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)





2026 ANNUAL REPORT



創新引領
智慧教育

Innovation towards
Intelligent Education





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

Innovation

Intelligence

and

Internationalisation



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.

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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. 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

Joint Company Secretaries

Ms. Yan Li Yu
Ms. Wong Nga Sim

Authorised Representatives

Dr. Rongning Xu
Ms. Wong Nga Sim

Auditors

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

RSM Australia Partners
Level 7, 1 Martin Place
Sydney, NSW 2000
Australia

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

Level 1, Bay 3
2 Locomotive Street
Eveleigh NSW 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
Level 1, Bay 3
2 Locomotive Street
Eveleigh NSW 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

25 September 2026

Dear Shareholders,

On behalf of the Board, I am pleased to present the Annual Report of Top Education Group Ltd for the financial year ended 30 June 2026 ("FY26").

FY26 was another year of solid progress for the Group despite significant regulatory, policy and technological change across Australia's higher education sector. Against this backdrop, the Group continued to grow while strengthening the academic, governance and financial foundations required for its long-term development.

Strong Performance and Financial Position

The Group delivered another year of positive financial performance. Revenue increased by 11.3% to approximately AUD$38.1 million, gross profit increased by 21.5% to AUD$18.9 million, and gross profit margin improved from 45.3% to 49.5%. Net profit increased by approximately 8.5% to AUD$3.6 million.

Our financial position remains a major strength. As at 30 June 2026, the Group held approximately AUD$51.7 million in cash with no bank borrowings, providing resilience and flexibility to invest prudently in future growth.

During the year, the Group recognised an impairment of approximately AUD$2.8 million relating to goodwill and intangible assets associated with Scots English College Pty Ltd, reflecting changing market and regulatory conditions in the English language teaching sector. While disappointing, this does not alter the Group's overall strong financial position or long-term strategic direction.

Institutional and Academic Progress

A major achievement in FY26 was the Group's successful re-registration with TEQSA for a further seven years without conditions, representing 17 consecutive years of unconditional registration. Our CRICOS-registered student capacity also increased to 3,000 across Sydney, Perth and Hobart.

The Group continued to strengthen its academic portfolio and research capability. The Master of Marketing and Master of International Business successfully completed their scheduled seven-year re-accreditation, while our Higher Degree by Research framework was further enhanced.

Artificial intelligence is rapidly reshaping higher education. During FY26, the Group strengthened its AI governance framework, including plans to deploy the University of Sydney-developed Cogniti AI platform, together with a revised Artificial Intelligence Policy and Assessment Integrity Framework. Our objective is to embrace the benefits of AI while protecting academic integrity and ensuring our graduates develop the capabilities required in an increasingly AI-enabled professional environment.



Students, ESG and International Engagement

The Group continued to strengthen student employability through initiatives including the Study Australia Industry Experience Program, providing students with opportunities to work on real projects for Australian and global organisations.



I was also pleased that the Group received the Best Practice Award in Education and Training at the Third Sino-European Corporate ESG Best Practice Conference in Mainz, Germany. This international recognition reflects our commitment to integrating responsible leadership, sustainability, digital innovation and international collaboration into education.

Looking Ahead

The higher education sector will continue to evolve, particularly in relation to international education policy, migration settings, regulation and technological change. The Group will remain responsive and disciplined while continuing to invest in academic quality, research capability, digital innovation, cyber resilience, student success and strategic partnerships.

Our long-term strategic vision of achieving University College status remains firmly in our sights. The progress made during FY26 – including our seven-year unconditional TEQSA re-registration, stronger academic and research capability, continued enrolment growth and sound financial position – provides a strong foundation from which to pursue this ambition.

Appreciation

On behalf of the Board, I thank our Chief Executive Officer, management team, academic and professional staff for their dedication throughout the year. I also thank our students, academic and industry partners, regulators and professional bodies for their trust and collaboration.



Finally, I extend my sincere appreciation to my fellow Directors for their commitment and judgement, and to our Shareholders for their continued confidence and support. With a strong financial foundation, growing institutional capability and clear strategic direction, I believe Top Education Group is well positioned for the next stage of its development.

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

Operating Environment

The Reporting Period was characterised by a rapidly evolving policy, regulatory and operating environment across Australia's higher education sector.

During the year, the Australian Government continued to implement reforms aimed at supporting a more sustainable, high-quality and high-integrity international education sector. The introduction of a 2026 National Planning Level (NPL) of 295,000 international student commencements, together with the continued use of Ministerial Direction for visa processing priorities, reflected a more managed approach to international student growth. At the same time, the Australian Government further strengthened integrity in the international education sector through migration reforms and amendments to the ESOS Act. These measures included enhanced student visa requirements, English language verification, tighter regulation of education agent practices, and legislative reforms under the Education Legislation Amendment (Integrity and Other Measures) Act 2025, which also reinforced TEQSA's focus on institutional governance, quality assurance and provider accountability, including the oversight of offshore delivery.

Alongside these regulatory developments, the rapid advancement of generative AI continued to reshape teaching, learning and assessment across the sector, increasing expectations for robust academic integrity, assessment design and institutional governance. Against this backdrop, the Group remained focused on regulatory excellence, academic quality and sustainable growth, achieving significant progress across governance, course innovation, research, AI capability, international engagement and institutional capacity.

Regulatory Standing and Institutional Capacity

In November 2025, the Group secured re-registration with TEQSA for another seven years, without conditions, marking 17 consecutive years of unconditional registration as a higher education provider. This achievement demonstrates the maturity of the Group's governance systems, the robustness of its academic quality assurance processes, and its ongoing compliance performance.

During the Reporting Period, the Group's CRICOS-registered student capacity increased to 3,000, providing additional headroom for growth across the Sydney, Perth, and Hobart campuses. This expansion supports both domestic and international recruitment efforts and aligns with the Group's long-term enrolment plan.



Acquisition of Remaining Interest in SCOTS

During the year, the Group acquired the remaining 15% equity interest of SCOTS, from the original minority shareholder for a total consideration of approximately AUD$28,000. The acquisition was completed on 19 June 2026, following which SCOTS became a wholly-owned subsidiary of the Group.

The acquisition was undertaken to consolidate the Group's ownership and control over SCOTS and provide the Group with greater flexibility in the management and future development of SCOTS' business. The Directors considered that the acquisition was in the interests of the Company and its shareholders as a whole.

Course Innovation and Academic Portfolio Growth

The Group continued to strengthen and diversify its academic portfolio in response to evolving industry demand, Australia's future workforce priorities and changing student expectations. New program development has been informed by the Australian Government's labour market priorities, including the Core Skills Occupation List and workforce analysis undertaken by Jobs and Skills Australia, which continue to identify strong demand for technology-enabled business capabilities, digital transformation, information technology and data analytics.

During the Reporting Period, the Academic Board approved a suite of technology-driven business programs designed to equip graduates with the knowledge and skills required for an increasingly digital and AI-enabled economy. The Group also progressed the development of new programs in high-demand professional disciplines, further diversifying its academic portfolio, strengthening its presence in strategic growth areas aligned with Australia's future workforce priorities, and enhancing its competitiveness in key international markets.

The Group continued to strengthen its quality assurance framework through systematic course review, curriculum renewal and the ongoing enhancement of its Higher Degree by Research (HDR) framework. During the Reporting Period, the Master of Marketing and Master of International Business successfully completed their scheduled seven-year re-accreditation process. Comprehensive internal and external reviews confirmed the academic quality of both programs while identifying opportunities to further enhance curriculum currency, research capability and the integration of generative AI into teaching, learning and assessment. The resulting recommendations have been incorporated into enhancement plans endorsed by the Academic Board.



The Group also enhanced its HDR framework through strengthened research supervision arrangements, updated policies and procedures, and expanded research support for students and supervisors. Together, these initiatives reinforce the Group's long-term research capability and provide a strong foundation for the continued development of its higher degree by research portfolio.

Artificial Intelligence: Opportunities, Risks, and Governance

AI has become a defining influence on higher education, transforming teaching methods, student learning, assessment design, and academic integrity. The Group's approach has been to embrace the opportunities of AI while actively managing its risks, ensuring that graduates can demonstrate independent competencies and develop the AI literacy needed for modern professional practice.

During the Reporting Period, the Group enhanced its AI governance capability through the planned deployment of the Cogniti AI platform, developed by the University of Sydney. Cogniti allows staff to create discipline-specific AI tutors with safeguards that encourage learning and discourage inappropriate use. This initiative is supported by a revised Artificial Intelligence Policy and a new Assessment Integrity Framework, which introduces a two-lane assessment model balancing secure assurance tasks with genuine AI-enabled learning activities. These reforms position the Group ahead of sector expectations and strengthen the defensibility of learning outcomes.

Risk Management and Governance Strengthening

The Group continued to strengthen its institutional self-assurance capability in response to the evolving regulatory expectations reflected in TEQSA's 2026 Regulatory Risk Framework and the Higher Education Standards Framework Amendment (Threshold Standards) Instrument 2026. Building on its established governance arrangements, the Group further enhanced its risk-based and evidence-informed approach to academic quality, governance and continuous improvement through the ongoing refinement of its Academic Risk Management Framework.

Supported by enhanced academic risk monitoring, course review, student feedback and regular governance oversight, the Group continues to strengthen evidence-based decision-making and institutional self-assurance across the student lifecycle. This proactive, student-centred approach enables the early identification of emerging issues, supports timely academic and wellbeing interventions, and ensures that insights from student feedback are systematically incorporated into institutional planning and quality enhancement.

Together, these initiatives reinforce academic quality, enhance the overall student experience and support positive learning outcomes, while further strengthening the Group's governance effectiveness, regulatory compliance and long-term institutional resilience.

Student Experience and Employability Initiatives

Recognising the increasing demand for authentic industry experience, the Group further strengthened its employability initiatives by participating in the Study Australia Industry Experience Program, delivered in partnership with Practera. The program provides students with opportunities to work collaboratively in multidisciplinary teams on real consulting projects for Australian and global organisations, enabling them to apply academic knowledge in professional settings while developing capabilities such as communication, teamwork, problem-solving, digital collaboration and commercial awareness. The Group's pilot cohort achieved strong engagement and completion outcomes, supporting the continued expansion of the program across additional disciplines and campuses from the second half of 2026.



ESG Leadership and International Recognition

The Group continued to strengthen its commitment to Environmental, Social and Governance (ESG) principles throughout the reporting period by embedding sustainability and responsible leadership into its education, research and external engagement activities.

In June 2026, the Group received the Best Practice Award in Education and Training at the Third Sino-European Corporate ESG Best Practice Conference held in Mainz, Germany. The award recognised the Group's innovative approach to integrating ESG principles into higher education through curriculum development, digital innovation, industry engagement and international collaboration. The recognition reflects the Group's long-term commitment to preparing graduates with the capabilities required to contribute to sustainable economic and social development.



The award also enhanced the Group's international profile and demonstrates the growing recognition of its education model beyond Australia, supporting its strategic objective of expanding international partnerships and strengthening its reputation as a high-quality, future-focused higher education provider.

Closing Note

The Reporting Period has been characterised by regulatory achievements, academic innovation, expanding research, and stronger governance. The Group begins the next reporting cycle with increased student capacity, a modernised academic portfolio, a growing HDR ecosystem, and a proactive approach to AI and academic risk management. These accomplishments collectively strengthen the Group's position as a stable, compliant, and future-ready provider of higher education.

Student Enrolment

For the year ended 30 June 2026, the total EFTSL of higher education services of the Group increased by approximately 9.51% compared with the previous financial year.

	2026	2025
Undergraduate Courses	**144.0**	129.4
Postgraduate Courses	**1,435.0**	1,286.6
Non-award Unit Study	**113.0**	129.0
Total	**1,692.0**	1,545.0

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.

	International		**Domestic**	
Course Name	**2026 AUD$**	2025 AUD$	**2026 AUD$**	2025 AUD$
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	**16,500**	16,500	**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**	60,000	**–**	–
Bachelor of Laws	**96,000**	96,000	**48,000**	48,000

Outlook

Looking ahead, the Group remains well positioned for its next phase of sustainable growth. Building on a strong foundation of regulatory compliance, academic quality and sound governance, the Group will continue to invest in future-focused academic programs, research capability, digital innovation, cyber resilience and student success, while expanding strategic partnerships and strengthening its international profile.

The Group recognises that recent changes to Australia's international education and student visa settings will continue to influence international student demand and the broader operating environment. The Group will continue to closely monitor policy developments and market conditions, maintaining a responsive and prudent approach to student recruitment and sustainable growth.

The Group remains committed to delivering high-quality, industry-connected education that responds to Australia's evolving workforce needs and the changing expectations of students and employers. Through continued innovation, responsible growth and a culture of continuous improvement, the Group remains confident in progressing its long-term strategic vision of achieving University College status.



Financial Review

Revenue

Revenue represents the value of services rendered during the Reporting Period. The Group's revenue increased by approximately 11.3% from approximately AUD$34.3 million for the year ended 30 June 2025 to approximately AUD$38.1 million for the year ended 30 June 2026. A breakdown of revenue is shown below:

	2026 AUD$'000	2025 AUD$'000	Change %
Course fee income	**36,055**	32,094	+12.3%
Other service fee	**2,071**	2,164	-4.3%
	38,126	34,258	+11.3%

The increase in revenue was primarily due to the increase of the Group's student enrolments as compared to the corresponding period in 2025.

Tuition fee contributed over 94.6% of the Group's revenue while other service fee represented approximately 5.4% 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$0.5 million, or 2.8%, from AUD$18.7 million for the year ended 30 June 2025 to AUD$19.3 million for the year ended 30 June 2026. This increase in cost of revenue was mainly due to (i) the increase in agent commission and student related expenses, and (ii) the increase in employment expenses.

