025, IMC has strengthened its community-focused investment in sustainable development by deepening cooperation with other universities through academic exchanges and knowledge-sharing – efforts that foster synergistic momentum for sustainable development research and practice to build more resilient communities. It has also signed an Articulation Agreement with Griffith University in tourism, serving as a bridge for in-depth collaboration on sustainable tourism and expanding the application of such practices in tourism-related communities to deliver tangible benefits to local economies. Looking ahead, with the official launch of its Master by Research program, IMC will encourage faculty and students to engage in sustainability research, focusing on translating theory into practice to provide intellectual support for the sustainable development of local communities and industries, aligning academic efforts with community needs.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Content Index

The “comply or explain” provisions of the Environmental, Social and Governance Reporting Guide:

Subject Areas		Content	Chapter Index
A. Environmental			
Aspect A1: Emissions			
General Disclosure	A1	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Aspect A1: Emissions and Wastes
KPIs	A1.1	The types of emissions and respective emissions data.	Aspect A1: Emissions and Wastes
	A1.2	Direct and energy indirect greenhouse gas emissions and intensity.	Aspect A1: Emissions and Wastes
	A1.3	Total hazardous waste produced and intensity.	Aspect A1: Emissions and Wastes
	A1.4	Total non-hazardous waste produced and intensity.	Aspect A1: Emissions and Wastes
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	Aspect A1: Emissions and Wastes
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Aspect A1: Emissions and Wastes

Subject Areas		Content	Chapter Index
Aspect A2: Use of Resources			
General Disclosure	A2	Policies on the efficient use of resources, including energy, water and other raw materials.	Aspect A2: Use of Energy and Resources
KPIs	A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Aspect A2: Use of Energy and Resources
	A2.2	Water consumption in total and intensity.	Aspect A2: Use of Energy and Resources
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Aspect A2: Use of Energy and Resources
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Aspect A2: Use of Energy and Resources
	A2.5	Total packaging material used for finished products and with reference to per unit produced.	Aspect A2: Use of Energy and Resources
Aspect A3: The Environmental and Natural Resources			
General Disclosure	A3	Policies on minimising the significant impacts on the environment and natural resources.	Aspect A3: Environment and Natural Resources
KPIs	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Aspect A3: Environment and Natural Resources
Aspect A4: Climate Change			
General Disclosure	A4	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact.	Aspect A4: Climate Change

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas		Content	Chapter Index
B. Social			
Aspect B1: Employment			
General Disclosure	B1	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Aspect B1: Employment
KPIs	B1.1	Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.	Aspect B1: Employment
	B1.2	Employee turnover rate by gender, age group and geographical region.	Aspect B1: Employment
Aspect B2: Health and Safety			
General Disclosure	B2	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Aspect B2: Health and Safety
KPIs	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Aspect B2: Health and Safety
	B2.2	Lost days due to work injury.	Aspect B2: Health and Safety
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Aspect B2: Health and Safety

Subject Areas		Content	Chapter Index
Aspect B3: Development and Training			
General Disclosure	B3	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Aspect B3: Development and Training
KPIs	B3.1	The percentage of employees trained by gender and employee category.	Aspect B3: Development and Training
	B3.2	The average training hours completed per employee by gender and employee category.	Aspect B3: Development and Training
Aspect B4: Labour Standards			
General Disclosure	B4	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Aspect B4: Labour Standards
KPIs	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Aspect B4: Labour Standards
	B4.2	Description of steps taken to eliminate such practices when discovered.	Aspect B4: Labour Standards
Aspect B5: Supply Chain Management			
General Disclosure	B5	Policies on managing environmental and social risks of the supply chain.	Aspect B5: Supply Chain Management
KPIs	B5.1	Number of suppliers by geographical region.	Aspect B5: Supply Chain Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Aspect B5: Supply Chain Management
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Aspect B5: Supply Chain Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Aspect B5: Supply Chain Management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas		Content	Chapter Index
Aspect B6: Product Responsibility			
General Disclosure	B6	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Aspect B6: Product Responsibility
KPIs	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Aspect B6: Product Responsibility
	B6.2	Number of products and service related complaints received and how they are dealt with.	Aspect B6: Product Responsibility
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Aspect B6: Product Responsibility
	B6.4	Description of quality assurance process and recall procedures.	Aspect B6: Product Responsibility
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Aspect B6: Product Responsibility
Aspect B7: Anti-corruption			
General Disclosure	B7	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Aspect B7: Anti-corruption
KPIs	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Aspect B7: Anti-corruption
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Aspect B7: Anti-corruption
	B7.3	Description of anti-corruption training provided to directors and staff.	Aspect B7: Anti-corruption
Aspect B8: Community Investment			
General Disclosure	B8	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Aspect B8: Community Investment
KPIs	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Aspect B8: Community Investment
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Aspect B8: Community Investment

INDEPENDENT AUDITOR'S REPORT



**Independent auditor's report to the members of
Top Education Group Ltd**

(Registered in Australia with limited liability)

Opinion

We have audited the consolidated financial statements of Top Education Group Ltd and its subsidiaries ("the Group") set out on pages 112 to 170, which comprise the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

The consolidated financial statements of the Group for the year ended 30 June 2024 were audited by the another independent auditor whose report dated 30 September 2024 expressed an unmodified opinion on those consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

The key audit matter	How the matter was addressed in our audit
Revenue Recognition The Group generated AUD\$32.1 million in revenue from the provision of education courses for the year ended 30 June 2025. As disclosed in notes 2.5 and 5 to the consolidated financial statements, revenue is recognised over time as the performance obligations of rendering education services are satisfied. Course fees received but not yet earned are recorded as contract liabilities. Revenue recognition is considered to be a key audit matter due to the significant volume of transactions and the risk of revenue not being recorded correctly.	Our audit procedures to assess the recognition of revenue from the provision of education courses included the following: • evaluating the design and implementation of key internal controls which govern the revenue recognition; • evaluating the Group's revenue accounting and assessing whether the Group's accounting policies comply with the requirements of IFRS 15 Revenue from Contracts with Customers; • developing an expectation of the current year tuition fee revenue based on trend analysis information, taking into account student enrolment numbers, course fees and course terms. Comparing this expectation to actual local tuition fee revenue recognised; • testing tuition fee revenue transactions, on a sampling basis, by agreeing revenue recognised to relevant supporting documentation, including externally published course fees, official student records registered with relevant education authorities and receipts records and assessing whether revenue was recorded correctly in accordance with the Group's revenue recognition policies.

Other information

The directors are responsible for the other information. The other information comprises all the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 the directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are 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 directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit and Risk Management Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs 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 consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

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

- Identify and assess the risks of material misstatement of the consolidated 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 the directors.
- Conclude on the appropriateness of the directors' 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

We communicate with the Audit and Risk Management Committee 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.

We also provide the Audit and Risk Management Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit and Risk Management Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement director on the audit resulting in this independent auditor's report is Chu, Johnny Chun Yin.

Baker Tilly Hong Kong Limited
Certified Public Accountants
Hong Kong, 26 September 2025
Chu, Johnny Chun Yin
Practising certificate number P08355

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 30 June 2025

	Notes	2025 AUD\$'000	2024 AUD\$'000
REVENUE	5	34,258	29,041
Cost of sales		(18,727)	(16,284)
Gross profit		15,531	12,757
Interest income		2,687	1,962
Other income and gains	5	150	144
Administrative expenses		(9,352)	(8,338)
Advertising and marketing expenses		(3,359)	(3,086)
Finance costs	7	(716)	(725)
PROFIT BEFORE TAX	6	4,941	2,714
Income tax expense	10	(1,612)	(804)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		3,329	1,910
Profit attributable to:			
Owners of the Company		3,428	1,917
Non-controlling interests		(99)	(7)
		3,329	1,910
EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Basic earnings per share (AUD cents)	12	0.143	0.080
Diluted earnings per share (AUD cents)	12	0.135	0.075

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	2025 AUD\$'000	2024 AUD\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	7,569	8,407
Intangible assets	16	6,475	7,781
Right-of-use assets	14	8,926	11,123
Prepayments and deposits	18	2,902	1,188
Goodwill	15	1,533	1,533
Deferred tax assets	23	506	193
Total non-current assets		27,911	30,225
CURRENT ASSETS			
Trade receivables	17	346	197
Prepayments, other receivables and other assets	18	1,560	2,886
Cash and cash equivalents	19	49,058	44,072
Total current assets		50,964	47,155
CURRENT LIABILITIES			
Trade payables	20	3,194	2,655
Other payables and accruals	21	5,770	4,279
Lease liabilities	14	2,556	2,562
Contract liabilities	22	3,530	4,246
Tax payable		934	685
Total current liabilities		15,984	14,427
NET CURRENT ASSETS		34,980	32,728
TOTAL ASSETS LESS CURRENT LIABILITIES		62,891	62,953
NON-CURRENT LIABILITIES			
Lease liabilities	14	10,066	12,518
Other payables and accruals	21	346	317
Total non-current liabilities		10,412	12,835
Net assets		52,479	50,118
EQUITY			
Share capital	24	36,547	36,547
Treasury shares	24	(2,236)	(2,236)
Reserves		17,865	15,405
Non-controlling interests		303	402
Total equity		52,479	50,118