Gross Profit and Gross Profit Margin

Gross profit increased by 21.5% from AUD$15.5 million for the year ended 30 June 2025 to AUD$18.9 million for the year ended 30 June 2026, and gross profit margin increased from approximately 45.3% for the year ended 30 June 2025 to approximately 49.5% for the year ended 30 June 2026.

Interest Income

Interest income decreased by 16.9% from approximately AUD$2.7 million for the year ended 30 June 2025 to approximately AUD$2.2 million for the year ended 30 June 2026, which was mainly due to the decrease in deposit rates.

Other Income and Gains

Other income decreased from approximately AUD$0.1 million for the year ended 30 June 2025 to approximately AUD$0.05 million for the year ended 30 June 2026 and remained immaterial relative to the Group's total revenue.

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 decreased by approximately 1.1% from AUD$9.4 million for the year ended 30 June 2025 to AUD$9.2 million for the year ended 30 June 2026. This decrease was mainly attributable to lower office operating expenses, partially offset by increases in service fees and employee 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 decreased by approximately 8.0% from approximately AUD$3.4 million for the year ended 30 June 2025 to approximately AUD$3.1 million for the year ended 30 June 2026. The decrease was primarily due to reduced expenditure on marketing and promotional activities.

Other Expenses

Other expenses consist primarily of expenses relating to goodwill and intangible assets impairment.

Other expenses increased substantially from nil for the year ended 30 June 2025 to approximately AUD$2.8 million for the year ended 30 June 2026.

The impairment losses on goodwill and intangible assets recognised by the Company during the Reporting Period primarily reflected the underperformance of SCOTS, as the Group's English language teaching segment continued to face changes in market conditions and regulatory requirements that adversely affected its growth prospects. As a result, SCOTS failed to meet the Company's original expectation at the time of acquisition, which prompted the Company to reassess the value in use of their goodwill and the fair value less cost of disposal of their intangible assets as at 30 June 2026.

Goodwill and intangible assets acquired through business combinations are allocated to the Group's relevant cash-generating units ("CGUs") for impairment testing. The Company reviewed the business performance of the relevant CGUs and monitored the goodwill and intangible assets arising from the acquisitions at the operating segment level. As the Group completed the acquisition of the remaining equity interests in SCOTS on 19 June 2026, the recent transaction provided a relevant observable reference in assessing the fair value of the relevant CGU. The Company performed the impairment test by comparing the recoverable amount of the CGU with its carrying amount.

For details of the impairment test for goodwill and intangible assets, including the key assumptions adopted in determining the recoverable amounts of the CGUs, please refer to notes 15 and 16 to the consolidated financial statements in this annual report.

Finance Costs

Finance costs represent the interest expense on the lease liabilities.

Finance costs decreased by approximately 18% from approximately AUD$0.72 million for the year ended 30 June 2025 to approximately AUD$0.59 million for the year ended 30 June 2026.

Profit for the Reporting Period

As a result of the above factors, the net profit for the year of the Group increased by approximately 8.5% from approximately AUD$3.3 million for the year ended 30 June 2025 to approximately AUD$3.6 million for the year ended 30 June 2026.

Capital Expenditure

Our capital expenditures for the year ended 30 June 2026 were approximately AUD$1 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 2026, the Group had cash and bank balances of approximately AUD$51.7 million (30 June 2025: AUD$49.1 million) with no bank borrowings (30 June 2025: nil). During the year ended 30 June 2026, the Group financed our working capital requirements and capital expenditures principally through net cash inflows from operating activities.

As at 30 June 2026, the gearing ratio, which is calculated on the basis of total borrowing and total equity of the Group was 0% (30 June 2025: 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 2026, 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 2026 and 2025.

Contingent Liabilities

The Group has given bank guarantees as at 30 June 2026 of AUD$1,714,000 (2025: AUD$1,812,000) to various landlords. The Directors 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.

Board of Directors

Executive Directors

Dr. Rongning Xu, aged 39, 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. As at the date of this report, her tenure on the Board is 4 years and 6 months, and her current term of appointment is up to the conclusion of the 2028 AGM, subject to retirement by rotation and re-election at such AGM.

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 76, 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. As at the date of this report, her tenure on the Board is 4 years and 11 months, and her current term of appointment is up to the conclusion of the 2027 AGM, subject to retirement by rotation and re-election at such AGM.

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 59, 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. As at the date of this report, his tenure on the Board is 3 years and 6 months, and his current term of appointment is up to the conclusion of the 2026 AGM, subject to retirement by rotation and re-election at such AGM.

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 of Business Administration from the Macau University of Science and Technology in 2004.

Non-executive Directors

Dr. Amen Kwai Ping Lee, aged 66, 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. As at the date of this report, his tenure on the Board is 24 years and 10 months, and his current term of appointment is up to the conclusion of the 2027 AGM, subject to retirement by rotation and re-election at such AGM.

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. Edward Chiang, aged 45, has served as a non-executive Director since 1 September 2020. As at the date of this report, his tenure on the Board is 6 years, and his current term of appointment is up to the conclusion of the 2026 AGM, subject to retirement by rotation and re-election at such AGM.

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 68, 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. As at the date of this report, his tenure on the Board is 8 years and 5 months, and his current term of appointment is up to the conclusion of the 2028 AGM, subject to retirement by rotation and re-election at such AGM.

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 79, 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. As at the date of this report, his tenure on the Board is 8 years and 5 months, and his current term of appointment is up to the conclusion of the 2026 AGM, subject to retirement by rotation and re-election at such AGM.

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.

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 60, 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. As at the date of this report, his tenure on the Board is 3 years and 7 months, and his current term of appointment is up to the conclusion of the 2026 AGM, subject to retirement by rotation and re-election at such AGM.

Mr. O'Dea 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. Mr. O'Dea has been appointed as a non-executive director of Homart Group and Catholic Care – Diocese of Broken Bay since March 2025 and July 2025, respectively. He is also a trustee of Mitsui Educational Foundation since February 2024.

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 60, has served as an INED 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. As at the date of this report, his tenure on the Board is 1 year and 9 months, and his current term of appointment is up to the conclusion of the 2028 AGM, subject to retirement by rotation and re-election at such AGM.

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.

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

Pursuant to Rule 13.51B(1) of the Listing Rules, below are the changes in the information of the Directors:

The annual salary (excluding pension contribution) of Dr. Rongning Xu as president of the Company has been adjusted from AUD$310,090 to AUD$341,099 with effect from April 2026.

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 63, has served as the Company's Vice President (Internal Affairs) since 2015. She was appointed as the joint Company Secretary of the Company in November 2025. Ms. Yu 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.

Joint Company Secretaries

Ms. Yan Li Yu's biography can be referred to in the section headed "Senior Management" in this report.

Ms. Wong Nga Sim, has over 8 years of experience in the corporate secretarial field, and has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. She currently serves as a manager of corporate secretarial services in Tricor Services Limited. Ms. Wong obtained a bachelor's degree in business administration (hons.) from Hong Kong Baptist University in 2015. She is a Chartered Secretary, a Chartered Governance Professional and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

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 two subsidiaries 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 2026 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 122 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 2026 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 183 of this annual report.

Principal Risks and Uncertainties

The Group maintains an established risk management framework to identify, assess and monitor risks that may affect its business operations, financial performance and strategic objectives.

During the Reporting Period, the Group's overall risk profile remained broadly stable. The principal risks identified, together with their risk ratings, potential impact and key mitigation measures, are set out below.

Principal Risk	Risk Rating (based on Risk Assessment Matrix)	Potential Impact	Response/Mitigation Strategy
Brand and reputation	Low	The Group's business is dependent on the market recognition of its brands and reputation. Any material deterioration in reputation may affect student recruitment, enrolments, financial performance and future growth.	The Group continues to monitor student experience, academic quality, complaints and stakeholder feedback, supported by established governance and quality assurance processes. Potential reputational issues are monitored and addressed by management on a timely basis.

Principal Risk	Risk Rating (based on Risk Assessment Matrix)	Potential Impact	Response/Mitigation Strategy
Registration and regulatory accreditation	Low	As a higher education provider in Australia, the Group is subject to periodic registration and accreditation requirements. Failure to maintain the required registrations may affect its ability to continue offering certain courses or enrolling students.	The Group maintains ongoing compliance monitoring and regulatory reporting processes and prepares for registration and accreditation renewals in advance. Management also maintains regular engagement with relevant regulatory authorities where appropriate.
Changes in legislation, regulation and government policy	Medium	Changes in education, immigration and other government policies, particularly those affecting international students, may impact student demand, commencements, visa outcomes and enrolments, which may in turn affect the Group's revenue and growth.	The Group actively monitors regulatory and policy developments and assesses their potential impact on operations. Management continues to diversify student recruitment channels, campuses and program offerings, and adjusts recruitment and operating strategies in response to changes in the external environment.
Student enrolment capacity and market demand	Low	Student enrolments may be affected by regulatory capacity limits, visa settings, competition and broader conditions in the international education market, which may affect revenue and profitability.	The Group closely monitors enrolment trends, student pipelines and market conditions and continues to diversify its student base across campuses, programs and markets. Resources and recruitment strategies are adjusted where appropriate.
Tuition fee levels and pricing	Low	The Group's revenue and profitability are dependent on its ability to maintain appropriate tuition fee levels. Competitive pressures, market conditions or regulatory constraints may limit the Group's ability to maintain or increase tuition fees.	Tuition fees are reviewed periodically with reference to market conditions, competitor pricing, course demand and operating costs. The Group also continues to focus on academic quality and student outcomes to support the value proposition of its programs.

Principal Risk	Risk Rating (based on Risk Assessment Matrix)	Potential Impact	Response/Mitigation Strategy
Cybersecurity and information technology systems	Low	The Group's operations depend on the security and integrity of its information technology systems and the personal data of students and staff held within them. As disclosed above and in the announcements of the Company dated 6 August 2026 and 24 August 2026, the Group became aware of the Alleged Incident. Failure to adequately prevent, detect or respond to cybersecurity incidents may affect the Group's reputation, and may result in legal liability.	Following the Alleged Incident, the Group engaged external cybersecurity and forensic experts to assess the extent of unauthorised access to or leakage of personal data arising from the Alleged Incident. The Group has implemented additional cybersecurity measures, including but not limited to resetting passwords for all staff accounts, enhanced user authentication controls, implemented additional access restrictions and other monitoring measures designed to detect and prevent further unauthorised access. The Group also continues to strengthen its information system security measures.

Dividend

The Board recommends the payment of a final dividend of HK 0.9 cents per ordinary share for the year ended 30 June 2026 (2025: HK 0.6 cents).

Subject to the Shareholders' approval of the recommended distribution at the forthcoming AGM, the final dividend will be paid on or about Tuesday, 15 December 2026 to the Shareholders whose names appear on the register of members of the Company on Monday, 7 December 2026.

Annual General Meeting

The forthcoming AGM will be held on Thursday, 26 November 2026. 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, 26 November 2026, the register of members of the Company will be closed from Monday, 23 November 2026 to Thursday, 26 November 2026, 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, 20 November 2026. The record date will be Thursday, 26 November 2026.

For determining the entitlement to receive the final dividend, the register of members of the Company will be closed by the Company from Thursday, 3 December 2026 to Monday, 7 December 2026, 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, 2 December 2026.

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 2026 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 2026 are set out on page 124 of this annual report.

As at 30 June 2026, 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$18.2 million.

Directors

The Directors during the year ended 30 June 2026 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 *(Resigned on 20 July 2026)*
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 Mr. Qingquan Yang, Mr. Edward Chiang, Professor Steven Schwartz and Mr. Jonathan Richard O'Dea shall retire by rotation at the forthcoming AGM and, being eligible, would offer themselves for re-election at the forthcoming AGM.

Directors' Biographies

Biographical details of the Directors are set out on pages 13 to 17 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.

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.

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

As at 30 June 2026, 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	21,114,274[3]	0.97%
Ms. Xing Shi Huang	Beneficial owner	348,826,000[4]	16.06%
Dr. Amen Kwai Ping Lee	Beneficial owner	150,302,000	6.92%
Professor Steven Schwartz	Beneficial owner	3,872,000	0.18%
Mr. Qingquan Yang	Beneficial owner[5]; interest in controlled corporation[5]	365,764,000	16.84%

Notes:

(1) All interests stated are long positions.

(2) The calculation is based on the total number of 2,171,686,000 Shares in issue as at 30 June 2026.

(3) The interests of Dr. Rongning Xu comprised (i) 19,820,000 Shares beneficially owned by her; and (ii) an 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 terms and conditions (including vesting conditions) of those options.

(4) Ms. Xing Shi Huang is the widow of the late Dr. Minshen Zhu. As at 30 June 2026, those 228,506,000 Shares and the performance rights representing an entitlement to receive up to 120,320,000 Shares originally held by Dr. Zhu under the Pre-IPO Performance Rights Plan were subsequently transferred to Ms. Huang, being the beneficiary of the estate of Dr. Zhu under Letters of Administration. Accordingly, Ms. Huang is beneficially interested in such Shares and underlying 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 2026, 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 as disclosed under the section headed "Pre-IPO Performance Rights Plan, Share Options Scheme, Share Award Scheme and 2026 Share Award Scheme" 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.

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

As at 30 June 2026, 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	16.84%
Billion Glory	Beneficial owner	Long	211,902,000	9.76%
Tristar United	Beneficial owner	Long	150,002,000	6.91%
Benefit Hongda	Beneficial owner	Long	351,180,000	16.17%
Minsheng Education Group	Interest in a controlled corporation[3]	Long	209,000,000	9.62%
Mr. John Zhao	Interest in a controlled corporation[4]	Long	351,180,000	16.17%
Mr. Xin Wang	Beneficial owner	Long	116,382,000	5.36%
Ms. Zhuo Liu	Interest of a spouse[5]	Long	116,382,000	5.36%

Notes:

(1) The calculation is based on the total number of 2,171,686,000 Shares in issue as at 30 June 2026.

(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) 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.

(4) Mr. John Zhao indirectly holds 351,180,000 Shares through Benefit Hongda, which is wholly-owned by Mr. Zhao. Accordingly, Mr. Zhao is deemed to be interested in the 351,180,000 Shares held by Benefit Hongda by virtue of the disclosure requirements of the SFO.

(5) Ms. Zhuo Liu is the spouse of Mr. Xin Wang and is deemed to be interested in the shareholding interests of Mr. Wang by virtue of the disclosure requirements of the SFO.

Pre-IPO Performance Rights Plan, Share Option Scheme, Share Award Scheme and 2026 Share Award Scheme

The Company has adopted Pre-IPO Performance Rights Plan, Share Option Scheme, Share Award Scheme and 2026 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:

Number of Pre-IPO Performance Rights × 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").

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.

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 effects 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.

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 2025 (number of underlying Shares)	Granted during the Year	Exercised during the Year	Lapsed/ cancelled during the Year	Balance at 30 June 2026 (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").

(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 2026, 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. The number of options available for grant under the scheme mandate of the Share Option Scheme as at 1 July 2025 and 30 June 2026 was 232,411,567.

(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.

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 cancelation 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 cancelation. 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.

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 2026 are as follows:

Grantee	Balance as at 1 July 2025	Granted during the Year	Exercised during the Year	Lapsed/ cancelled during the Year	Balance as at 30 June 2026
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.

Details of the movement of Agent Share Options granted under the Share Option Scheme for year ended 30 June 2026 are as follows:

Grantee	Balance as at 1 July 2025	Granted during the Reporting Period	Exercised during the Reporting Period	Lapsed/ cancelled during the Reporting Period	Balance as at 30 June 2026
KTM Consulting Pty Ltd	2,040,000	–	–	–	2,040,000
The trustee for Austop Capital Holdings Unit Trust	900,000	–	–	–	900,000
A.C.I.C. Pty Ltd	900,000	–	–	–	900,000
Total	3,840,000	–	–	–	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.

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 2026, 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 of granted but unvested Shares as at 1 July 2025	Granted during the Year	Exercised or vested during the Year	Lapsed or cancelled during the Year	Balance of granted but unvested Shares as at 30 June 2026
Dr. Rongning Xu	6,000,000	–	6,000,000[1]	–	–
Employees (in aggregate)	19,000,000	–	19,000,000[2]	–	–
Total	25,000,000	–	25,000,000	–	–

1. Those 6,000,000 Shares were vested on Dr. Xu on 1 August 2025. The exercise price was nil. The closing price of Shares immediately before the vesting date was HK$0.055.

2. Those 19,000,000 Shares were vested on four selected employees on 1 August 2025. The exercise price was nil. The closing price of Shares immediately before the vesting date was HK$0.055.

2026 Share Award Scheme

The Company adopted the 2026 Share Award Scheme ("2026 Share Award Scheme" or the "Scheme") on 14 April 2026. The Scheme is funded solely by existing Shares acquired by the Trustee on the market or otherwise held by the Trustee under the Trust. No new Shares will be issued by the Company pursuant to the Scheme and, accordingly, the Scheme is not subject to the scheme mandate limit under Chapter 17 of the Listing Rules.

The following is a summary of the principal terms of the 2026 Share Award Scheme:

Purpose

The purpose of the Scheme is to recognise the past, present and/or expected contributions made by eligible participants to the Group, to provide incentives to retain such participants for the continual operation and development of the Group, and to attract suitable persons for the future development of the Group.

Who may join

Eligible participants of the Scheme include:

(a) employees of the Company (including executive Directors);

(b) non-executive Directors (including independent non-executive Directors); and

(c) consultants 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 14 April 2026, 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 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.

Operation of the Scheme

The Board 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 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 Board 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 terms of the Scheme, the Board may, at its absolute discretion, grant Awarded Shares to selected participants at nil consideration and on such terms and conditions as it considers appropriate. The Board may impose vesting conditions, including service and/or performance conditions, in relation to any Award.

The vesting period and any performance targets applicable to an Award are determined by the Board on a case-by-case basis at the time of grant, taking into account, among other things, the participant's past, present and/or expected contribution to the Group, the financial condition of the Company, the Company's business objectives and future development plans, and such other matters as the Board considers appropriate.

Where any grant of Awarded Shares is proposed to be made to any selected participants 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.

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 participants in accordance with the vesting schedule (if any) and the Trustee shall cause the relevant number of Shares to be allocated to such selected participants 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 participants under the Scheme.

Awarded Shares Granted under the Share Award Scheme

On 16 April 2026, the Company granted a total of 13,820,000 Awarded Shares to Dr. Rongning Xu, an executive Director, for nil consideration in accordance with the Scheme Rules. The Company granted those 13,820,000 Awarded Shares as a recognition of the meaningful contributions by Dr. Xu to the Company over the previous three years, including that due to her leadership, the Company successfully secured the renewal of the Company's Tertiary Education Quality and Standards Agency (TEQSA) registration for another seven years. The grant of 13,820,000 Awarded Shares was made in lieu of payment of a cash bonus to Dr. Xu.

The Awarded Shares will vest upon Dr. Xu's acceptance of the Award, subject to the terms and conditions of the 2026 Share Award Scheme and the satisfaction of the vesting conditions set out in the Grant Notice, including that, during the period from the date of the Grant Notice to the Acceptance Date, Dr. Xu remains an executive Director, the Chief Executive Officer and an employee of the Company, remains a Participant and does not become an Excluded Participant or otherwise cease to be eligible to participate in the Scheme. Dr. Xu accepted the grant of those 13,820,000 Awarded Shares on 16 April 2026, and those Shares were vested on her on the same day. The exercise price was nil. The closing price of Shares immediately before the vesting date was HK$0.084.

For the year ended 30 June 2026, 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 of granted but unvested Shares as at 1 July 2025	Granted during the Year	Exercised or vested during the Year	Lapsed or cancelled during the Year	Balance of granted but unvested Shares as at 30 June 2026
Dr. Rongning Xu	–	13,820,000	13,820,000	–	–
Total	–	13,820,000	13,820,000	–	–

No options or awards involving the issue of new Shares were granted under the share schemes of the Company during the year ended 30 June 2026. Accordingly, the number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the year divided by the weighted average number of Shares in issue (excluding treasury shares) for the year was nil.

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

During the Reporting Period, 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. As at 30 June 2026, all the Buy-back Shares have been cancelled. For details, please refer to the Company's announcement dated 15 July 2025.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any Shares during the Reporting Period.

Borrowings

As at 30 June 2026, the Company had no borrowings (30 June 2025: Nil).

Equity-Linked Agreements

Save as disclosed in "Pre-IPO Performance Rights Plan, Share Option Scheme, Share Award Scheme and 2026 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 2026 or subsisted at 30 June 2026.

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 2026.

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 2026.

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 2026.

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.

Related Party Transactions

Details of related party transactions during the year ended 30 June 2026 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

Donations made by the Group during the year ended 30 June 2026 amounted to approximately AUD$51,000. (2025: nil).

Employees and Remuneration Policies

During the year ended 30 June 2026, the Company employed 147 staff (2025: 135).

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, Share Award Scheme and 2026 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 2026, 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 2027[2]
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 2027 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 domestic and international environment.

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 2026, 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 5 August 2026, the Group became aware of a potential personal data leakage relating to students enrolled in education programmes operated by the Group (the "Alleged Incident"). Upon becoming aware of the Alleged Incident, the Group immediately commenced an investigation and engaged cyber security and forensic experts to assess the extent of unauthorised access to or leakage of personal data, if any, arising from the Alleged Incident (the "Investigation"). Based on the findings of the Investigation, certain personal information stored in the Group's system may have been subject to unauthorised access or disclosure by an unauthorised third party. The Group has reported the Alleged Incident to the relevant authorities in Australia and has notified the affected individuals. The Group has also implemented additional cybersecurity measures since becoming aware of the Alleged Incident.

Details of the Alleged Incident are set out in the Company's announcements dated 6 August 2026 and 24 August 2026. Based on the information currently available to the Group, the Alleged Incident has not caused any material disruption to the Group's operations. The Alleged Incident is considered a non-adjusting subsequent event, and the Group will continue to assess the operational and financial impact, if any, of the Alleged Incident.

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, 25 September 2026

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 strives 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 during the Reporting Period.

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.

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.

Board Composition

The Board currently comprises of the following Directors:

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. Edward Chiang

Independent Non-executive Directors

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

Mr. Yi Dai resigned as a non-executive Director with effect from 20 July 2026 due to other personal commitments.

The biographical information of the Directors, including each Director's length of tenure and current period of appointment, are set out in the section headed "Directors and Senior Management" on pages 13 to 17 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 Reporting Period is set out in the table below:

	Attendance/Number of Meetings					
Name of Director	Board	Audit and Finance Committee	Remuneration Committee	Nomination Committee	Annual General Meeting	Extraordinary General Meeting
Dr. Rongning Xu	5/6	N/A	N/A	N/A	1/1	1/1
Dr. Amen Kwai Ping Lee	6/6	N/A	2/2	N/A	1/1	1/1
Mr. Yi Dai (resigned on 20 July 2026)	6/6	N/A	N/A	N/A	0/1	1/1
Mr. Edward Chiang	6/6	N/A	N/A	N/A	1/1	1/1
Ms. Xing Shi Huang	6/6	N/A	N/A	3/3	1/1	1/1
Mr. Qingquan Yang	6/6	N/A	N/A	N/A	1/1	1/1
Professor Steven Schwartz	6/6	2/2	2/2	3/3	1/1	1/1
Mr. Tianye Wang	6/6	2/2	2/2	N/A	0/1	1/1
Mr. Jonathan Richard O'Dea	6/6	2/2	N/A	3/3	1/1	1/1
Professor Dominic Robert Beresford Verity	6/6	N/A	N/A	N/A	1/1	1/1

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

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. During the Reporting Period, six Board meetings were held.

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board is responsible for the 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 the 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 makes decisions on 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 such decisions of the Board, and directing and co-ordinating the daily operation and management of the Company, are delegated to the management of the Company.

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 (or in his absence, the 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 Reporting Period, the Board at all times met the requirements of Rules 3.10 and 3.10A of the Listing Rules relating to the appointment of at least three INEDs, representing at least one-third of the Board with at least one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received a 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 judgement 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 INEDs during and outside meetings for their views; and
- Having meetings between the Chairperson/Deputy Chairperson and 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 Reporting Period, 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 Reporting Period, 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.

Mr. Qingquan Yang, Mr. Edward Chiang, Professor Steven Schwartz and Mr. Jonathan Richard O'Dea 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 27 October 2026 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.

Continuous Professional Development of Directors

All Directors 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.

All Directors have participated in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally facilitated briefings for Directors have been arranged and reading materials on relevant topics (including the compliance manual, legal and regulatory updates and seminar handouts) have been provided to Directors where appropriate for their reference and study.

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

The training records of the Directors during the Reporting Period are summarised as follows:

	Number of Hours					
Name of Directors	Board and directors' duties	Listing Rules and Hong Kong law compliance	Corporate governance and ESG	Risk management and internal controls	Industry and business updates	Total number of training hours completed^
Executive Directors						
Dr. Rongning Xu	7▼	2▼ 1▲	2▼	3▼	2▼	17
Ms. Xing Shi Huang	6▼	3▼ 1▲	1▼	1▼	1▼	13
Mr. Qingquan Yang	6▼	3▼ 1▲	1▼	1▼	1▼	13
Non-Executive Directors						
Dr. Amen Kwai Ping Lee	6▼	3▼ 1▲	1▼	1▼	1▼	13
Mr. Yi Dai (resigned on 20 July 2026)	2▼	1▲	1▼	1▼	1▼	6
Mr. Edward Chiang	7▼	2▼ 1▲	2▼	3▼	2▼	17
Independent Non-Executive Directors						
Professor Steven Schwartz	5▼	4▲	3▼	1▼	1▼	14
Mr. Tianye Wang	5▼	2▼ 1▲	1▼	1▼	1▼	11
Mr. Jonathan Richard O'Dea	2▼	4▼ 1▲	6▼ 2▲	2▼ 6▲	14▼ 2▲	39
Professor Dominic Robert Beresford Verity	6▼ 4▲	3▼ 1▲	8▼ 4▲	2▼ 4▲	4▼ 8▲	44

Note:

^ The training hours included in the above table have been subject to rounding adjustments.

Modes of Training:

▲: Attending external training sessions, including but not limited to, briefings, seminars, conferences and workshops, including training sessions delivered by Australian Institute of Company Directors on 12 February 2026 relating to Essential Director Update.

▼: 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.

In compliance with the Listing Rules, 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 financial year ended 30 June 2026, 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, connected transactions and arrangements for employees to raise concerns about possible improprieties.

The Audit and Finance Committee also met the external auditors twice 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 twice during the Reporting Period 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 2026.

The Company's remuneration policy is formulated under the guidance of the Australian Law, industry average 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.

The Remuneration Committee reviewed 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 were 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.

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 Company's Diversity Policy and the Nomination Procedures for Directors and assessing the independence of INEDs.

In assessing the Board composition, the Nomination Committee took into account various aspects as well as factors concerning Board diversity as set out in the Company's 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 discussed and agreed on measurable objectives for achieving diversity on the Board, where necessary, and recommended them to the Board for adoption.

In identifying and selecting suitable candidates for directorships during the Reporting Period, the Nomination Committee considered the candidate's relevant criteria as set out in the Nomination Procedures for Directors and 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 three times during the Reporting Period to review and assess, among other things, the structure, size and composition of the Board, each director's time commitment and contribution to the Board and the independence of the INEDs, and to consider the qualifications of the retiring Directors standing for election at the AGM, to support the regular evaluation of the Board's performance, to maintain a board skills matrix, to review the Diversity Policy and Nomination Procedures for Directors. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board had been maintained throughout the Reporting Period.