Amen Kwai Ping Lee
Director

Rongning Xu
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 30 June 2025

		Issued capital	Treasury shares	Share- based payment reserve	Retained profits	Non- controlling interests	Total equity
	Notes	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000
At 1 July 2023		36,414	(2,236)	4,608	9,729	409	48,924
Profit and total comprehensive income for the year		-	-	-	1,917	(7)	1,910
Dividends paid	11	-	-	-	(941)	-	(941)
Issue of shares	24	133	-	(133)	-	-	-
Equity-settled performance rights arrangements	25	-	-	225	-	-	225
At 30 June 2024 and 1 July 2024		36,547	(2,236)	4,700	10,705	402	50,118
Profit and total comprehensive income for the year		-	-	-	3,428	(99)	3,329
Dividends paid	11	-	-	-	(984)	-	(984)
Equity-settled performance rights arrangements	25	-	-	16	-	-	16
At 30 June 2025		36,547	(2,236)	4,716	13,149	303	52,479

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 30 June 2025

	Notes	2025 AUD\$'000	2024 AUD\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		4,941	2,714
Adjustments for:			
Finance costs	7	716	725
Interest income		(2,687)	(1,962)
Write-off of intangible assets	16	41	54
Share-based payments	25	16	225
Depreciation of property, plant and equipment	13	959	931
Amortisation of right-of-use assets	14	2,203	2,053
Amortisation of intangible assets	16	1,834	2,017
Impairment allowance for trade receivables	17	249	107
		8,272	6,864
(Increase)/decrease in trade receivables		(398)	40
Increase in prepayments, other receivables and other assets		(388)	(366)
Increase in trade payables		539	39
Increase in other payables and accruals		1,520	967
Decrease in contract liabilities		(716)	(1,736)
Cash generated from operations		8,829	5,808
Interest received		2,687	1,962
Income tax paid		(1,676)	(860)
Net cash flows from operating activities		9,840	6,910
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(121)	(447)
Additions to intangible assets		(569)	(360)
Cash flows used in investing activities		(690)	(807)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest element on lease liabilities	26	(716)	(725)
Principal portion of lease payments	26	(2,464)	(2,097)
Dividends paid	11	(984)	(941)
Cash flows used in financing activities		(4,164)	(3,763)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 30 June 2025

	Notes	2025 AUD\$'000	2024 AUD\$'000
NET INCREASE IN CASH AND CASH EQUIVALENTS		4,986	2,340
Cash and cash equivalents at beginning of year		44,072	41,732
CASH AND CASH EQUIVALENTS AT END OF YEAR	19	49,058	44,072
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	19	49,058	44,072

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

1. Corporate and Group Information

The consolidated financial statements of Top Education Group Ltd (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the directors on 26 September 2025.

The Company is a limited liability company, incorporated on 2 October 2001 and domiciled in Australia. The registered office of the Company is located at Suite 1, Biomedical Building, 1 Central Avenue, Eveleigh, New South Wales 2015, Sydney, Australia. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 11 May 2018.

The Group is principally engaged in providing private higher education services and English language courses in Australia. Further information on the nature of the operations and principal activities of the Group is provided in the directors' report. Information on other related party relationships of the Group is provided in Note 28.

Information about Subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name	Place of incorporation/ registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Top Education Consulting (Beijing) Limited*	PRC	Hong Kong dollars ("HK\$") 3,000,000	100	–	Provision of education consulting services
Top Education Development Pty Ltd	Australia	Australian dollars ("AUD\$") AUD\$100	100	–	Provision of and investments in education services
Scots English College Pty Ltd	Australia	AUD\$550,000	–	85	Provision of English Language courses
ANIMC Pty Ltd	Australia	AUD\$1,000	100	–	Provision of education and training services

* Top Education Consulting (Beijing) Limited is registered as a wholly-foreign-owned enterprise under PRC law.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

2. Material Accounting Policies

2.1 Basis of Preparation

These consolidated financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

These consolidated financial statements also comply with the IFRS Accounting Standards issued by the International Accounting Standards Board (the "IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the share-based payments, which have been measured at fair value. These consolidated financial statements are presented in AUD\$ and all values are rounded to the nearest thousand ("AUD\$'000"), except when otherwise indicated. Certain comparative figures have been re-presented to conform to the current year's presentation.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 30 June 2025. A subsidiary is an entity, directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

2. Material Accounting Policies (Continued)

2.2 Basis of Consolidation (Continued)

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

- the contractual arrangement(s) with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

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

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

Additionally, on 23 October 2018, the Board of Directors approved an employee share award scheme under which shares may be awarded to employees of the Group in accordance with the related terms and conditions of the scheme. Pursuant to the rules of the employee share award scheme, the Group has set up a trust for the purpose of administering the employee share award scheme and holding the awarded shares before they vest (the "Trust"). As the Group has control over the Trust, it consolidates the Trust within the Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

2. Material Accounting Policies (Continued)

2.3 Changes in Accounting Policies and Disclosures

The Group has adopted the following applicable revised IFRSs for the first time for the current year's consolidated financial statements.

Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

The adoption of these revised IFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current and prior periods.

2.4 Issued but Not Yet Effective IFRS Accounting Standards

The Group has not applied the following new and amendments to IFRS Accounting Standards, which have been issued but are not yet effective, in the consolidated financial statements. The Group intends to apply these new and revised IFRSs, if applicable, when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ³
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ²
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ²
Amendments to IFRS 10 and IAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
Amendments to IAS 21	<i>Lack of Exchangeability</i> ¹
Amendments to IFRS Accounting Standards	<i>Annual Improvements to IFRS Accounting Standards – Volume 11</i> ²

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ No mandatory effective date yet determined but available for adoption

Except as described below, the directors of the Company anticipate that the application of all other amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

2. Material Accounting Policies (Continued)

2.4 Issued but Not Yet Effective IFRS Accounting Standards (Continued)

IFRS 18 presentation and disclosure in financial statements

IFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 "Presentation of Financial Statements". This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the consolidated statement of profit or loss and OCI; provide disclosures on management defined performance measures in the notes to the consolidated financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and IFRS 7 "Financial Instruments: Disclosure". Minor amendments to IAS 7 "Statement of Cash Flows" and IAS 33 "Earnings per Share" are also made. IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the consolidated statement of profit or loss and OCI and disclosures in the future consolidated financial statements. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group's consolidated financial statements.

2.5 Summary of Material Accounting Policies

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group has identified the chief executive officer ("CEO") and the Board of Directors as being the chief operating decision makers.

Goodwill

Goodwill is measured at cost less any accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Fair value measurement

Fair value is the price that would be received for its services provided or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

The Group's revenue is primarily related to rendering of private higher education services and other income. The accounting policies are explained as follows:

(i) Rendering of education services

The Group provides education services for the offer of private higher education and English language courses. Such services are separately priced and provided based on offer period. As the Group provides the education services over the offer period, the students simultaneously receive and consume the benefits provided by the Group. Accordingly, the performance obligations are satisfied over time, and the related revenue is recognised over the contract period.

Most of the contractual considerations of the Group are tuition fees that are collected in advance prior to the beginning of each term. When the Group has rendered education offer, the consideration was received from students upon signing the offers, and the Group has the obligation to provide the services subsequently; accordingly, these amounts are recognised as contract liabilities. The period between the transfers of contract liabilities to revenue is usually within one year, thus, no significant financing component arises.

(ii) Variable consideration – Scholarships

The Group provides scholarship to certain students once the offers rendered. Scholarships are offset against tuition fee amounts payable by the students.

(iii) Cost to obtain an offer

The Group pays sales commission to its agents for each revenue contract that they obtain for tuition fee offer. The Group has elected to apply the optional practical expedient for costs to obtain an offer which allows the Group to immediately expense sales commissions because the amortisation period of the asset that the Group otherwise would have used is one year or less.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a student pays the consideration before the Group transfers goods or services to the student, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;
- or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in OCI or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the country in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting periods between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Income tax (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and services tax ("GST")

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statements of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Dividends

Dividends Are Recognised as a Liability When They Are Approved by the Shareholders in a General Meeting.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Teacher reference books	14.3% – 33.3%
Plant and equipment	20% – 25%
Classroom and office equipment	10% – 25%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of each reporting period.

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Property, plant and equipment (Continued)

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Leases

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

Group as a lessee

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

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortisation and any 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 amortised on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Building	1 to 10 years
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If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, amortisation is calculated using the estimated useful life of the assets.