Directors' Time Commitment

Directors are required to disclose to the Company, upon their appointment and in a timely manner thereafter upon any change, the number and nature of offices held in public companies or organisations and other significant external commitments.

The Nomination Committee and the Board take such disclosures into consideration in assessing whether each Director is able to devote sufficient time and attention to the affairs of the Company and effectively discharge his/her duties and responsibilities.

During the Reporting Period, the Nomination Committee reviewed and assessed the time commitment and contribution of each Director, having regard to, among other things, his/her professional qualifications and experience, attendance at Board and committee meetings, directorships held in other listed companies and other significant external commitments. Based on the assessment, the Nomination Committee was satisfied that each Director had devoted sufficient time and attention to the business and affairs of the Company and had effectively discharged his/her duties and responsibilities.

Board Skills Matrix

The Board has maintained a board skills matrix setting out the mix of skills, experience and diversity of perspectives represented on the Board. In the assessment of the board skills matrix for the Reporting Period, the Board comprises a range of expertise as shown below:

Directors' Skills and Experience	Description	Coverage during the Reporting Period	Assessment of adequacy and future skills to be acquired
Strategic Planning	Ability and experience to identify strategic opportunities and threats, whilst developing and implementing plans to achieve corporate objectives	7 out of 10 directors	Current coverage is considered adequate. The Board will continue to maintain an appropriate level of capability in these areas through future appointments and succession planning.
Financial and Accounting Management	Experience in financial, accounting and business management, including financial stewardship, accounting and financial reporting literacy, corporate finance, banking, budgeting, performance management, financial governance, and investment-related experience.	5 out of 10 directors	Current coverage is considered adequate. The Board will continue to strengthen this capability through future appointments and succession planning, particularly in financial oversight, reporting and audit-related expertise.
Legal and Regulatory Compliance/ Risk Management	Ability and experience in implementing, managing or overseeing risk management and internal control systems for legal and regulatory compliance. including governance leadership, regulatory awareness, risk management and internal control practices.	6 out of 10 directors	Current coverage is considered adequate. The Board will continue to maintain an appropriate level of capability in these areas through future appointments and succession planning.
Industry Knowledge and Experience	Experience in industries relevant to the Group's operations, particularly in relation to the Australian and global tertiary education.	6 out of 10 directors	Current coverage is considered adequate. The Board will continue to maintain an appropriate level of capability in these areas through future appointments and succession planning.

Having regard to the backgrounds, qualifications and experience of the Directors, the Board considers that the current Board possesses skills and experience appropriate to the Group's business and strategic development, including, among others, strategy and leadership, industry experience, finance and accounting, risk management, corporate governance and operational management. With the present mix of skills and experience of the Directors, the Board is well positioned to assess strategic opportunities, ensure effective financial management, oversee risks and compliance, and respond to market changes. The Board considers that the combination of such skills, experience and diversity of perspectives supports the Company's purpose, values, strategy and culture, and enables the Board to discharge its duties and responsibilities effectively.

The Board will continue to review its composition and board skills matrix from time to time having regard to the Company's strategy, business needs and succession planning, and will consider whether any additional skills, experience or diversity of perspectives would further enhance the effectiveness of the Board.

Board Performance Review

The Board recognises the importance of regular evaluation of its performance and effectiveness.

During the Reporting Period, the Board conducted a formal performance evaluation by way of questionnaire and discussion. Participants included the Directors and members of the Board committees and sub-committees. The evaluation covered, among other areas, Board dynamics and representation, Board culture, human resources and leadership oversight, financial oversight, meeting effectiveness, strategic planning and organisational success, and policies and obligations. The review was conducted internally by way of questionnaire and discussion among Directors.

The self-assessment results indicated a strong overall governance position. Meeting Effectiveness was the highest-scoring area, while Board and Committee Dynamics also scored strongly, reflecting positive engagement, effective interaction and constructive participation among members.

Financial Oversight received the lowest overall score, although the result remained strong at approximately 85%. The feedback indicated that further attention could be given to strategic financial planning and longer-term financial oversight. The Board will continue to enhance its focus in these areas as part of its ongoing governance and succession planning processes.

Based on the evaluation conducted, the Board considered that it continued to operate effectively during the Reporting Period.

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 recognises and embraces the benefits of having a diverse board and sees increasing diversity at the board level and the workforce in general as an essential element in maintaining the Company's competitive advantage.

Pursuant to the Board Diversity Policy, the Nomination Committee reviews 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.

As at 30 June 2026, the Board comprised ten Directors, of whom two are female Directors, representing 20% of the Board. The Company has adopted a measurable objective of achieving at least 30% female representation on the Board by 31 December 2026.

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

Workforce Diversity Policy

The Company is committed to encouraging diversity within its workplace, including at the senior management level. To promote diversity and inclusion across the workforce, the Board has adopted the Workforce Diversity Policy of the Company which emphasises providing equal opportunities across all aspects of employment, including recruitment, training and development, compensation, and career advancement and fostering an inclusive and respectful working environment. The Company has taken necessary steps to promote diversity at all levels of its workforce. Opportunities for employment, training and career development are equally open to all eligible employees without discrimination.

During the Reporting Period, the total workforce of the Group comprised 43% female and 57% male. The male to female ratio in the workforce (excluding senior management and the Board) is 1.28: 1. Extract(s) from Environmental, Social and Governance 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 44.

The Board considered that gender diversity of the workforce of the Group has been well maintained during the Reporting Period. As such, the plan for the Company in terms of gender diversity in workforce is to maintain the balance of gender diversity in the foreseeable future.

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 30 June 2026:

	Female	Male
Board	20% (2)	80% (8)
Senior Management*	100% (1)	- (-)
Other employees	43.8% (64)	56.2% (82)
Overall workforce	43% (67)	57% (90)

Note:

* For the purpose of the above gender diversity analysis, Directors who also hold senior management positions are included under the Board category only to avoid double counting.

The Board is committed to improving greater gender diversity in the Board and wishes to achieve at least 30% female representation on the Board by 31 December 2026.

Details on the gender ratio of the Group together with relevant data can be found in the Environmental, Social and Governance Report on pages 75 to 116 of this annual report.

Director Nomination Policy

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

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 casual 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 casual 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 Shareholders 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 Reporting Period, there was no change in the composition of the Board. On 20 July 2026, Mr. Yi Dai resigned as a non-executive Director.

Shareholders are advised to refer to the circular of the Company published on 27 October 2026 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 Reporting Period, 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.

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 Audit and Finance Committee and the Risk and Compliance Committee assist the Board in fulfilling its oversight and corporate roles in the Group's financial, operational, compliance, risk management and internal controls, while senior management designs, implements and monitors the risk management and internal control systems, and provides reports to the Board and the Committees on the effectiveness of these systems. The management is entrusted with duties to identify, analyse, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its scope of responsibility and authority.

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.

Risk and Compliance Committee

The Risk and Compliance Committee is responsible for assisting the Board in fulfilling its oversight and corporate roles in the Group's operational, compliance, risk management and internal controls. The Risk and Compliance Committee consists of 5 members, including Mr. Jonathan Richard O'Dea, INED and Professor Dominic Robert Beresford Verity, INED. Mr. Jonathan Richard O'Dea is the chairman of the Risk and Compliance Committee. The summary of the work done by the Risk and Compliance Committee during the Reporting Period is set out in the section "RISK MANAGEMENT AND INTERNAL CONTROLS" of this annual report.

Academic Board

The Academic Board is responsible for overseeing risks relevant to the education industry in which the Group operates. The Academic Board consists of 13 members. Professor Dominic Robert Beresford Verity, INED, is the chairman of the Academic Board. The summary of the work done by the Academic Board during the Reporting Period is set out in the section "RISK MANAGEMENT AND INTERNAL CONTROLS" of this annual report.

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 Group has engaged an independent external professional consultant, to conduct an independent internal control review for the Reporting Period and the review was completed on 16 September 2026.

Although the Group does not currently have its own internal audit function, upon reviewing the internal control report prepared by the external internal review consultant, the Group maintained effective risk management and internal control in all material respects, and during the Reporting Period, the Board was not aware of any significant or material defects in relation to the risk management and internal control. During the Reporting Period, the Board was not aware of any significant changes in (i) the Company's assessment of risks (including ESG risks) and (ii) the risk management and internal control systems.

Further, after the Reporting Period during the period up to the date of this report, as disclosed in the announcements of the Company dated 6 August 2026 and 24 August 2026, respectively, the Group became aware of a news article which reported that a threat actor claimed on an underground forum to possess certain records allegedly relating to students enrolled in education programmes operated by the Group, and purported to offer access to, or sale of, such records (the "Alleged Incident"). The Group commenced an investigation and engaged external cyber security and forensic experts to assess the extent of unauthorised access to or leakage of personal data arising from the Alleged Incident. To strengthen the risk management and internal controls of the Group, the Group has implemented additional cybersecurity measures, including but not limited to resetting passwords for all staff accounts, enhanced user authentication controls, implemented additional access restrictions and other monitoring measures designed to detect and prevent further unauthorised access. The Group is committed to protecting the personal information and data privacy of all students and staff, and to defend against any similar incidents in the future by continuously strengthening its information system security measures.

Up to the date of this report, the Board has conducted a review of the effectiveness of the risk management and internal control systems of the Group and considered them effective and adequate.

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 organisation will accept in pursuing its mission and striving to achieve its strategic objective. While taking risks is an unavoidable part of an organisation 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 organisational 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 organisational 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 in 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.

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 judgements 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.

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 judgements 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 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.

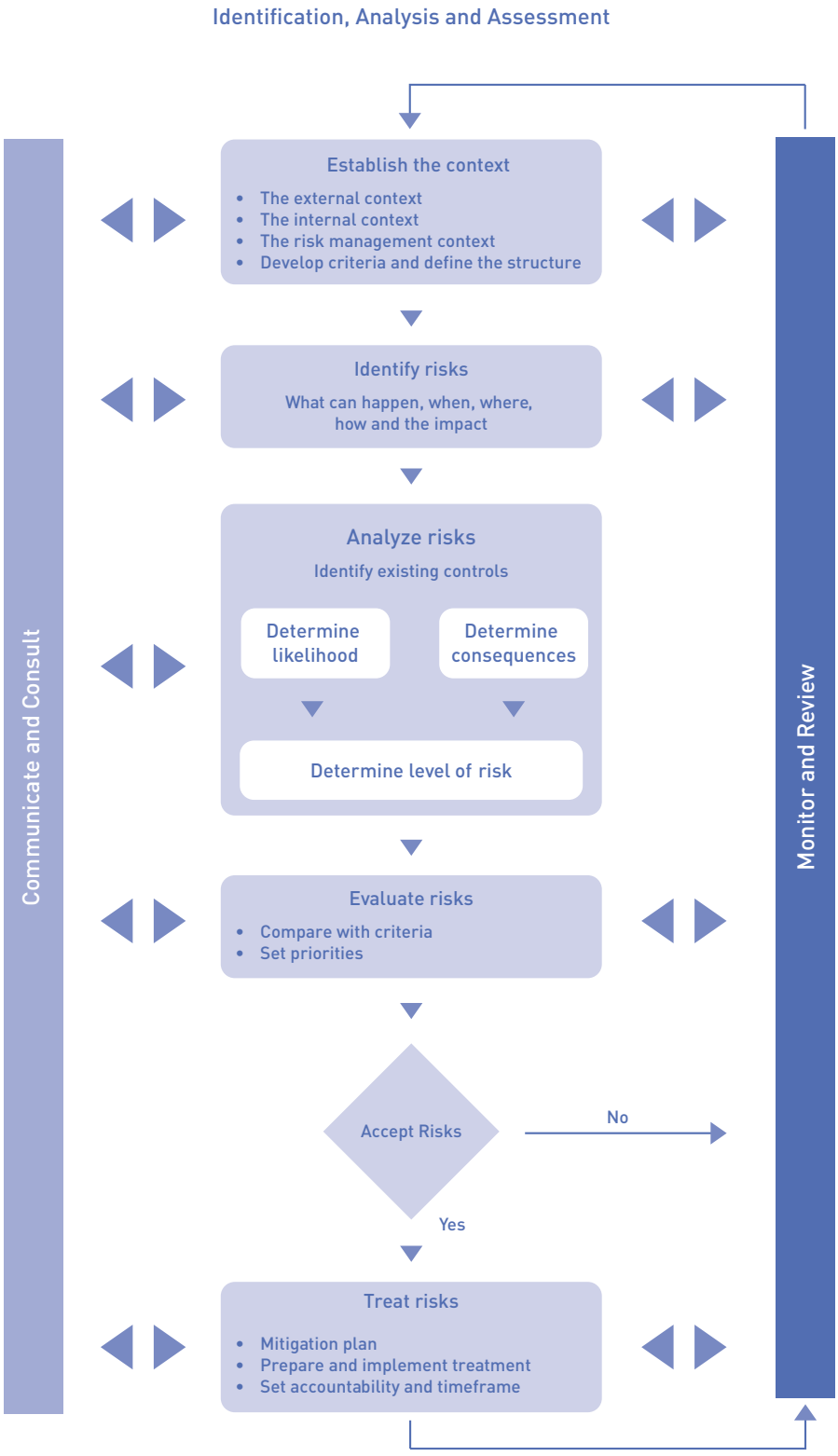
Risks that have the potential to materially impact the achievement of TOP's mission and strategic objectives, overall reputation or brand, or its capacity to continue operating effectively, including through meeting regulatory requirements, are included in the Material Risk Register. The Material Risk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

Details of the Group's principal risks, risk ratings, potential impact and mitigation strategies are set out in the section headed "Principal Risks and Uncertainties" in the Report of the Directors on pages 18 to 20 of this annual report. No material unresolved control failings or weaknesses were identified as at the end of the Reporting Period. Where areas for enhancement were identified, including in relation to cybersecurity and information technology controls, appropriate remediation and system enhancement measures have been implemented or are in progress.

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



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 Chart 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 Reporting Period. 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 Reporting Period, and considered that such systems are effective and adequate. The annual review also covered the financial reporting and staff qualifications, experiences and relevant resources.

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 organises 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 organises 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 Reporting Period, 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 2026.

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 2026, 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 2026 amounted to approximately AUD$176,000 and AUD$37,000, respectively.

Service Category	Fees Paid/Payable AUD$'000
Audit Services	176
Non-audit Services	
– Tax advisory services	27
– Agreed upon procedures	10
Total	213

Joint Company Secretaries

The joint company secretaries are Ms. Yan Li Yu ("Ms. Yu") and Ms. Wong Nga Sim ("Ms. Wong"). Biographical details of Ms. Yu and Ms. Wong set out in the section "DIRECTORS AND SENIOR MANAGEMENT" of this annual report.

Ms. Yu and Ms. Wong were appointed as joint company secretaries of the Company following the resignation of Ms. Min Ying as company secretary of the Company on 21 November 2025.

All Directors have access to the advice and services of the company secretary on corporate governance and board practices and matters. Ms. Yu has been designated as the primary contact person at the Company which would work and communicate with Ms. Wong on the Company's corporate governance and secretarial and administrative matters.

For the Reporting Period, Ms. Yu and Ms. Wong have undertaken not less than 15 hours of relevant professional training respectively 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.

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:

Level 1, Bay 3
2 Locomotive Street
Eveleigh NSW 2015
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 Reporting Period, the primary channels for shareholder engagement were the extraordinary general meeting ("EGM") held on 2 July 2025 and the AGM held on 27 November 2025, which provided a formal forum for all Shareholders to comment on the Company's affairs, ask questions and vote on the resolutions proposed.

The Chairperson of the Board, as well as the chairperson and/or other members of the Board Committees will, in the absence of unforeseen circumstances, attend to answer questions raised at these meetings. The external auditor will be asked to attend the AGM to answer questions about relevant matters including the conduct of the audit, the auditor's report and auditor independence. Through these general meetings, the Board, in particular the INEDs, remained accessible to the Shareholders and was able to gain a better understanding of their views on matters affecting the Company, including governance and performance against the Company's corporate strategy. In addition to the general meetings, the Company remains accessible to its Shareholders through its principal place of business and share registrar.

The Board is grateful to Shareholders and other stakeholders for their continued support and welcomes their views as well as any questions they may have about the management and governance of the Company. Shareholders and other stakeholders may at any time send their enquiries and concerns to the Board by addressing them to the Company Secretary. The approach to follow-up on engagement outcomes includes reporting key Shareholders feedback to the full Board for consideration in the Company's strategic and operational planning.

During the Reporting Period, 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.

(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.

The Board has reviewed the implementation and effectiveness of the Shareholders' communication policy conducted during the Reporting Period and considered that the policy was properly implemented and remained effective. No shareholder complaints were received during the Reporting Period. The Company maintained regular communication with investors and shareholders through meetings, briefings and other investor relations activities. Feedback received was generally positive, particularly in relation to the Company's financial performance, business outlook and ongoing communication with the market.

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.

The dividend decisions made by the Board during the Reporting Period were made in accordance with the Dividend Policy. Details of the final dividend of the year ended 30 June 2026 have been disclosed on pages 20 to 21 of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

About the Report

Top Education Group Ltd (referred to as "the Group", "TOP" or "we") has prepared this 2025/26 Environmental, Social and Governance ("ESG") Report (the "Report") in accordance with the requirements of Appendix C2: Environmental, Social and Governance Reporting Code (the "ESG Reporting Code") under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Group recognizes sustainability as a critical component of its long-term development strategy and a key area of interest for its stakeholders. We actively engage with our major stakeholders, including shareholders, customers, business partners and employees, in the formulation, review, and implementation of our policies and practices to responsible business operations, we integrate environmental and social considerations into our business strategies and management process, promote environmental stewardship, and uphold high standards of corporate governance to create sustainable value for our stakeholders.

Reporting Scope and Period

This Report covers the Group's ESG initiatives, performance and progress for the period of 1 July 2025 to 30 June 2026 (the "Reporting Period" or "Year"). The scope of the Report is determined based on the results of the Group's annual ESG materiality assessment and is reviewed regularly to ensure that ESG efforts are focused on business operations and geographical locations where the most significant ESG impacts and risks may arise.

The Reporting Scope covers the Group's principal operating locations, including two premises within the South Eveleigh Campus (Bay 3 of the Locomotive Workshop and Level 3 of Yerrabingin House), one location is in Sydney City Campus. one location within the Hobart Campus, and two locations within the Perth Campus. The reporting boundaries and scope of this ESG Report remain consistent with those adopted in the Annual Report.

Reporting Principles

This Report has been prepared in accordance with the four reporting principles set out in the ESG Code, namely Materiality, Quantitative, Balance, and Consistency, to reflect the Group's ESG management approach and performance.

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 judgement 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.

Feedback

TOP recognizes the importance of stakeholder engagement and has taken stakeholders' views and expectations into consideration in the preparation of this Report. We welcome any comments or suggestions for future reports. Please contact us at:

Address: Suite 1, Level 1, Bay 3, 2 Locomotive Street, Eveleigh NSW 2015 Australia
Tel: 61 2 9209 4888
Email: info@top.edu.au

Board Confirmation

The Board has reviewed and approved the ESG materiality assessment and this Report, with support from the management. This Report was approved by the Board of Directors on 25 September 2026.

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

Top Education's Mission

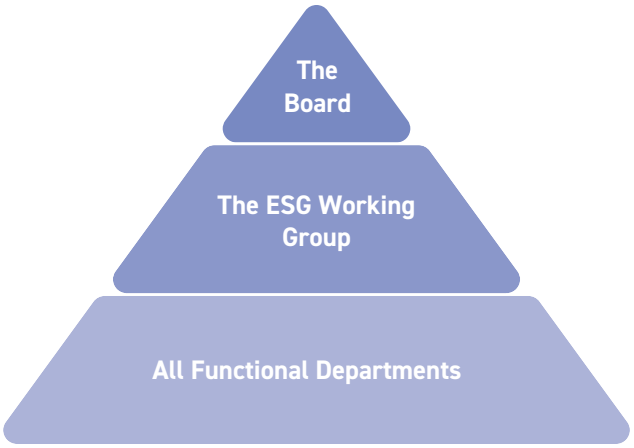
"Innovation towards Intelligent Education".

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.

Governance

ESG Governance Structure

The Group recognizes ESG as a key driver of sustainable growth and long-term value creation for stakeholders. We are committed to conducting our business in a responsible and ethical manner, while taking economic, environmental, and social considerations into account. To ensure effective oversight of ESG matters, the Group has established a three-tier ESG governance structure comprising the Board, the ESG Working Group (the "Working Group") and relevant functional departments. This governance framework enables effective coordination of ESG initiatives, oversight of ESG-related risks and opportunities, and the development and implementation of ESG strategies, targets and action plans across the Group.



The Board, as the highest level of the ESG governance structure, has ultimate responsibility for the Group's ESG strategy, governance and reporting ensuring ESG considerations are integrated into the Group's risk management framework and aligned with its business objectives and 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. The Board also oversees the integration of ESG considerations into the Group's business strategy and risk management framework, reviews material ESG-related risks and opportunities, and monitors the effectiveness of the Group's risk management and internal control systems. The Board reviews the Group's progress against its ESG-related goals and targets at least annually and considers such progress in the context of the Group's business operations and strategic objectives.

To support ESG implementation, the Group has established an ESG Working Group. The Working Group is responsible for supporting the Board in managing and coordinating the implementation of ESG-related strategies across the operations. The Working Group facilitates stakeholder engagement, collects and analyses ESG-related information, monitors the Group's ESG performance, and serves as a communication channel between management and functional departments to promote the effective implementation of ESG initiatives.

Representatives of the relevant functional departments are responsible for implementing the Group's ESG governance requirements and related initiatives within their respective areas of operation. They coordinate the collection, consolidation and reporting of ESG data, identify and assess department-specific ESG-related risks and opportunities, and execute action plans to measures to support the achievement of the Group's ESG goals and sustainability commitments.

Looking ahead, TOP will continue to integrate ESG principles into its daily operations through policies, procedures, guidelines, training and awareness initiatives. By promoting sustainability awareness among employees and students, the Group aims to strengthen its culture of sustainability, support responsible practices, and continue to the long-term sustainable development of both the Group and the wider community.

Stakeholder Engagement Approach

The Group recognizes that understanding stakeholder expectations and concerns is fundamental to effective ESG management. In assessing material ESG topics, the Group reference to the Megatrend from World Economic Forum, MSCI and SASB's materiality assessment and feedback from key stakeholder groups.

Through ongoing stakeholder engagement and internal assessments, the Group identifies, evaluates and prioritises ESG issues based on their significance to both the Group and its stakeholders. Insights obtained are considered in the development and implementation of the Group's policies, initiatives and sustainable development strategy, ensuring alignment with both business objectives and stakeholder expectations.

During the Reporting Period, the Group maintained regular communication with stakeholders through various channels to understand their expectations and gather feedback. The stakeholder groups, their key concerns and the corresponding channels are presented 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

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

Materiality Assessment

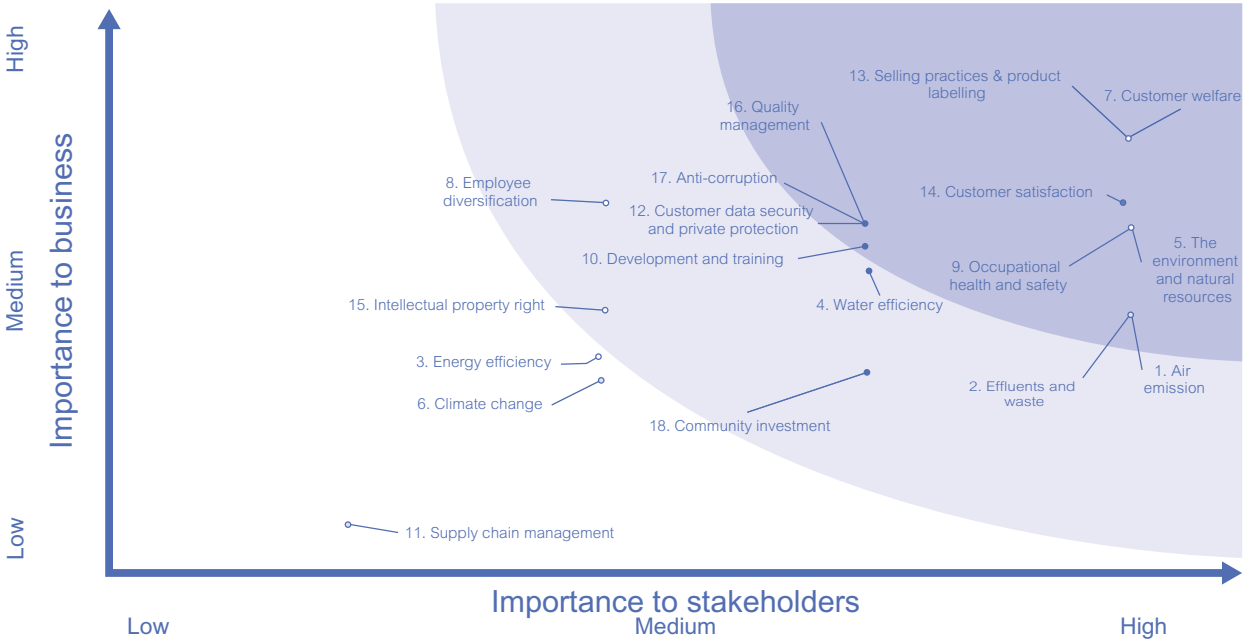
To identify and prioritise material ESG topics, the Group engaged with a range of stakeholders through questionnaires, interviews and other communication channels. Key stakeholder groups, including shareholders, directors, management, employees and students, participated in the assessment process and provided feedback on ESG-related issues.

With reference to the ESG topics set out in the ESG Reporting Code, the Group evaluated and prioritised ESG issues based on their significance to both the Group and its stakeholders. The results of the materiality assessment help ensure that this Report addresses stakeholders' key ESG concerns.

The materiality assessment procedures are set out below:

Issue Identification	With consideration of the Group's operating locations, business activities and development plans, as well as relevant ESG disclosure standards and stakeholder expectations, the Group identified and prioritised ESG topics that are material to its business operations and stakeholders.
Stakeholder Research	The Group engaged internal and external stakeholders through a materiality assessment survey to evaluate the importance of various ESG topics. The feedback collected helped the Group understand stakeholder expectations and prioritise material ESG issues.
Topic Assessment	The identified issues are prioritised using a structured evaluation process that incorporates stakeholder feedback and management insights. Assessment outcomes are benchmarked against historical results and relevant reference frameworks, including regulatory requirements, ESG rating criteria and materiality maps, to determine the ESG issues most material to the Group's operations and long-term value creation.
Review and Confirmation	The results of the materiality assessment are presented to the Board for review. Following the Board's confirmation and approval, the material ESG issues are highlighted in the Report.

During the Reporting Period, no significant changes in the Group's business operations or external environment were identified that would materially affect the assessment results. Accordingly, the materiality assessment results from the previous year remained applicable to the Reporting Period.



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

The Group continued to focus on the key material ESG issues previously identified through regular training sessions and internal discussions. The reassessment of material ESG topics will be conducted in the next reporting period to ensure their continued relevance to the Group's operations and stakeholder expectations. The Group will also continue to keep stakeholders informed of any significant updates to policies, regulations and practices relating to data protection, employee diversity and other material ESG matters.

Based on the materiality assessment results, TOP remains committed to enhancing its ESG performance through ongoing stakeholder engagement and continuous improvement of its policies, procedures and management practices. Details of the Group's ESG initiatives and performance during the Reporting Period are presented in the following sections: "Environment", "Services", "Social" and "Community".