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease 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 termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense 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 lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in measurement of an option to purchase the underlying asset.

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Leases (Continued)

Group as a lessee (Continued)

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

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is 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 recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Trademark

Trademark registered separately and with finite useful life is carried at cost less accumulated amortisation and any impairment loss. Amortisation for trademark with finite useful life is provided on a straight-line basis over its estimated useful life of 10 years.

Development costs

Expenditure incurred on projects to develop new and existing courses is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Course development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying course not exceeding seven years, commencing from the date when the courses are implemented.

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Intangible assets (other than goodwill) (Continued)

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Financial assets

Initial recognition and measurement

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies "Revenue recognition" above.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Financial assets (Continued)

Initial recognition and measurement (Continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement of financial assets at amortised cost (debt instruments)

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.
- The contractual terms of the financial asset give rise on specified 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 (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Derecognition of financial assets

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

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

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

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

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECL"s) for all debt instruments not held at fair value through profit or loss. 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.

General approach

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 required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 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.

Simplified approach

For trade receivables that do not contain a significant financing component or when the group applies the practical expedient of not adjusting the effect of a significant financing component, the group applies the simplified approach in calculating ECLs. Under the simplified approach, 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.

Financial liabilities

Initial recognition and measurement

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

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in profit or loss.

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Derecognition of financial liabilities

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, 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, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset (other than goodwill) is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Cash and cash equivalents

For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statements of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits (less than three months).

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share-based payment reserve or retained profits.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance cost in profit or loss.

Employee benefits

(i) Pension schemes

The Group is required to contribute 11.5% (2024: 11%) of its employee's ordinary time earnings into superannuation funds in accordance with superannuation legislation. Such contributions are fully and immediately vested in employees once made. Contributions to defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available. There is no forfeited contribution under the pension scheme available to reduce the contributions payable in future years. As such, there is no issue of whether forfeited contributions may be used by the Group to reduce the existing level of contributions to such schemes.

(ii) Obligations to employees

Liabilities for wages and salaries, including non-monetary benefits expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statements of financial position as the group does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Share-based payments

The Group operates performance rights and share award schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions for grants is measured by reference to the fair value at the date at which they are granted. The unhurdled fair value of the awards are calculated as the value of the ordinary shares in the Group less the present value of the projected dividends over the expected term of the awards, further details of the Group's award schemes are given in Note 25.

The cost of equity-settled transactions for employees is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Share-based payments (Continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding performance rights is reflected as additional share dilution in the computation of earnings per share.

The Group has set up the Trust for the Employee Ownership Scheme, where the Trust Purchases Shares issued by the Group and the consideration paid by the Group, including any directly attributable incremental costs, is presented as "Treasury Shares" and deducted from the Group's equity.

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. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised as income in the period in which they become receivable.

3. Material Accounting Estimates

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

Estimation uncertainty

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

Impairment of goodwill, brand name with indefinite useful life and other non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of the reporting period. The non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Determining whether goodwill, brand names with indefinite useful life and other non-financial assets are impaired requires an estimation of the recoverable amount of the cash-generating unit to which goodwill and brand name have been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the present value of the future cash flows expected to arise from the cash-generating unit containing goodwill and brand name using a suitable discount rate. Key assumptions and estimates include the discount rate and growth rates used in the value in use calculation. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash flows, a material impairment loss may arise. As at 30 June 2025, the carrying amounts of goodwill and brand name were AUD1,533,000 and AUD1,300,000 (2024: AUD1,533,000 and AUD1,300,000), respectively. Details of the calculation of recoverable amount of the cash-generating unit are disclosed in Notes 15 and 16.

4. Operating Segment Information

The Group has identified the CEO and the Board of Directors as the chief operating decision makers. The Group has only one reporting segment being mainly engaged in provision of private higher education services and English course services in Australia.

During the year, the Group operated within one geographical segment because all of its revenue was generated in Australia. All of the non-current assets of the Group are located in Australia.

The CEO and the Board of Directors as the chief operating decision makers examine the Group's performance primarily based on the number of students and course fees earned.

No services provided to a single customer contributed 10% or more of the total revenue of the Group during the financial year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

5. Revenue and Other Income and Gains

An Analysis of Revenue is as Follows:

	2025 AUD\$'000	2024 AUD\$'000
<i>Revenue from contracts with customers</i>		
Course fee income	32,094	26,967
Other service fee income	2,164	2,074
	34,258	29,041

Revenue from Contracts with Customers

(i) Disaggregated revenue information

Geographical markets		
Australia	34,258	29,041
Timing of revenue recognition		
Course fee income recognised over time	32,094	26,967
Others service fee income recognised over time	2,164	2,074
	34,258	29,041

(ii) Performance obligations

Provision of private higher education services and english course services in Australia

The performance obligation is satisfied over time as services are rendered. The Group's contracts with students for higher education programs are normally with duration of 0.5 year renewed up to total duration of 1 to 4 years depending on the education programs. The Group's contracts with students for English courses are normally between 8 weeks and 20 weeks depending on the education programs. Tuition fees are determined and paid by the students before the start of each school term.

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2025 and 2024 are as follows:

	2025 AUD\$'000	2024 AUD\$'000
Contract liabilities (Note 22)	3,530	4,246

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

5. Revenue and Other Income and Gains (Continued)

Contract liabilities include short-term advances received to render education services. All the other remaining performance obligations are expected to be recognised within one year.

No revenue recognised during the year related to performance obligations that were satisfied in prior years.

	2025 AUD\$'000	2024 AUD\$'000
Other income and gains		
Foreign exchange gains	3	-
Government grants (Note)	25	25
Others	122	119
	150	144

Note: Government grants represent the grants which help Australian businesses grow their exports in international markets.

6. Profit before Tax

The Group's profit before tax is arrived at after charging:

	Notes	2025 AUD\$'000	2024 AUD\$'000
Amortisation of intangible assets	16	1,834	2,017
Depreciation	13	959	931
Amortisation of right-of-use assets	14	2,203	2,053
Auditors' remuneration		212	271
Employee benefit expense (excluding directors' and chief executive's remuneration (Note 8)):			
Wages, salaries and other employee benefits		9,435	8,588
Share-based payments	25	16	225
Pension scheme contributions (defined contribution schemes)		931	834
Less: Amount capitalised		(27)	(51)
		10,355	9,596
Impairment allowance for trade receivables	17	249	107

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

7. Finance Cost

	2025 AUD\$'000	2024 AUD\$'000
Interest on lease liabilities	716	725

8. Directors' and Chief Executive's Remuneration

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Hong Kong Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2025 AUD\$'000	2024 AUD\$'000
Fees	830	810
Other emoluments:		
Salaries	547	423
Share-based payments	-	50
Pension scheme contributions	126	97
	673	570
	1,503	1,380

8. Directors' and Chief Executive's Remuneration (Continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

	Fees AUD\$'000	Pension scheme contributions AUD\$'000	Total remuneration AUD\$'000
2025			
Professor Steven Schwartz	82	9	91
Mr. Tianye Wang	91	–	91
Mr. Jonathan Richard O'Dea	82	9	91
Mr. Dominic Robert Beresford Verity (a)	48	5	53
	303	23	326

	Fees AUD\$'000	Pension scheme contributions AUD\$'000	Total remuneration AUD\$'000
2024			
Professor Steven Schwartz	82	9	91
Mr. Tianye Wang	82	–	82
Mr. Jonathan Richard O'Dea	82	9	91
	246	18	264

(a) Appointed on 2 December 2024

There were no other emoluments payable to the independent non-executive directors during the year (2024: Nil).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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8. Directors' and Chief Executive's Remuneration (Continued)

(b) Executive directors and non-executive directors

	Fees AUD\$'000	Salaries AUD\$'000	Share- based payments AUD\$'000	Pension scheme contributions AUD\$'000	Total remuneration AUD\$'000
2025					
Executive directors:					
Rongning Xu, CEO	87	345	-	50	482
Xingshi Huang	74	168	-	28	270
Qingquan Yang	76	34	-	12	122
	237	547	-	90	874
Non-executive directors:					
Amen Kwai Ping Lee	110	-	-	13	123
Yi Dai	90	-	-	-	90
Edward Chiang	90	-	-	-	90
	290	-	-	13	303
	527	547	-	103	1,177

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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8. Directors' and Chief Executive's Remuneration (Continued)

(b) Executive directors and non-executive directors (Continued)

	Fees AUD\$'000	Salaries AUD\$'000	Share- based payments AUD\$'000	Pension scheme contributions AUD\$'000	Total remuneration AUD\$'000
2024					
Executive directors:					
Rongning Xu, CEO	132	301	50	48	531
	132	301	50	48	531
Non-executive directors:					
Xingshi Huang	81	122	–	22	225
Amen Kwai Ping Lee	81	–	–	9	90
Yi Dai	90	–	–	–	90
Edward Chiang	90	–	–	–	90
Qingquan Yang	90	–	–	–	90
	432	122	–	31	585
	564	423	50	79	1,116

There was no arrangement under which directors or the CEO waived or agreed to waive any remuneration during the year.