Business Ethics

The Group is committed to uphold the highest standards of integrity, transparency and ethical business conduct. We adopt a zero-tolerance approach to all forms of corruption, bribery, fraud, money laundering and other unethical practices, and are committed to fostering a culture of accountability and compliance across the organisation.

During the Reporting Period, anti-corruption training was provided for relevant employees. The Group will continue to monitor developments in applicable laws and regulations and provide regular anti-corruption and ethics training for the Board and employees to strengthen awareness and promote a culture of integrity.

To support effective anti-corruption management, the Group has established a comprehensive governance framework comprising policies and procedures such as the "Conflict-of-Interest Policy", "Fraud and Anti-Corruption Policy", "Grievance Policy", "Gifts and Benefits Policy", and "Employee Code of Conduct and Ethics". These policies provide guidance to employees on maintaining ethical conduct, managing conflicts of interest, complying with applicable laws and regulations, and carrying out their duties responsibly and professionally. In addition, the Group strictly complies with all relevant laws and regulatory requirements in the jurisdictions in which it operates[1].

During the Reporting Period, the Group did not identify any case of violation or material non-compliance with applicable laws and regulations, nor were there any reports or legal cases related to business ethics or corruption.

The Group maintains established grievance and whistleblowing channels through which employees, students and other stakeholders may report concerns, complaints or suspected misconduct. Reports are handled in accordance with the Group's established procedures and treated with appropriate confidentiality.

In addition, the Group has implemented controls governing the acceptance and provision of gifts, entertainment and other benefits. Employees are required to comply with the Group's policies and disclose or manage such situations in accordance with the relevant guidelines to prevent actual or perceived conflicts of interest.

Reporting channels info
Reporting email: human.resources@top.edu.au
Reporting phone: 61 2 9209 4983

1 For laws and regulations relating to anti-corruption and anti-money laundering, please refer to the section headed "Applicable Laws and Regulations".

Environment

The core business activities of TOP centre on the provision of higher education services, with a commitment to advancing green campus initiatives. Its principal operating sites comprise the Group's headquarters and multiple schools. Given the nature of its business, the direct environmental impacts generated by its activities are minimal. Nevertheless, TOP has always attached great importance to environmental protection and put in place a suite of measures to regularly manage the environmental impacts arising from its business operations.

During the Reporting Period, the Group strictly complied with key environmental laws and regulations[2] relevant to its business operations, ensuring that all operational activities adhered to national and local environmental requirements.

In addition, to continuously manage the identified key environmental issues, the Group has formulated a comprehensive set of environmental management systems and policies to further advance the concept of green operations and fulfil its ongoing corporate social responsibility commitments in environmental protection. The Group has also put in place a series of environmental protection measures. Its policies and procedures are regularly updated to incorporate environmental protection related rules and guidelines, embedding such requirements into daily workflows so that TOP can minimise emissions and conserve energy consumption. It is committed to promoting low carbon development practices across its campuses and joining hands with its employees and students to foster an eco-friendly culture.

Waste Management

All waste generated by the Group is non-hazardous and produced in minimal quantities consisting of domestic waste such as food wraps, drinking cans and bottles, wastepaper products and stationery used in offices, the Group has implemented classified recycling.

No waste-generation data was collected during the Reporting Period, as data collection would have required substantial resources while delivering limited incremental value relative to the Group's other ongoing ESG priorities. Accordingly, the Group has not set quantitative waste-reduction targets. As an education service provider, TOP does not use packaging materials in the ordinary course of its business.

The Group has implemented a full range of targeted waste reduction and management measures to minimise and properly dispose of non-hazardous waste. These initiatives include guiding employees to reduce unnecessary office supply consumption, centralizing cross-departmental office supply orders to shorten delivery routes and lower packaging waste generation, reusing and recycling plastic bags, paper bags and carton packaging materials.

In addition to conventional waste management practices, TOP has launched dedicated measures to mitigate e-waste environmental risks. Understanding the potential environmental harm caused by improper electronic waste disposal, the Group has installed specialized e-waste recycling bins at its South Eveleigh Campus to collect discarded computers, monitors, printers, mobile phones, batteries and other electronic devices. E-waste collection is conducted on a biweekly basis, ensuring standardized, regular and eco-friendly disposal of all recycled electronic waste. This well-scheduled operation ensures that e-waste is disposed of in an environmentally friendly manner.

2 For laws and regulations relating to environmental management, please refer to the section headed "Applicable Laws and Regulations".

Use of Resources

Vehicles

The Group has put in place a comprehensive set of vehicle management and energy-saving measures to improve operational efficiency and reduce resource consumption. TOP encourages drivers to familiarise themselves with traffic rules, maps and routes to select optimal travel paths that save time and fuel, and requires drivers to turn off vehicle engines during prolonged idling and fully master vehicle technical performance to achieve more efficient vehicle usage. In addition, the Group strictly controls the usage of its owned vehicles via a formal approval process, conducts regular vehicle inspections and maintenance to maintain good operating condition, safety and operational efficiency, and prioritises selling eligible old vehicles through the second-hand market instead of scrapping them indiscriminately wherever feasible. The Group also continuously monitors vehicle utilisation to assess whether its existing vehicle fleet exceeds operational demands, and downsizes the fleet appropriately to cut resource consumption; for instance, one vehicle was disposed of following a thorough assessment of actual operational needs.

For greenhouse gas ("GHG") emissions arising from vehicle usage during the Reporting Period, please refer to the later section titled "GHG Emissions".

Electricity

Electricity constituted TOP's primary energy source during the Reporting Period. It was consumed across all business-operation areas, including general lighting for classrooms and offices, as well as power supply for on-site equipment such as ventilators, projectors, computers, displays and printers. The total energy consumption during the Reporting Period was 102,000 (2025: 125,171) kilowatt hour ("kWh"), averaging a consumption amount of approximately 8,500 (2025: 10,500) kWh per month. The main reason for the change is the reduction in the number of operating locations. The Group's electricity usage target is to maintain the same level of electricity consumption as that reported in the previous period.

The Group's electricity is sourced from a power-generation supplier whose generation process involves the combustion of fossil fuels. This electricity supplier complies with stringent environmental protection laws and regulations enforced by the Australian Government, including continuous monitoring of pollution levels, development and implementation of comprehensive emergency-response management plans for pollution incidents, and submission to mandatory environmental audits. The Group ensures that its electricity supplier operates in an environmentally responsible manner to minimise environmental impacts and advance sustainable development.

TOP has rolled out energy-saving and environmentally-friendly designs across its campus. These include an automatic lighting system which switches on lights when human presence is detected in an area and turns them off automatically after occupants leave. In addition, daylight-harvesting design has been adopted to maximize natural light penetration into indoor spaces and further lower electricity consumption. The Group has also incorporated LED technology into a visual artwork on the exterior of Yerrabingin House, which invites staff and students to reflect on the relationship between weather, environment and mood.

The Group has also formulated a set of energy-saving regulations. Employees are reminded to switch off office equipment including computers, photocopiers, printers and air-conditioners when not in use or during non-office hours such as evenings and weekends. When procuring computers and other electronic devices, the IT Department compares the energy consumption of alternative equipment options to avoid selecting high-energy-consumption products. Electrical and power-related equipment is inspected on a regular basis to guarantee its safety and operating efficiency. The Group also reminds staff to remain on-site after working hours only when necessary, and requires the property manager to configure the central air-conditioning system for automatic shutdown immediately after office hours to reduce electricity use. Remote-work arrangements are encouraged for employees who need to work overtime.

For GHG emissions arising from electricity consumption during the Reporting Period, please refer to the later section titled "GHG Emissions".

Water

TOP maintains a relatively low-level water consumption, which is primarily used for basic facilities such as restrooms and kitchens. Water resources are mainly sourced from the municipal water supply network, and the Group has reliable access to water that meets the water-quality standards required for its intended uses. The 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.

While recognizing the potential value of collecting and analyzing water-related KPIs, TOP has taken a deliberate decision not to implement such practices during the Reporting Period. No water-consumption data was gathered in the reporting cycle, as data collection would require substantial resources and deliver limited incremental benefits relative to the Group's other ongoing ESG priorities. Accordingly, the Group has not set any quantitative targets for water-consumption reduction.

TOP has introduced a set of water-saving measures on campus. It installs low-flow taps and water-saving flush fixtures in restrooms and kitchens to minimise water waste. TOP carries out regular inspections of water pipelines to identify and fix leaks promptly, and runs awareness-raising activities to encourage staff and students to conserve water.

Paper

TOP's paper consumption is primarily driven by examinations and associated administrative procedures. To safeguard educational quality as well as the fairness and security of assessments, TOP continues to adopt traditional paper-based examinations and requires students to sit such tests on-campus. The Group is committed to lowering paper consumption across other operational areas by optimizing non-exam-related workflows. Initiatives include streamlining administrative documentation, promoting digital-based internal-communication workflows and prioritising recycled paper for essential printed materials, so as to fulfil its ongoing environmental responsibilities.

The Group has rolled out a series of paper-saving measures. It minimises unnecessary printing by adopting paper-free practices and sharing information and documents electronically in daily workflows; maximises the use of digital tools for internal meetings and communications to reduce paper consumption and travel-related needs; re-uses printed-paper materials where feasible while complying with personal-data-privacy requirements; promotes mindful printing of emails, with the reminder "Please consider the environment before printing this email" added at the footer of every outgoing email. For agent-training activities, the Group uses electronic resources including flyers, student guides and videos. Monthly newsletters and campaign materials are delivered to agents by email, and the website is leveraged as much as practicable to publish full product-related information for agents and students.

Environment and Natural Resources

As a responsible higher education institution in Australia, TOP is fully aware that the country is home to a rich diversity of native wildlife species. Accordingly, TOP integrates ESG principles into the development and education of its students as well as the engagement of its staff, and has designated the protection of the environment, ecosystems, natural resources and biodiversity as one of its key strategic priorities. During the Reporting Period, the Group did not consume any significant resources other than water, and its campus wide operations did not give rise to any material adverse environmental impacts.

TOP strictly complies with applicable environmental related laws and regulations in Australia, including the Environment Protection and Biodiversity Conservation Act 1999, the Protection of the Environment Operations (General) Regulation 2022 made under the Protection of the Environment Operations Act 1997, alongside all other relevant legislation governing emissions of air pollutants and GHG, water and land contamination, generation of hazardous and non hazardous waste, and heritage conservation.

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 (2025: Nil).

The Group is committed to environmental protection and has rolled out a range of measures to minimise potential adverse impacts on the environment and wildlife habitats. The Group maintains an eco-friendly campus built with strictly low impact, environmentally compliant construction materials. The Group will further advance its "Intelligent Education" strategy, under which digital based education solutions will be deployed to complement traditional classroom based teaching, improving learning outcomes and resource use efficiency. Educational posters are also displayed across campus common areas to raise awareness among students and staff about the importance of environmental protection.

Climate Change

TOP fully recognizes that climate change represents one of the most significant global challenges of our time. Aligned with the objectives of the Paris Agreement, the Group continues to take proactive corporate-environmental responsibility for carbon-emission reduction and climate-change mitigation, and strives to embed climate-related considerations into its ongoing operational and strategic decision-making processes.

The Group strictly adheres to the requirements of Part D "Climate-related Disclosures" of the ESG Reporting Code, refers to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and the "International Financial Reporting Sustainability Disclosure Standard No. 2 – Climate-related Disclosures" issued by the International Sustainability Standards Board (ISSB), and focuses on four core elements: Governance, Strategy, Risk Management and Metrics and Targets, managing climate-related matters.

Governance

As the Group's highest-level governance and decision-making body, the Board bears ultimate responsibility for climate-related matters. TOP integrates ESG and climate-related considerations into its major-decision-making process, while the Board oversees the governance and reporting of the Group's climate-related risks and opportunities. Key responsibilities include, but are not limited to, identifying and assessing climate-related risks, establishing corresponding management systems, and continuously monitoring and reviewing the formulation and delivery of climate-related targets.

The ESG Working Group regularly evaluates climate-related risks and opportunities arising from the Group's business operations and reports its findings to the Board. It also provides professional advice and decision-support services covering climate-change-related issues. TOP has embedded climate-related risks within its enterprise-wide risk-assessment framework and is rolling out regular monitoring and assessment activities for such risks to ensure the effective and compliant implementation of all climate-action plans.

TOP also organises periodic ESG briefings and training sessions, including climate-change-themed workshops, for the Board and the ESG Working Group to build their professional knowledge and capabilities in ESG and climate governance.

Strategy

TOP continuously monitors shifts in the external environment and dynamically reviews and updates its climate strategy. The Group has identified climate-related physical risks, transition risks and relevant opportunities with material financial implications, and carried out an in-depth assessment of their direct and indirect financial impacts across three time horizons: short-term (within 3 years), medium-term (3-5 years) and long-term (over 5 years). To mitigate such adverse impacts, TOP has developed targeted response measures and conducts ongoing monitoring to manage the potential consequences arising from these climate-related risks.

During the Reporting Period, TOP has identified the following climate-related risks and opportunities that may have material impact on the Group's business operations:

Risk Category	Risk Description	Impact on the Group	Time Period	Financial Impacts	Response Strategy
Physical Risks	Acute Risks	Extreme weather events including heavy rainfall, wildfires, extreme high-temperature heatwaves, severe storms and heavy snowfall may endanger the safety of staff and students and cause disruptions to business continuity	Short term	Such risks may increase the operating and maintenance costs of the facilities and equipment used for property maintenance as well as for the safety protection of employees and students	• Pay attention to the weather forecast and promptly inform staff and students to take precautions. • Establish emergency and evacuation protocols to safeguard staff and students. • Protect corporate assets by purchasing property insurance. • Strategically leverage cloud-based tools to ensure business continuity. • Provide VPN access for remote work in exceptional circumstances upon senior-management approval to maintain operations and productivity, although this is not standard practice.
	Chronic Risks	Long-term climate changes such as sea-level rise and global warming may lead to changes in the selection of operation sites and increased usage of temperature-control equipment	Long term	Such risks may result in the relocation of operating premises and higher operating costs arising from the consumption of resources such as water and electricity	• 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.

Risk Category	Risk Description	Impact on the Group	Time Period	Financial Impacts	Response Strategy
Transitional Risks	Policy and Legal Risks	The local government and regulatory authorities may strengthen supervision over the disclosure of GHG emissions and energy usage information	Short term to medium term	Such risks may lead to the Group conducting compliance reviews and increasing the costs for preparing information disclosure	• Due to the nature of its business, the Group's energy consumption and GHG emissions data are relatively limited. Nevertheless, the Group continues to manage and monitor these indicators. • Continuously monitor the issuance of new laws and regulations. • Timely assess the risks posed to TOP and implement measures to mitigate potential impacts.
	Technology Innovation Risks	To meet environmental requirements and drive product-oriented innovation and research-and-development activities, the Group may need to actively follow, study or apply new technologies to innovate its production techniques	Medium term	Such risks may lead to an increase in investment in new technologies, and the upfront costs for adopting or deploying new technologies may rise	• Focus on technological innovation and make appropriate investments in the learning and application of new technologies. • Actively respond to relevant environmental-protection requirements and upgrade the management system.
	Market Risks	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	Medium term	Such risks may affect the Group's raw material procurement, resulting in an increase in procurement costs	• Develop relevant procurement policies and incorporate elements such as environmental-protection requirements and ESG practices into the procurement screening criteria. • Implement administrative management strategies to reduce unnecessary resource consumption and non-essential consumable purchases.
	Reputation Risks	Stakeholders have higher expectations for the fulfillment of corporate social responsibility by the enterprise, and the Group may face reputational risks	Long term	Such risks may lead to an increase in the costs related to the Group's information disclosure and social investment	• Continuously monitor stakeholder expectations, maintain compliant information disclosure and provide timely responses to stakeholders. • Proactively respond to climate-related issues, carry out relevant activities and communicate the enterprise's ESG values.

Opportunity Category	Opportunity Description	Time Period	Financial Impacts	Response Strategy
Digital Education Program	Continue to implement the "Intelligent Education" strategy, integrating digital technology with traditional classroom teaching to enhance learning outcomes and improve the efficiency of resource utilization	Long term	Such opportunities may increase the reusability of the course plan and reduce one-time investment	• Based on practical conditions, design and implement digital teaching plans, continuously advance the integration of digital technology into traditional classrooms, and foster students' enthusiasm for active learning.
Energy and Source	Implement low-carbon requirements in the operation site, and replace the old operating equipment with more energy-efficient and environmentally friendly new equipment	Long term	Such opportunities may lead to cost savings in operations and promote a low-carbon and energy-efficient operational model	• Adopt energy-saving and environmentally friendly office facilities and equipment to reduce unnecessary waste of energy and resources, and promote staff and students to develop green behavioral habits.

Given that the Stock Exchange provides relief (including reasonable information relief, capacity relief and financial impact relief), this Report does not disclose the details of the financial impact and climate-related scenario analysis for the time being, but mainly provides qualitative descriptions. Furthermore, the Group has yet to implement the climate-related transformation plans. The Group commits to continuously enhancing the relevant capabilities and gradually improving them in future reports.

Risk Management

The Group has established a structured and integrated framework to identify, assess, respond to, monitor, and continuously improve its management of climate-related risks. This process is embedded within the Group's enterprise risk management system and reviewed regularly to ensure its effectiveness. The Group utilises a risk register within its risk-management system to document risks, opportunities, and associated mitigation or adaptation measures identified during management meetings, and reports material risks to the management team and the Board for control and oversight.

Risk Identification	TOP comprehensively identifies potential climate-related risks that may affect the Group from key dimensions including business strategy, operations and financial performance.
Risk Assessment	TOP uses standardized scoring methods to assess its potential financial, operational and reputational impacts as well as the timeframe of such impacts, and determines priority response actions based on risk levels.
Risk Response	TOP formulates and implements appropriate actions to mitigate, transfer, accept or exploit identified climate-related risks. For high-priority risks, TOP has designed specific action plans.
Monitoring and Reporting	TOP continuously tracks the effectiveness of risk-response measures and ensures that such measures are reported to management and the Board in a timely manner. TOP reviews risk status and response progress at the business level on a quarterly basis and at the Board level on an annual basis. In the event of significant changes to risks or the emergence of new risks, TOP will promptly escalate such risks to senior management for oversight and control.
Continuous Improvement	TOP ensures that the risk-management process evolves with changing circumstances and emerging best practices. TOP conducts an annual assessment of the risk-management framework to identify gaps and areas for improvement. TOP actively incorporates insights from investors, clients and regulatory authorities to refine its approach and align with market expectations.

Metric and Target

- ***GHG Emissions***

  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.

  The approximate volume of GHG emissions in CO_2 equivalent emissions ("CO_2e") during the Reporting Period were as follows:

		For the year ended 30 June			
(Units: Tonnes of CO_2e)		2026		2025	
GHG emissions	Emission sources	Total volume Intensities emitted	Intensities[1]	Total volume Intensities emitted	Intensities[1]
Scope 1: Direct emissions[2]	Vehicles usage	**2**	**0.6**	1	0.4
Scope 2: Indirect emissions[2]	Purchased electricity	**65**	**16**	83	21
Scope 3: Other value-chain indirect emissions	Business travel – Flight	**41**	**10**	29	7
Total		**108**	**27**	113	28

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 being the number of buildings where the staff needed to use vehicles during the Reporting Period.

Scope 2 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 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 Australian National Greenhouse Accounts Factors 2025 (NGA Factors 2025) issued by Australian Government.

During the Reporting Period, the Scope 2 emissions from purchased electricity decreased. TOP has been fully committed to strengthening its GHG emission-reduction efforts, with key focuses including optimizing the power-procurement strategy, enhancing operational energy efficiency, and exploring alternative low-carbon energy solutions.

During the Reporting Period, Scope 1 emissions from vehicle usage and Scope 3 emissions related to business travel increased. TOP will continue to implement measures to promote remote meetings and encourage green commuting, including incentivizing employees to carpool for commuting or trips to off-site meeting locations. Through optimized business-travel planning, TOP will further reduce carbon emissions and cut travel-related costs.

Aligned with global sustainability trends and the climate-action goals of the Paris Agreement as well as its operational realities, TOP has set a GHG reduction target of achieving a 5% cut in emission intensity by 2030, with 2025 as the base year. TOP will deliver this objective by optimizing energy procurement, improving operational energy efficiency, managing business-travel-related emissions, enhancing carbon monitoring and conducting regular progress reviews.

During the Reporting Period, we had no capital expenditures related to climate change. Given that the Stock Exchange provides relief (including reasonable information relief, capacity relief and commercial sensitivity relief), this Report does not disclose industry indicators, etc. for the time being. In addition, the Group issued a negative statement regarding internal carbon pricing and compensation. The Group commits to continuously enhancing the relevant capabilities and gradually improving them in future reports.

Services

Supply Chain Management

The Group recognizes the importance of responsible supply chain management in maintaining service quality, regulatory compliance and sustainable business operations. The Group has established policies and procedures governing the selection, assessment and ongoing monitoring of education agents. Prospective agents are subject to a due diligence process that includes the review of qualifications, accreditations, references and compliance records to assess their suitability, integrity and alignment with the Group's standards. Sustainable business practices are also considered during the agent selection process.

All authorised agents are required to enter into formal agreements that set out their responsibilities, including compliance with applicable laws and regulations, adherence to ethical recruitment practices, accurate representation of the Group's programmes and services, and the provision of appropriate support to prospective students. The Group provides agents with up-to-date programme information, training and guidance to promote compliance with regulatory and contractual requirements.

To enhance operational efficiency and support environmentally responsible business practices, the Group leverages digital communication and resource-sharing platforms, including electronic training materials, online information resources and email-based communications. These measures facilitate timely information exchange while reducing reliance on printed materials.

The Group conducts regular monitoring and periodic performance reviews of its authorised agents to assess compliance with applicable requirements and service standards. Reviews may include assessments of recruitment activities, training completion records, student outcomes and complaints received. Where non-compliance or unsatisfactory performance is identified, the Group may implement corrective actions, suspend cooperation or terminate the relevant agency relationship, as appropriate. During the Reporting Period, the Group maintained approximately 322 active authorised agents (2025: 384), all of which were selected, assessed and monitored in accordance with the Group's established supply chain management procedures.

The number of agents by regions are shown below:

	For the year ended 30 June	
Locations	**2026**	**2025**
Australia	**305**	362
China Mainland	**8**	13
Southeast Asia	**2**	5
Hong Kong	**1**	1
Vietnam	**1**	1
Others	**5**	2
Total	**322**	384

Quality Assurance

The Group is committed to maintaining high standards of educational quality and academic integrity. To manage risks relating to course quality, teaching effectiveness and the accuracy of information provided to students, the Group has established a comprehensive quality assurance framework, including the "Course and Unit Review Policy and Procedure" and the "Academic Quality Assurance Framework". These policies and procedures govern the design, delivery, monitoring and continuous improvement of academic programmes and were subject to regular review during the Year.

Academic quality assurance is embedded within the Group's strategic planning and operational processes. Courses are designed and developed by experienced academics under the supervision of the relevant Deans and are subject to regular reviews to evaluate educational objectives, learning outcomes and compliance with accreditation requirements. The review process incorporates feedback from students, academic staff, industry representatives and other stakeholders, as well as benchmarking against comparable Australian and international higher education institutions, to support continuous enhancement of academic standards.

To ensure continuity of learning, the Group has established a "Course Transition and Teach-Out Policy" to minimise potential impacts on students in the event of course discontinuation, major curriculum revisions or changes in market demand. The Group also continues to enhance its digital learning capabilities through online course delivery, online enrolment systems, Moodle learning platform upgrades, Cloud Classroom technology and other digital education initiatives, providing students with flexible and accessible learning opportunities.

The Group places significant emphasis on regulatory compliance and quality assurance. As an authorised provider of the Accounting Professional Year Program ("Accounting PYP"), jointly established by Certified Public Accountant ("CPA") Australia, the Institute of Chartered Accountants Australia and New Zealand, and the Institute of Public Accountants and approved by the Department of Home Affairs ("DHA"), the Group maintains a strong commitment to professional education standards. As a registered higher education provider, the Group complies with all applicable laws and regulatory requirements[3]. Maintaining compliance with these requirements is essential to sustaining accreditation, supporting future growth and safeguarding educational quality.

3 For laws and regulations relating education, please refer to the section headed "Applicable Laws and Regulations".

In addition, the Group has implemented an "Information Security Policy" covering information security governance, risk assessment, access control, asset protection, incident management and regulatory compliance to safeguard critical systems and stakeholder information. The Group also maintains controls over marketing and student communications to ensure that course information is accurate, transparent. and compliant. Thereby, supporting informed decision-making by prospective and current students.

Customer Satisfaction

The Group places a strong emphasis on stakeholder feedback and regards customer satisfaction as an important indicator of service quality and continuous improvement. Feedback from students and other stakeholders provides valuable insights that support the enhancement of the Group's teaching, learning and student support services.

To facilitate effective communication, the Group maintains multiple channels for stakeholders to provide feedback, raise concerns and share suggestions. Students are also invited to participate in satisfaction surveys to evaluate their learning experience, academic staff and course delivery. Feedback collected through these channels forms an integral part of the Group's quality assurance, monitoring and review processes, and supports the continuous enhancement of teaching quality and student outcomes. During the Reporting Period, the average student rating for lecturers was 85%.

The Group is committed to providing a fair, transparent and timely mechanism for handling complaints and appeals. To this end, the Group has established the "Student Complaints and Appeals Policy" and related procedures, supported by a dedicated Student Grievance Committee responsible for managing and resolving complaints. Information regarding complaint and appeal procedures is communicated to students through enrolment materials, orientation programmes, the Student Handbook and the Group's website. All formal complaints and appeals are acknowledged and handled in accordance with established procedures, with outcomes and available escalation channels communicated to the relevant parties in writing.

During the Reporting Period, the Group did not receive any significant complaints relating to its services (2025: Nil). As an education provider, the Group does not manufacture physical products and therefore had no products subject to recalls for health or safety reasons during the Reporting Period.

Intellectual Property Protection

The Group is committed to respecting and safeguarding the intellectual property of both the Group and third parties. During the Reporting Period, the Group complies with all applicable intellectual property laws and regulations[4]. To support the effective management and protection of intellectual property, the Group has established various policies and guidelines, including the "Academic Intellectual Property Policy", "Authorship Policy", "Student Academic Integrity Policy", "Record and Data Management Policy" and "Copyright Guidelines". These policies govern the ownership, use and protection of intellectual property, while promoting academic integrity and responsible research practices.

The Group's intellectual property assets include course materials, course outlines, lecture notes, case studies, multimedia resources, manuals and other educational content. Appropriate measures, including confidentiality obligations, non-disclosure arrangements and employee codes of conduct, are implemented to safeguard proprietary information and intellectual property rights. The Group also maintains procedures to identify and manage pre-existing intellectual property rights and third-party interests to ensure proper ownership and usage arrangements.

During the Reporting Period, the Group was not aware of any material non-compliance with applicable intellectual property laws and regulations and was not involved in any material intellectual property infringement claims, whether as claimant or defendant (2025: Nil).

4 For laws and regulations relating Intellectual Property, please refer to the section headed "Applicable Laws and Regulations".

Cybersecurity

TOP is committed to protecting confidential information and personal data through robust governance, security controls and privacy management practices. During the Reporting period, the Group complies with applicable privacy and data protection laws and regulations[5].