9. Five Highest Paid Employees

The five highest paid ongoing employees of the Group during the year included the CEO and an executive director (2024: the CEO and a non-executive director), details of whose remuneration are set out in Note 8 above. Details of the remuneration for the year of the remaining three (2024: three) highest paid employees who are neither directors nor the CEO of the Group are as follows:

	2025 AUD\$'000	2024 AUD\$'000
Salaries	585	633
Performance related bonus	112	27
Pension scheme contributions	80	73
	777	733

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

9. Five Highest Paid Employees (Continued)

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	Number of employees	
	2025	2024
Nil to AUD\$161,000 (HK\$1,000,000)	-	-
AUD\$161,001 (HK\$1,000,001) to AUD\$242,000 (HK\$1,500,000)	-	1
AUD\$242,001 (HK\$1,500,001) to AUD\$323,000 (HK\$2,000,000)	3	2
AUD\$323,001 (HK\$2,000,001) to AUD\$404,000 (HK\$2,500,000)	-	-
AUD\$404,001 (HK\$2,500,001) to AUD\$484,000 (HK\$3,000,000)	-	-
	3	3

During the year, no emolument was paid or payable by the Group to the non-director and non-chief executive highest paid employees as an inducement to join or upon joining the Group or as compensation for the loss of office (2024: nil).

10. Income Tax

The Group is subject to income tax on profits arising in or derived from the jurisdiction in which the Group is domiciled and operates. Profits tax has been provided at the Group's statutory tax rate of 25% for the year ended 30 June 2025 and the year ended 30 June 2024 on the estimated assessable profits.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the year.

	2025 AUD\$'000	2024 AUD\$'000
Current – Income tax		
Charge for the year	1,741	1,151
Underprovision in respect of prior periods	184	39
Deferred tax (Note 23)	(313)	(386)
Total tax charge for the year	1,612	804

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

10. Income Tax (Continued)

A reconciliation of the tax expense applicable to profit before tax at the Group's statutory tax rate (statutory tax rate for the jurisdiction in which the Group is domiciled) to the tax charge at the Group's effective tax rate is as follows:

	2025		2024	
	AUD\$'000	%	AUD\$'000	%
Profit before tax	4,941		2,714	
Tax at the Group's statutory tax rate of 25% for 2025 and 2024	1,235	25	679	25
Expenses not deductible for tax	35	0.7	36	1.3
Reduction in opening deferred taxes resulting from reduction in tax rate	-	-	(1)	(0.1)
Underprovision in respect of prior years	184	3.7	39	1.4
Others	158	3.2	51	1.9
Tax charge at the Group's effective rate	1,612	32.6	804	29.6

11. Dividends

	2025	2024
	AUD\$'000	AUD\$'000
Interim – Nil (2024: HK 0.1 cents) per ordinary share	-	473
Final – Nil (2024: HK 0.2 cents) per ordinary share	984	468
	984	941

During the year ended 30 June 2025, a final dividend of HK0.2 cents per ordinary share in respect of the year ended 30 June 2024 was declared and paid to the owners of the Company (2024: HKD0.1 cent).

Subsequent to the end of the reporting period, a final dividend of HK0.6 cents in respect of the year ended 30 June 2025 (2024: HK0.2 cents) per ordinary share has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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12. Earnings per Share Attributable to Owners of the Company

The calculation of the basic earnings per share amount is based on the profits for the year attributable to owners of the Company of AUD\$3,428,000 (2024: AUD\$1,917,000) and the weighted average number of ordinary shares of 2,397,574,000 (2024: 2,396,612,000) in issue during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to owners of the Company. The weighted average number of shares used in the calculation is the number of shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential shares into shares during the year.

The calculations of basic and diluted earnings per share are based on:

	2025 AUD\$'000	2024 AUD\$'000
Earnings		
Profit attributable to owners of the Company	3,428	1,917
	Number of shares	
	2025 Ordinary shares '000	2024 Ordinary shares '000
Shares		
Weighted average number of shares in issue used in the basic earnings per share calculation	2,397,574	2,396,612
Effect of dilution – weighted average number of shares:		
Performance rights and share options	149,914	150,882
	2,547,488	2,547,494

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

13. Property, Plant and Equipment

	Teacher reference books AUD\$'000	Plant and equipment AUD\$'000	Classroom and office equipment AUD\$'000	Total AUD\$'000
30 June 2025				
At 30 June 2024 and 1 July 2024:				
Cost	369	3,485	10,318	14,172
Accumulated depreciation	(347)	(1,854)	(3,564)	(5,765)
Net carrying amount	22	1,631	6,754	8,407
At 1 July 2024, net of accumulated depreciation	22	1,631	6,754	8,407
Additions	21	86	14	121
Depreciation provided during the year	(15)	(227)	(717)	(959)
At 30 June 2025, net of accumulated depreciation	28	1,490	6,051	7,569
At 30 June 2025:				
Cost	390	3,571	10,332	14,293
Accumulated depreciation	(362)	(2,081)	(4,281)	(6,724)
Net carrying amount	28	1,490	6,051	7,569

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

13. Property, Plant and Equipment (Continued)

	Teacher reference books AUD\$'000	Plant and equipment AUD\$'000	Classroom and office equipment AUD\$'000	Total AUD\$'000
30 June 2024				
At 30 June 2023 and 1 July 2023:				
Cost	352	3,201	10,172	13,725
Accumulated depreciation	(324)	(1,644)	(2,866)	(4,834)
Net carrying amount	28	1,557	7,306	8,891
At 1 July 2023, net of accumulated depreciation	28	1,557	7,306	8,891
Additions	17	284	146	447
Depreciation provided during the year	(23)	(210)	(698)	(931)
At 30 June 2024, net of accumulated depreciation	22	1,631	6,754	8,407
At 30 June 2024:				
Cost	369	3,485	10,318	14,172
Accumulated depreciation	(347)	(1,854)	(3,564)	(5,765)
Net carrying amount	22	1,631	6,754	8,407

14. Leases

The Group as a lessee

The Group Has Lease Contracts for Items of Office and Buildings Used in Its Operation. Leases of Buildings Generally Have Lease Terms between 1 and 10 Years.

(a) Right-of-use assets

The Carrying Amounts of the Group's Right-of-use Assets and the Movements during the Year Are as Follows:

Right-of-use assets	Office premises
	AUD\$'000
As at 1 July 2023	10,539
Additions	2,637
Amortisation charge	(2,053)
As at 30 June 2024 and 1 July 2024	11,123
Amortisation charge	(2,203)
Early termination of a lease	6
As at 30 June 2025	8,926

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	Lease liabilities	
	2025	2024
	AUD\$'000	AUD\$'000
Carrying amount at 1 July	15,080	14,540
New leases	-	2,637
Accretion of interest recognised during the year	716	725
Early termination of a lease	6	-
Payments	(3,180)	(2,822)
Carrying amount at 30 June	12,622	15,080
Analysed into:		
Current portion	2,556	2,562
Non-current portion	10,066	12,518

The maturity analysis of lease liabilities is disclosed in Note 31 to the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

14. Leases (Continued)

The group as a lessee (Continued)

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	2025 AUD\$'000	2024 AUD\$'000
Interest on lease liabilities	716	725
Amortisation charge of right-of-use assets	2,203	2,053
Expense relating to short-term leases	148	–
Expense relating to leases of low-value assets	64	83
	3,131	2,861

(d) The total cash outflow for leases are disclosed in note 26 to the financial statements.

15. Goodwill

	2025 AUD\$'000	2024 AUD\$'000
Cost and net carrying amount: At 1 July and 30 June	1,533	1,533

Impairment testing of goodwill

Goodwill acquired through business combination is allocated to the cash-generating unit of Scots English College Pty Ltd ("SCOTS") for impairment testing:

The recoverable amount of SCOTS cash-generating unit has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a three-year period (2024: three-year period) approved by senior management. The pre-tax discount rate applied to the cash flow projections is 15% (2024: 11%). The growth rate used to extrapolate the cash flows of SCOTS beyond the three-year period is 1% (2024:1%). No reasonably possible change would result in an impairment.

15. Goodwill (Continued)**Impairment testing of goodwill** (Continued)

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Budgeted sales amounts – The budgeted sales amounts are based on the historical data and management's expectation on the future market.

Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market development.

Long term growth rate – The long term growth rate is based on the historical data and management's expectation on the future market.

Discount rate – The discount rate reflects specific risks relating to the relevant unit, which is determined using the capital asset pricing model with reference to the beta coefficient and debt ratio of certain publicly listed companies conducting business in the industry.

The values assigned to the key assumptions on market development of the cash-generating unit and the discount rate are consistent with external information sources.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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16. Intangible Assets

	Registration and other development expenditure AUD\$'000	Course development expenditure AUD\$'000	Trade mark AUD\$'000	Agent relationship AUD\$'000	Brand AUD\$'000	Total AUD\$'000
30 June 2025						
At 30 June 2024 and 1 July 2024:						
Cost	2,696	16,091	52	1,600	1,300	21,739
Accumulated amortisation	(2,156)	(11,017)	(38)	(747)	-	(13,958)
Net carrying amount	540	5,074	14	853	1,300	7,781
Cost as at 1 July 2024, net of accumulated amortisation	540	5,074	14	853	1,300	7,781
Additions	121	448	-	-	-	569
Write-off	-	(41)	-	-	-	(41)
Amortisation	(132)	(1,534)	(8)	(160)	-	(1,834)
At 30 June 2025, net of amortisation	529	3,947	6	693	1,300	6,475
At 30 June 2025:						
Cost	2,817	16,498	52	1,600	1,300	22,267
Accumulated amortisation and impairment	(2,288)	(12,551)	(46)	(907)	-	(15,792)
Net carrying amount	529	3,947	6	693	1,300	6,475

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

16. Intangible Assets (Continued)

	Registration and other development expenditure AUD\$'000	Course development expenditure AUD\$'000	Trade mark AUD\$'000	Agent relationship AUD\$'000	Brand AUD\$'000	Total AUD\$'000
30 June 2024						
At 30 June 2023 and 1 July 2023:						
Cost	2,521	15,960	52	1,600	1,300	21,433
Accumulated amortisation	(2,026)	(9,297)	(31)	(587)	-	(11,941)
Net carrying amount	495	6,663	21	1,013	1,300	9,492
Cost as at 1 July 2023, net of accumulated amortisation	495	6,663	21	1,013	1,300	9,492
Additions	175	185	-	-	-	360
Write-off	-	(54)	-	-	-	(54)
Amortisation	(130)	(1,720)	(7)	(160)	-	(2,017)
At 30 June 2024, net of accumulated amortisation	540	5,074	14	853	1,300	7,781
At 30 June 2024:						
Cost	2,696	16,091	52	1,600	1,300	21,739
Accumulated amortisation	(2,156)	(11,017)	(38)	(747)	-	(13,958)
Net carrying amount	540	5,074	14	853	1,300	7,781

The Group amortises intangible assets, other than those with an indefinite useful life, using the straight-line method of 7 years for course development expenditure and registration and other development expenditure for the years ended 30 June 2025 and 30 June 2024. The Group amortises its registered trademark with finite useful life using the straight-line method of 10 years from 1 July 2018, agency relationships with finite useful life using the straight-line method of 10 years from 1 November 2019. Brand name is considered by the management of the Group as having an indefinite useful life because it is expected to contribute to net cash inflows indefinitely. The brand name will not be amortised until its useful life is determined to be finite. Instead, it will be tested for impairment annually and whenever there is an indication that it may be impaired. The brand name is included in the cash-generating unit for SCOTS for the purpose of impairment assessment as disclosed in Note 15.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

17. Trade Receivables

The Group's students are required to pay tuition fees in advance for upcoming semesters. The outstanding receivables represent amounts related to students who have applied for the delayed payment of tuition fee. There is no fixed term for delayed payments. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and that the Group's trade receivables relate to a large number of students, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aging analysis of the trade receivables as at the end of the reporting period, based on the transaction date is as follows:

	As at 30 June	
	2025 AUD\$'000	2024 AUD\$'000
Trade receivables	595	304
Allowance for expected credit losses	(249)	(107)
	346	197

	As at 30 June	
	2025 AUD\$'000	2024 AUD\$'000
1 to 3 months	346	197

The Group applies the simplified approach to provide for the ECLs prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. Trade receivables from students are considered to be credit-impaired when the students withdraw from the tuition programs and are assessed individually for lifetime ECL provision.

The Group assessed the ECLs on trade receivables from students grouped based on the ageing of the trade receivables, considering the historical default experience and forward-looking information, as appropriate. The Group uses debtors' ageing to assess the impairment for students because these customers consist of a large number of students with common risk characteristics that are representative of the students' abilities to pay all amounts due in accordance with the contractual terms. AUD\$249,000 was recorded as allowance for impairment loss during the reporting period (2024: AUD\$107,000). Generally, trade receivables are written off when the student withdraw from the tuition programs and are not subject to enforcement activity.

18. Prepayments, Other Receivables and Other Assets

	As at 30 June	
	2025 AUD\$'000	2024 AUD\$'000
Non-current assets		
Prepayments	1,188	1,188
Long term deposit	1,714	–
	2,902	1,188
Current assets		
Prepayments	611	216
Term deposit	386	2,086
Other assets	110	95
Other receivables	453	489
	1,560	2,886

As at 30 June 2025 and 2024, other assets included the Group's total restricted cash and cash equivalents of AUD\$69,000 and AUD\$41,000 which were reserved at the Trust and a security account, respectively, to fund the employee performance share scheme.

Term deposits and other receivables mainly represent deposits (between 3 -12 months), rental deposits and GST receivables. Where applicable, an impairment analysis is performed at each reporting date by considering the probability of default of comparable companies with published credit ratings. As at 30 June 2025, ECLs are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. The loss rate applied for as at 30 June 2025 was 0% (2024: 0%).

None of the above assets are either past due or impaired. Except for term deposits, none of the above current assets are interest bearing. The financial assets included in the above balances relate to amounts for which there was no recent history of default.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

19. Cash and Cash Equivalents

	2025 AUD\$'000	2024 AUD\$'000
Cash and bank balances	18,586	14,975
Term deposits	30,472	29,097
Cash and cash equivalents	49,058	44,072

Cash and bank balances earn interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods of between one month and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

20. Trade Payables

An ageing analysis of the trade payables as at the end of the year, based on the payment due date, is as follows:

	2025 AUD\$'000	2024 AUD\$'000
Over two months	3,194	2,655

Trade payables are non-interest-bearing and are normally settled on 60-day terms.

21. Other Payables and Accruals

	As at 30 June	
	2025 AUD\$'000	2024 AUD\$'000
Current liabilities		
Other payables	3,680	2,470
Unpaid leave obligations	2,090	1,809
	5,770	4,279
Non-current liabilities		
Unpaid leave obligations	199	151
Accruals for reinstatement cost	147	166
	346	317

Other payables and accruals for reinstatement cost are unsecured, interest-free and have no fixed terms of repayment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

22. Contract Liabilities

Details of contract liabilities are as follows:

	2025 AUD\$'000	2024 AUD\$'000
Short-term advances received from students		
Course fees	3,530	4,246

Contract liabilities include short-term advances received from students in relation to the proportionate service not yet provided. The Group receives tuition fees from students in advance prior to the beginning of each academic term. Tuition fees are recognised proportionately over the relevant period of the applicable program.

23. Deferred Tax

The movements in deferred tax assets and liabilities during the year are as follows:

Deferred tax assets

	2025					
	Share-based payments AUD\$'000	Employee benefits AUD\$'000	Accruals AUD\$'000	Lease liabilities AUD\$'000	Others AUD\$'000	Total AUD\$'000
At 1 July 2024	390	559	110	3,102	(11)	4,150
(Charged)/credited to profit or loss	(34)	40	(6)	(506)	73	(433)
At 30 June 2025	356	599	104	2,596	62	3,717

	2024					
	Share-based payments AUD\$'000	Employee benefits AUD\$'000	Accruals AUD\$'000	Lease liabilities AUD\$'000	Others AUD\$'000	Total AUD\$'000
At 1 July 2023	355	503	193	3,637	(12)	4,676
Credited/(charged) to profit or loss	35	56	(83)	(535)	1	(526)
At 30 June 2024	390	559	110	3,102	(11)	4,150

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

23. Deferred Tax (Continued)

Deferred tax liabilities

	2025				
	Intangible assets	Prepayments	Right-of-use assets	Others	Total
	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000
At 1 July 2024	1,803	-	2,154	-	3,957
(Credited)/charged to profit or loss	(356)	17	(417)	10	(746)
At 30 June 2025	1,447	17	1,737	10	3,211

	2024			
	Intangible assets	Prepayments	Right-of-use assets	Total
	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000
At 1 July 2023	2,229	3	2,637	4,869
(Credited)/charged to profit or loss	(426)	(3)	(483)	(912)
At 30 June 2024	1,803	-	2,154	3,957

* Total deferred tax credited to profit or loss during the year amounted to AUD\$313,000 (2024: AUD\$386,000) (Note 10).

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	2025	2024
	AUD\$'000	AUD\$'000
Gross deferred tax assets	3,717	4,150
Gross deferred tax liabilities	(3,211)	(3,957)
Net deferred tax assets recognised in the consolidated statement of financial position	506	193

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

24. Share Capital and Treasury Shares

Shares

	2025 AUD\$'000	2024 AUD\$'000
Issued and fully paid:		
2,436,394,000 (2024: 2,436,394,000) ordinary shares	36,547	36,414
Issue of new shares upon exercise of the pre-IPO rights	-	133
	36,547	36,547

There was no movement in the Group's share capital during the financial year. A summary of movements in the Group's share capital during the year ended 30 June 2024 is as follows:

	Number of ordinary shares in issue Note (i)	Share capital AUD\$'000
At 1 July 2023	2,433,332,000	36,414
Issue of new shares upon exercise of the pre-IPO rights	3,062,000	133
At 30 June 2024	2,436,394,000	36,547

Notes:

- (i) Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of the shares held and amounts paid thereon.

Treasury shares

	Number of shares	Total AUD\$'000
At 1 July 2023, 30 June 2024, 1 July 2024 and 30 June 2025	38,820,000	(2,236)

During the year ended 30 June 2025, the Trust did not acquire any shares (2024: nil).

25. Share-based Payments

The Group has adopted three share schemes, namely Pre-IPO Performance Rights Plan, Share Option Scheme and Share Award Scheme, for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the schemes include the Group's employee, director or member of the Council of one or more members of the Company and its subsidiaries selected by the Board of Directors in its absolute discretion to participate in the schemes.

Pre-ipo Performance Rights Plan

The Pre-IPO Scheme (the "Scheme") was adopted under written resolutions of the Board of Directors passed on 8 June 2017, and 60,160 performance rights had been granted to Dr Minshen Zhu, the former CEO of the Company, under this Scheme. On 20 April 2018, the Company granted an additional 11,481 performance rights under the Pre-IPO Performance Rights Plan to certain members of the Council and certain Directors, including (i) Mr. Jing Li, being our non-executive Director; and (ii) Professor Steven Schwartz, being our independent non-executive Director and member of the Council. The shareholding of Professor Steven Schwartz in the Group was not more than 1% of the enlarged share capital of the Group upon completion of the global offering of the Company in 2018.

Pursuant to a written resolution of the shareholders of the Company passed on 24 April 2018, the performance rights will be subdivided into 2,000 shares once exercised (the "Share Subdivision"). The maximum aggregate number of shares underlying all grants of performance rights pursuant to the Pre-IPO Performance Rights Plan is 143,282,000 shares, assuming the total of 71,641 performance rights granted under the Pre-IPO Performance Rights Plan are fully vested and exercised under the Share Subdivision. No further performance rights will be granted under the Pre-IPO Performance Rights Plan.

CEO's performance rights plan

The CEO's performance rights plan became effective in June 2017 and, unless otherwise cancelled or amended, will remain in force for 15 years from that date.

Performance rights granted to the CEO of the Company are subject to approval in advance by the directors. Provided that the CEO remains employed until the later of the fifth anniversary of the grant of the performance rights and a liquidity event (defined as a listing, a business sale or a share sale in the plan rules), the performance rights will vest.

There is no exercise price payable by the CEO. Performance rights do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The details of the CEO's performance rights granted are shown below:

Exercise price	–
Vesting condition	5-year service and a liquidity event
Vesting period	8 June 2017 to 7 June 2022
Expiry date	7 June 2032

Dr. Minshen Zhu passed away on 28 April 2021 and on 27 May 2021, the Board of Directors has determined that Dr. Zhu as a Good Leaver and all of Dr. Zhu's unvested performance rights, being 60,160 performance rights (equivalent to 120,320,000 Shares upon the full exercise of such rights under the Share Subdivision), have not lapsed and all vesting conditions in respect of such rights are deemed to have been satisfied.

25. Share-based Payments (Continued)**Pre-IPO Performance Rights Plan** (Continued)***Certain Council and Board members' performance rights plan (the "Council and Board members' performance rights plan")***

The Council and Board members performance rights plan became effective in April 2018 and, unless otherwise cancelled or amended, will remain in force for 15 years from that date.

Provided that the participants remain a council member or non-executive director of the Company and the Company has not taken steps to remove them from that role on the applicable vesting dates (the first being within 6 months, on 12 November 2018) and the listing of the Company, the performance rights will vest.

There is no exercise price payable by the participants. Performance rights do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The details of the performance rights granted are shown below:

Exercise price	–
Vesting condition	Remained employment of the same role and the Listing
Dates of vesting	12 November 2018, 33% of award 12 November 2019, 33% of award 12 November 2020, 33% of award
Expiry date	19 April 2033

The following shares were outstanding under the Scheme during the year:

	2025		2024	
	Weighted average exercise price HK\$ per share	Number of rights	Weighted average exercise price HK\$ per share	Number of rights*
At 1 July	–	124,914,000	–	127,976,000
Exercised	–	–	–	(3,062,000)
At 30 June	–	124,914,000	–	124,914,000
Weighted average exercise period		7 years		8 years
Vested and exercisable as at end of the year		124,914,000		124,914,000

* the number of the rights presented has taken into consideration of the Share Subdivision.

No performance rights have been exercised, granted, cancelled or lapsed during the year. (2024: 3,062,000 performance rights were exercised).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

25. Share-based Payments (Continued)

Pre-IPO Performance Rights Plan (Continued)

Certain Council and Board members' performance rights plan (the "Council and Board members' performance rights plan") (Continued)

The fair value of the CEO's performance rights as at the measurement date is AUD\$2,298,000 and the fair value of the Certain Council and Board members' performance rights as at the measurement date is AUD\$800,000.

Post-IPO Schemes

Share Option Scheme

The Share Option Scheme was adopted under written resolutions of the Board of Directors passed on 18 April 2018. On 18 July 2018, 25,781,938 share options had been granted to one director, one former director and a total of 40 employees of the Group under this plan.

The details of the share options granted are shown below:

Exercise price	HK\$0.560*
Vesting condition	Services of the employees
Dates of vesting	17 July 2019, 33% of award
	17 July 2020, 33% of award
	17 July 2021, 33% of award
Expiry date	17 July 2028

The following shares were outstanding under the Share Option Scheme during the year:

	2025		2024	
	Weighted average exercise price HK\$ per share	Number of rights	Weighted average exercise price HK\$ per share	Number of rights
At 1 July and 30 June	0.56*	15,091,233	0.56*	15,091,233
Weighted average exercise period		3 years		4 years
Exercisable as at end of the year		15,091,233		15,091,233

* equivalent to AUD\$0.11 per share.

No share options have been exercised, granted, cancelled or lapsed during the year (2024: nil).

25. Share-based Payments (Continued)**Post-IPO Schemes** (Continued)**Share Award Scheme**

The Share Award Scheme was adopted under written resolutions of the Board of Directors passed on 23 October 2018. The aggregate number of Shares awarded by the Board of Directors under the Share Award Scheme shall not exceed 1.5% of the total number of the issued shares as at the adoption date of the Share Award Scheme (the "Adoption Date"), being 38,828,220 Shares. On 28 February 2019, 12,000,000 awarded shares had been granted to one director and one former director of the Company under this plan for nil consideration, among which, 6,000,000 award shares were granted to Ms. Sumeng Cao, the former executive Director of the Company, and to Dr. Rongning Xu, the executive Director, respectively. The 6,000,000 share award granted to Ms. Sumeng Cao lapsed on 10 December 2021.

On 24 May 2019, 19,000,000 awarded shares had been granted to four employees of the Group under this plan for nil consideration. The 19,000,000 awarded shares represent approximately 0.73% of the total number of issued Shares as at the Adoption Date.

The details of the awarded shares granted are shown below:

Grant date	28 February 2019	24 May 2019
Exercise price	–	–
Vesting condition	Services of employees and remained employed for management positions	Services of employees and remained employed for management positions
Vesting period	28 February 2019 to 27 February 2024	24 May 2019 to 23 May 2024
Expiry date	27 February 2029	23 May 2029

The following shares were outstanding under the Share Award Scheme during the year:

	2025		2024	
	Weighted average exercise price HK\$ per share	Number of rights	Weighted average exercise price HK\$ per share	Number of rights
At 1 July and 30 June	–	25,000,000	–	25,000,000
Weighted average exercise period		4 years		5 years
Exercisable as at end of the year		25,000,000		25,000,000

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

25. Share-based Payments (Continued)

Post-IPO Schemes (Continued)

Agent Share Option Scheme

On 11 November 2021, 48,600,000 options had been granted to a total of 11 third-party agents who supply student recruitment and education consultancy services to the Group under this plan.

The details of the options granted are shown below:

Exercise price	HK\$0.200
Vesting condition	Performance targets being satisfied and remained supplier during the vesting period
Dates of vesting	16 January 2023, 30% of award 16 January 2024, 30% of award 16 January 2025, 40% of award
Expiry date	10 November 2031

The following shares were outstanding under the Agent Share Option Scheme during the year:

	2025		2024	
	Weighted average exercise price HK\$ per share	Number of rights	Weighted average exercise price HK\$ per share	Number of rights
At 1 July	0.2*	15,400,000	0.2*	24,070,000
Forfeited	-	(11,560,000)	-	(8,670,000)
At 30 June	0.2*	3,840,000	0.2*	15,400,000
Weighted average exercise period		7 years		8 years
Exercisable as at end of the year		3,840,000		3,840,000

* equivalent to AUD\$0.04 per share.

No share options have been exercised, granted, cancelled or lapsed during the year (2024: nil).

25. Share-based Payments (Continued)**Post-IPO Schemes** (Continued)**Agent Share Option Scheme** (Continued)

The fair value of the share-based payments in relation to the Share Option Scheme was estimated as at the date of grant using Black-Scholes model. The fair value of the Share Option Scheme as at the measurement date is AUD\$843,000.

The fair value of the share-based payments in relation to the Share Award Scheme is calculated as the value of the ordinary shares in the Group less the present value of the projected dividends over the expected term of the awards. The fair value of the Share Award Scheme as at the measurement date is AUD\$1,633,000.

The fair value of the share-based payments in relation to the Agent Share Option Scheme was estimated as at the date of grant using Black-Scholes model. The fair value of the Agent Share Option Scheme as at the measurement date is AUD\$248,000.

The expected life of the performance rights is based on the historical data over the past years and is not necessarily indicative of the exercise patterns that may occur. No other feature of the performance rights granted was incorporated into the measurement of fair value.

During the Year ended 30 June 2025, the Group recognised share-based payments of AUD\$16,000 (2024: AUD\$225,000).

As at 30 June 2025, the Group had 168,845,233 shares outstanding under the various schemes mentioned above. The exercise in full of the outstanding performance rights and other awards would, under the present capital structure of the Group, result in the issue of 168,845,233 additional ordinary shares of the Group.

	2025	2024
	AUD\$'000	AUD\$'000
Expense arising from equity-settled share-based payment transactions	16	225
	16	225

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

26. Note to the Consolidated Statement of Cash Flows

(a) Change in liability arising from a financing activity:

2024

	Lease liabilities AUD\$'000
At 1 July 2023	14,540
Changes from financing cash flows	(2,822)
New lease	2,637
Finance charges on lease liabilities	725
At 30 June 2024	15,080

2025

	Lease liabilities AUD\$'000
At 1 July 2024	15,080
Changes from financing cash flows	(3,180)
Finance charges on lease liabilities	716
Early termination of a lease	6
At 30 June 2025	12,622

26. Note to the Consolidated Statement of Cash Flows (Continued)**(b) Total cash outflow for leases**

The total cash outflow for leases included in the statement of cashflows in as follows:

	2025 AUD\$'000	2024 AUD\$'000
Within operating activities	212	83
Within financing activities	3,180	2,822
	3,392	2,905

27. Contingent Liabilities

The Group has given bank guarantees as at 30 June 2025 of \$1,812,000 (2024: \$1,914,000) to various landlords. The directors of the Company consider that the fair value of the bank guarantee is not significant and no loss allowance has been made in respect of the bank guarantee.

28. Related Party Transactions**(a) Compensation of key management personnel of the Group:**

The compensation of key management personnel of the Group for the year represented directors' and chief executive's remuneration as further detailed in Note 8 to the consolidated financial statements.

(b) Amounts to related parties of the directors totalling AUD\$100,000 were paid during the period for administrative support services (2024: AUD\$100,000). All transactions were undertaken on an arm's length basis.**29. Financial Instruments by Category**

The carrying amounts of each of the categories of financial instruments as at the end of the year are as follows:

	2025 AUD\$'000	2024 AUD\$'000
Financial assets at amortised cost		
Trade receivables	346	197
Financial assets included in deposits and other receivables	2,100	2,210
Cash and cash equivalents	49,058	44,072
	51,504	46,479
Financial liabilities at amortised cost		
Trade payables	3,194	2,655
Financial liabilities included in other payables and accruals	3,680	2,470
	6,874	5,125

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

30. Fair Value and Fair Value Hierarchy of Financial Instruments

At the end of the reporting period, the carrying amounts of the Group's financial assets and financial liabilities reasonably approximated to their fair values due to their short term nature.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

31. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and cash equivalents. The Group has various other financial assets and liabilities including trade receivables, other receivables, trade payables and other payables and accruals which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below.

Credit Risk

The Group's credit risk arises from cash and cash equivalents and deposits with banks.

Payments for services to students are required to be settled in cash or using major credit cards, thus mitigating credit risk. There are no significant concentrations of credit risk through exposure to individual students.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Further details in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in Note 17 to the consolidated financial statements.

31. Financial Risk Management Objectives and Policies (Continued)**Liquidity risk**

The Group monitors its risk to a shortage of funds using its level of cash and cash equivalents. The Group's management reviews the level of cash and cash equivalents monthly to ensure that sufficient working capital is kept for the Group's operation.

The maturity profile of the Group's financial liabilities and lease liabilities as at the end of the year, based on contractual undiscounted payments, is as follows:

	On demand AUD\$'000	Within 1 year AUD\$'000	1 to 5 years AUD\$'000	Over 5 years AUD\$'000	Total AUD\$'000
At 30 June 2025					
Trade payables	3,194	-	-	-	3,194
Lease liabilities	-	3,146	10,536	-	13,682
Financial liabilities included in other payables and accruals	3,680	-	-	-	3,680
	6,874	3,146	10,536	-	20,556
At 30 June 2024					
Trade payables	2,655	-	-	-	2,655
Lease liabilities	-	3,179	13,027	1,571	17,777
Financial liabilities included in other payables and accruals	2,470	-	-	-	2,470
	5,125	3,179	13,027	1,571	22,902

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

32. Statement of Financial Position of the Company

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2025 AUD\$'000	2024 AUD\$'000
NON-CURRENT ASSETS		
Property, plant and equipment	7,348	8,151
Intangible assets	4,256	5,331
Right-of-use assets	6,949	8,618
Prepayments and deposits	3,112	1,732
Investments in subsidiaries	3,669	3,669
Deferred tax assets	1,007	732
Total non-current assets	26,341	28,233
CURRENT ASSETS		
Prepayments, other receivables and other assets	1,674	2,379
Cash and cash equivalents	48,229	42,633
Total current assets	49,903	45,012
CURRENT LIABILITIES		
Trade payables	3,087	2,534
Other payables and accruals	5,601	3,979
Lease liabilities	2,075	2,128
Contract liabilities	3,303	3,720
Tax payable	934	680
Total current liabilities	15,000	13,041
NET CURRENT ASSETS	34,903	31,971
TOTAL ASSETS LESS CURRENT LIABILITIES	61,244	60,204
NON-CURRENT LIABILITIES		
Lease liabilities	8,309	10,281
Other payables and accruals	343	314
Total non-current liabilities	8,652	10,595
Net assets	52,592	49,609
EQUITY		
Share capital	36,547	36,547
Treasury shares	(2,236)	(2,236)
Reserves	18,281	15,298
Total equity	52,592	49,609

32. Statement of Financial Position of the Company (Continued)

Note:

A summary of the Company's reserves is as follows:

	Share-based payment reserve	Retained profits	Total
Balance at 1 July 2023	4,608	9,622	14,230
Total comprehensive income for the year	–	1,917	1,917
Equity-settled share-based payments	225	–	225
Issue of shares	(133)	–	(133)
Dividend	–	(941)	(941)
At 30 June 2024 and 1 July 2024	4,700	10,598	15,298
Total comprehensive income for the year	–	3,951	3,951
Equity-settled share-based payments	16	–	16
Dividend	–	(984)	(984)
At 30 June 2025	4,716	13,565	18,281

The share-based payments reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments in note 2.5 to the consolidated financial statements. The amount will either be transferred to issued capital when the related options are exercised, or be transferred to retained profits should the related options expire or be forfeited.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

33. Remuneration of Auditors

	2025 AUD\$'000	2024 AUD\$'000
Audit services – RSM Australia Partners	120	–
Other services – RSM Australia Partners		
– Tax advisory services	15	14
	135	14
Audit services – Baker Tilly Hong Kong Limited	50	–
Other services – Baker Tilly Hong Kong Limited		
– Agreed upon procedures	22	–
	72	–
Audit services – Ernst & Young	–	267
Other services – Ernst & Young		
– General Consulting	30	–
– Tax advisory services	4	4
	34	271

34. Events after the Reporting Period

On 15 July 2025, the Company completed the purchase of all the 264,708,000 Shares held by PwC Nominees (the “Buy-back Shares”) according to the share buy-back agreement between the Company and PwC Nominees, representing approximately 10.86% of the total issued Shares at the time of completion. The consideration was approximately HK\$0.0425 per Buy-Back Share, being the total consideration of HK\$11,243,168.

The Buy-back Shares were cancelled on 25 July 2025. The total number of issued Shares after cancellation is 2,171,686,000.

35. Approval of the Consolidated Financial Statements

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 26 September 2025.

FINANCIAL SUMMARY

The following table summarises the results, assets and liabilities of the Company for the years ended 30 June 2021, 2022, 2023, 2024 and 2025:

Results

		Year ended 30 June			
	2025	2024	2023	2022	2021
	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000
REVENUE	34,258	29,041	26,848	18,697	24,845
Cost of sales	(18,727)	(16,284)	(15,056)	(11,121)	(13,819)
Gross profit	15,531	12,757	11,792	7,576	11,026
PROFIT BEFORE TAX	4,941	2,714	1,790	326	6,345
Income tax expense	(1,612)	(804)	(702)	(143)	(1,881)
PROFIT/(LOSS) AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR	3,329	1,910	1,088	(1,328)	183
Attributable to:					
Owners of the Company	3,428	1,917	1,113	(1,299)	185

Assets and Liabilities

		As at 30 June			
	2025	2024	2023	2022	2021
	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000	AUD\$'000
TOTAL ASSETS	78,875	77,380	76,239	73,983	72,618
TOTAL LIABILITIES	26,396	27,262	27,314	26,460	23,500
TOTAL EQUITIES	52,479	50,118	48,925	47,523	49,118

DEFINITIONS

"Academic Board"	the academic board of our Institute
"ACCA"	Association of Chartered and Certified Accountants
"AGM"	annual general meeting of the Company
"AQF"	the Australian Qualifications Framework, which specifies the standards for educational qualifications in Australia
"AUD\$"	Australian dollars, the lawful currency of Australia
"Audit and Finance Committee"	the audit and finance committee of the Board
"Australia"	the Commonwealth of Australia
"award"	a qualification under levels 1 to 10 of the AQF
"Awarded Share(s)"	such number of rights awarded by the Board to acquire Shares subject to the Share Award Scheme rules, where each Awarded Share represents the right to acquire one Share
"Billion Glory"	Billion Glory Group Holdings Limited 兆隆集團控股有限公司, a company incorporated under the laws of Hong Kong with limited liability on 8 June 2016, which is wholly-owned by Mr. Qingquan Yang
"Board"	the board of Directors
"Business School"	Australian National Institute of Management and Commerce, (formerly Sydney City School of Business), as the name adopted for the Company's academic division covering courses in the field of Management and Commerce
"CAANZ"	Chartered Accountants Australia and New Zealand
"CG Code"	the Corporate Governance Code contained in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, which, for the purpose of this annual report and for geographical reference only, except where the context requires, does not include Hong Kong, Macau and Taiwan
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company", "Institutes", "TOP", "we", "us" or "our"	Top Education Group Ltd (ACN 098 139 176) 澳洲成峰高教集團有限公司, a public company registered in New South Wales, Australia with limited liability on 2 October 2001, with trading names as Top Education Institute and Australian National Institute of Management and Commerce
"Connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Connected transaction(s)"	has the meaning ascribed to it under the Listing Rules

"Constitution"	the constitution of our Company conditionally adopted on 18 April 2018 and effective upon the Listing, as amended, supplemented or otherwise modified from time to time
"Contributed Amount"	cash paid or made available to the Trust by way of settlement or otherwise contributed to the Trust by the Company or such other person as directed by the Board or the Committee from time to time
"controlling shareholder(s)"	has the meaning given to it in the Listing Rules
"Corporations Act"	the Corporations Act 2001 (Cth) of Australia, as amended, supplemented or otherwise modified from time to time, which is the principal legislation regulating companies in Australia
"Council"	the Council of Australian National Institute of Management and Commerce/Top Education Institute
"course"	a program of study that will confer an award upon completion
"CPA Australia"	CPA Australia Ltd
"Director(s)"	the director(s) of the Company
"Dr. Zhu"	Dr. Minshen Zhu 祝敏申(deceased), formerly an executive Director, the chairman of the Board and the chief executive officer
"EFTSL"	equivalent full-time student load, which is a measurement of student enrolment at an institution calculated by dividing the total number of units taken by students in a given year by the average number of units a single full-time student should take in a year
"ESOS Act"	the Education Services for Overseas Students Act 2000
"GST"	goods and services tax under the GST Law
"GST Act"	A New Tax System (Goods and Services Tax) Act 1999 (Cth), as in force from time to time
"GST Law"	has the same meaning as in the GST Act
"Group"	the Company, its subsidiaries and its consolidated affiliated entities from time to time
"Guoli Minsheng"	Guoli Minsheng Equity Investment Co., Ltd. (福建國力民生科技發展有限公司), a company established under the laws of the PRC with limited liability on 6 November 2000, and is a substantial Shareholder
"higher education"	studies in pursuit of a qualification under levels 5 to 10 of the AQF, including a diploma, advanced diploma, associate degree, bachelor degree, graduate certificate, graduate diploma, master degree and doctoral degree
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

"Hong Kong dollars" or "HK\$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"IFRS"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
"INED"	the independent non-executive Directors
"IT"	Information Technology
"Joint Global Coordinators"	China Galaxy International Securities (Hong Kong) Co., Limited, CCB International Capital Limited, Essence International Securities (Hong Kong) Limited and AMTD Global Markets Limited, as defined in the prospectus issued by the Company dated 27 April 2018
"Law School"	Sydney City School of Law, as the name adopted for the Company to provide degree courses in law
"Listing"	the listing of our Shares on the Main Board of the Stock Exchange
"Listing Committee"	the listing sub-committee of the board of directors of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
"Minsheng Development"	Minsheng Education Development Company Limited, a direct wholly-owned subsidiary of Minsheng Education Group
"Minsheng Education Group"	Minsheng Education Group Company Limited (民生教育集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 13 December 2005, listed on the Main Board of the Stock Exchange on 22 March 2017 with Stock Code 1569
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
"National Code"	The National Code of Practice Providers of Education and Training to Overseas Students 2018
"Nomination Committee"	the nomination committee of the Board
"NSW"	New South Wales, a state of Australia
"NSW LPAB"	the Legal Profession Admission Board, New South Wales

"Pre-IPO Performance Right(s)"	a performance right under the Pre-IPO Performance Rights Plan
"Pre-IPO Performance Rights Plan"	the pre-IPO performance rights plan conditionally adopted by the Board on 8 June 2017, a summary of the principal terms of which is set out in the section headed "Appendix IV – E. Pre-IPO Performance Rights Plan" in the prospectus issued on 27 April 2018
"PwC Australia"	The Australian partnership of PricewaterhouseCoopers (ABN 52 780 433 757), Australia, a member of the global network of PricewaterhouseCoopers firms, which consists of firms which are separate legal entities
"PwC Nominees"	PricewaterhouseCoopers Nominees (A.C.T.) Pty Ltd (ACN 008 474 397), a company with limited liability registered on 29 August 1969 in Australian Capital Territory, Australia, which is owned 50% by PricewaterhouseCoopers Nominees (N.S.W.) Pty Ltd and 50% by PricewaterhouseCoopers Nominees (Victoria) Pty Ltd
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	the period from 1 July 2024 to 30 June 2025
"SAA"	Self-Accrediting Authority
"SCOTS"	Scots English College Pty Ltd, a private education institution established in Australia providing English language courses
"Securities and Futures Ordinance" or "SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	share(s) in the capital of the Company
"Share Award Scheme"	the Share Award Scheme adopted by the Company on 23 October 2018
"Share Option Scheme"	the Share Option Scheme adopted by the Company on 18 April 2018
"share split"	a share split on 24 April 2018 pursuant to which each Share was subdivided and designated as 2,000 fully paid Shares in the capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	has the meaning ascribed to it in the Listing Rules
"TEQSA"	the Tertiary Education Quality and Standards Agency in Australia established under the Tertiary Education Quality and Standards Agency Act

DEFINITIONS

"Tristar United"	Tristar United Investment Limited, a company incorporated under the laws of New Zealand with limited liability on 12 November 2001, and is a substantial Shareholder
"Trust"	the trust constituted by the Trust Deed
"Trust Deed"	a trust deed dated 23 October 2018 entered into between the Company and the Trustee (as restated, supplemented and amended from time to time)
"Trustee"	Pacific Custodians Pty Ltd (ACN 009 682 866) (which is independent of and not connected with the Company) and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the Trust Deed
"Underwriters"	the Hong Kong Underwriters and the International Underwriters, as defined in the prospectus issued by the Company dated 27 April 2018
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement, as defined in the prospectus issued by the Company dated 27 April 2018
"US\$" or "USD"	United States dollars, the lawful currency of the United States

Top Education Group Ltd

澳洲成峰高教集團有限公司