To safeguard information assets, the Group has established policies and procedures governing data privacy, information security and access management. Employees are required to comply with applicable confidentiality obligations under their employment contracts and the "Staff Code of Conduct and Ethics Policy", which prohibit the unauthorised access, use, disclosure or dissemination of confidential information. Personal information is collected, used and retained only for legitimate business purposes and in accordance with applicable legal and regulatory requirements.

The Group has implemented cybersecurity measures designed to protect its systems, networks and data from potential threats. These include multi-layer firewall protection, network traffic monitoring, controlled access arrangements and geographical blocking measures for identified high-risk regions. In addition, the Group maintains formal information security governance arrangements and continues to enhance its cybersecurity capabilities through policy development, risk management and technology improvements.

The Group is guided by the principles of the ISO 27001 standard and has developed the "IMC IT Security Framework" and "ISO 27001 Alignment Report" to strengthen information security management and data protection practices. Security measures include secure cloud-based data storage, access controls, monitoring tools and ongoing reviews of information security processes to safeguard the integrity, confidentiality and availability of academic, research and operational data.

Access to personal data is restricted to authorised personnel on a need-to-know basis in accordance with the Group's data access management policies. The Group also maintains processes to ensure that consent is obtained prior to the collection of personal information and that such information is used only for its intended purpose and securely disposed of when no longer required.

During the Reporting Period, the Group was not aware of any material incidents involving cybersecurity breaches, unauthorised disclosure of personal information or non-compliance with applicable privacy and data protection laws and regulations. We will continue to enhance our information security and data protection practices through ongoing monitoring, policy reviews and employee awareness initiatives.

Social

Employment and Labour Standards

The Group recognizes that its employees are fundamental to its long-term success and sustainable development. TOP is committed to fostering a fair, inclusive, respectful and safe workplace that supports employee wellbeing, professional growth and equal opportunities for all.

To support effective workforce management, the Group has established a comprehensive human resources framework covering recruitment, remuneration, performance management, training and development, employee benefits, workplace conduct, occupational health and safety, diversity and inclusion, grievance handling and employee privacy. Relevant policies and procedures are communicated to employees to promote transparency, accountability and compliance.

The Group is committed to maintaining a workplace free from discrimination, harassment, bullying and other forms of inappropriate conduct. Employment-related decisions, including recruitment, remuneration, promotion and disciplinary actions, are based on merit, qualifications and business needs, without discrimination based on race, gender, nationality, ethnicity, religion, age, disability, sexual orientation or other protected characteristics. The Group maintains established grievance channels to enable employees to raise concerns in a confidential and appropriate manner. During the Reporting Period, the Group did not receive any complaints relating to discrimination or harassment.

The Group complies with all applicable employment laws and regulations in the jurisdictions in which it operates and has implemented policies and procedures to safeguard employee rights and interests. The Group adopts a zero-tolerance approach to child labour, forced labour and other unethical labour practices. Recruitment procedures include verification of identity and work eligibility documents to ensure compliance with relevant legal requirements. Employees and other stakeholders may report concerns or suspected misconduct through established grievance channels, and all reported cases are investigated and addressed as appropriate. During the Reporting Period, the Group was not aware of any material non-compliance with relevant employment laws and regulations, nor did it receive any significant employment-related complaints, penalties or enforcement actions.

5 For laws and regulations relating privacy and data protection, please refer to the section headed "Applicable Laws and Regulations".

Workforce

As at 30 June 2026, the Group employed a total of 147 employees in Australia. The distribution of employees by age group, gender, role and contract type are presented below:

	For the year ended 30 June	
	2026	**2025**
By Age Group		
30 or below	**21(14%)**	21(16%)
31 – 40	**46(31%)**	52(39%)
41 – 50	**37(25%)**	29(21%)
51 and above	**43(29%)**	33(24%)
By Gender		
Male	**82(56%)**	79(59%)
Female	**65(44%)**	56(41%)
By Role		
Academic	**92(63%)**	76(56%)
Administrative	**41(28%)**	43(32%)
Management	**6(4%)**	5(4%)
Marketing	**8(5%)**	11(8%)
By Contract Type		
Permanent	**49(33%)**	78(58%)
Casual	**98(67%)**	57(42%)

The Group maintains a balanced mix of full-time and casual employees to support operational flexibility while meeting workforce and student requirements. Casual employment arrangements also provide flexibility for individuals seeking to pursue external professional or academic engagements.

The Group remains committed to fostering a diverse and inclusive workforce. During the Reporting Period, the male-to-female employee ratio is 1.25:1(2025:1.4:1), reflecting the Group's continued focus on diversity and equal opportunity in recruitment and talent management. The Group will continue to promote workforce diversity and inclusion as part of its broader people management strategy.

Employee Turnover

During the Reporting Period, a total of 10 employees left the Group (2025: 12), representing an employee turnover rate of approximately 7% (2025: 9%). The Group continued to monitor workforce trends and implement talent attraction and retention initiatives to support operational effectiveness and long-term development. The number and turnover rate of employees by age group, gender and role are presented below.

	For the year ended 30 June	
	2026	**2025**
By Age Group		
30 or below	**1(5%)**	2(10%)
31 – 40	**6(13%)**	5(10%)
41 – 50	**1(3%)**	2(7%)
51 and above	**2(5%)**	3(9%)
By Gender		
Male	**2(2%)**	5(6%)
Female	**8(12%)**	7(13%)
By Role		
Academic	**2(2%)**	4(5%)
Administrative	**7(17%)**	4(9%)
Management	**No applicable**	No applicable
Marketing	**1(13%)**	4(36%)

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.

Recruitment And Retention Of Talents

The Group recognizes that attracting, retaining and developing qualified talent is essential to its long-term success. To support this objective, the Group is committed to providing a fair and inclusive workplace, competitive remuneration, performance-based career development opportunities, and ongoing training and development programmes.

The Group adopts merit-based recruitment, remuneration and promotion practices, with employment decisions based on qualifications, experience, skills, competencies and job requirements. Recruitment and promotion processes are guided by the principles of fairness, transparency and equal opportunity, while supporting workforce diversity and inclusion.

To attract and retain talent, the Group maintains a performance management framework that supports employee development, recognizes contributions and facilitates career progression. Remuneration packages are regularly reviewed with reference to employee performance, responsibilities and market benchmarks to ensure competitiveness and alignment with industry practices.

Health and Safety

The Group is committed to providing a safe and healthy environment for its students, employees and visitors, and continuously seeks to enhance workplace health, safety and wellbeing. To uphold high standards of occupational health and safety ("OHS"), the Group has established a "Workplace Health and Safety Policy" and complies with all applicable laws and regulations in the jurisdictions in which it operates[6]. The policy is communicated to employees and reviewed periodically to ensure its continued effectiveness.

The Group adopts a structured OHS risk management approach to identify, assess and mitigate workplace risks. Employees are encouraged to promptly report actual or potential hazards to their line manager or the Human Resources ("HR") Department. Reported risks are assessed by the HR Department, with significant risks and recommended mitigation measures escalated to management for review and follow-up. Regular safety inspections, risk assessments and security measures, including access controls, are implemented across campus facilities to maintain a safe operating environment. In the past three years (including the Reporting Period), the Group has not experienced any work-related fatalities or injuries cases.

The Group has established procedures and controls covering workplace safety, emergency preparedness and employee wellbeing. Emergency evacuation information is displayed throughout campus facilities, and periodic drills are conducted to strengthen emergency response capabilities. To promote a strong safety culture, the Group provides occupational health and safety training, including first-aid, fire safety and role-specific safety training where appropriate.

The Group also encourages employees to provide feedback on workplace health and safety matters and supports employee wellbeing through fair working arrangements and initiatives that promote work-life balance.

Development and Training

The Group recognizes teaching quality as a cornerstone of academic excellence and a key driver of student success. To uphold high academic standards, the Group is committed to fostering a culture of continuous learning and professional development through a range of training programmes designed to enhance teaching effectiveness, strengthen professional competencies and ensure employees remain up to date with developments in their respective fields.

The Group is also committed to supporting employee wellbeing and resilience through various training and engagement initiatives, offer training programmes including, workplace conduct, harassment prevention, mental health awareness and stress management. To further promote employee wellbeing, the Group organised wellbeing-focused activities and awareness programmes, while also providing information technology ("IT") risk awareness training to enhance employees' understanding of cybersecurity risks, data protection requirements and safe digital practices.

6 For laws and regulations relating to health and safety, please refer to the section headed "Applicable Laws and Regulations".

During the Reporting Period, we continued to offer training programs for our employees, demonstrating the group's commitment to continuous learning. The percentage and number of employee trained by gender and role are presented below.

	For the year ended 30 June	
	2026	2025
By Gender		
Male	**56%(82)**	59% (79)
Female	**44%(65)**	41% (56)
Total	**100%(147)**	100% (135)
By Role		
Management	**4%(6)**	4% (5)
Academic	**63%(92)**	56% (76)
Others	**33%(49)**	40% (54)
Total	**100%(147)**	100% (135)

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.

The average training hours per employee by gender and by role are presented below.

	For the year ended 30 June	
	2026	2025
By Gender		
Male	**5.40**	2.56
Female	**6.43**	3.54
By Role		
Management	**35.00**	7.50
Academic	**4.09**	2.98
Others	**5.59**	2.54

Note 1: 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.

Community

Community Investment

During the Reporting Period, the Group continued to promote community engagement by opening designated campus facilities to the public and supporting initiatives that enhance access to educational and cultural resources. The Group also encouraged employees to participate in volunteer activities and community services.

The Group further advanced its community investment efforts through collaboration with higher education institutions and industry partners. Through academic exchanges, knowledge-sharing initiatives and strategic partnerships, the Group supported the advancement of sustainable development, research and education. During the Reporting Period, the Group donated HKD264,000 to the Office of Poverty Alleviation of the Ministry of Foreign Affairs of the People's Republic of China to support educational development and improve access to education in the Malipo area, demonstrating its commitment to promoting educational equity and community development.

Looking ahead, the Group intends to further strengthen its contribution to society through research, education and stakeholder collaboration.

Appendix 1 – Applicable Laws and Regulations:

Business Ethics and Anti-Corruption	• Anti-Money Laundering and Counter-Terrorism Financing Act 2006 • Fraud and Corruption Control (AS 8001-2008) • Ombudsman Act 1974 (NSW) • Independent Commission Against Corruption Act 1988 (NSW)
Environmental Management	• 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
Employment and Labour Practices	• Fair Work Act 2009 • National Employment Standards • Fair Work Regulations 2009 • Independent Contractors Act 2006 • General Staff Award for the Higher Education Industry (MA000007) • Academic Staff Award for the Higher Education Industry (MA000006)
Occupational Health and Safety	• Work Health and Safety Act 2011
Education Quality and Regulatory Compliance	• Tertiary Education Quality and Standards Agency (TEQSA) Framework and Requirements • Partial Self-Accrediting Authority (SAA) Requirements • Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) Requirements • Education Services for Overseas Students Act 2000 (ESOS Act) • National Code
Intellectual Property Rights	• Copyright Act 1968 • Fair Trading Act 1987 • Designs Act 2003 (Cwlth) • Trade Marks Act 1995 • Patents Act 1990
Data Privacy and Cybersecurity	• Australian Privacy Act 1988 • Privacy Regulation 2013 • Australian Privacy Principles (APPs)

Appendix 2 – ESG Reporting Code Index Table

Subject Area		Content	Chapter Index
A. Environmental			
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 emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environment
KPIs	A1.1	The types of emissions and respective emissions data.	Waste Management
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	Waste Management
	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.	Waste Management

Subject Area		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.	Use of Resources
KPIs	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Use of Resources
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of 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.	Use of Resources
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Due to the Group's business nature, it is not applicable.
Aspect A3: The Environmental and Natural Resources			
General Disclosure	A3	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environment and Natural Resources
KPIs	A 3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environment and Natural Resources

Subject Area		Content	Chapter Index
B. Society			
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.	Employment and Labour Standards
KPIs	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Workforce
	B1.2	Employee turnover rates by gender, age group and region.	Employee Turnover
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.	Health and Safety
KPIs	B2.1	Number and rate of work-related fatalities occurred in each year.	Health and Safety
	B2.2	Lost days due to work injury.	Health and Safety
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety

Subject Area		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.	Development and Training
KPIs	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
	B3.2	Average number of hours of training completed per employee by gender and employee category.	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.	Employment and Labour Standards
KPIs	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment and Labour Standards
	B4.2	Description of steps taken to eliminate such practices when discovered.	Employment and Labour Standards

Subject Area		Content	Chapter Index
Aspect B5: Supply Chain Management			
General Disclosure	B5	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPIs	B5.1	Number of suppliers by geographical region.	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.	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.	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.	Supply Chain Management
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.	Quality Assurance
KPIs	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Quality Assurance
	B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Satisfaction
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Protection
	B6.4	Description of quality assurance process and recall procedures.	Quality Assurance
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Cybersecurity

Subject Area		Content	Chapter Index
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.	Business Ethics
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.	Business Ethics
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics
	B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics
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.	Community Investment
KPIs	B8.1	Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sports).	Community Investment
	B8.2	Resources contributed (e.g., money or time) to the focus areas.	Community Investment

Part D: Climate-related Disclosures		Reference Section
Governance	19 (a). An issuer shall disclose the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about: (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies. 19 (b). An issuer shall disclose the management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Climate Change – Governance

Part D: Climate-related Disclosures		Reference Section
Strategy	20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall: (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term; (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk; (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Climate Change – Strategy
	21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose: (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and (b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Climate Change – Strategy

Part D: Climate-related Disclosures		Reference Section
	22 (a). An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40.	Climate Change – Strategy
	22 (b). An issuer shall disclose information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	
	23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	Climate Change – Strategy

Part D: Climate-related Disclosures		Reference Section
	24 (a). An issuer shall disclose qualitative and quantitative information about how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	Qualitative information: Climate Change – Strategy
	24 (b). An issuer shall disclose qualitative and quantitative information about the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Quantitative information: Application of financial effect relief. The Group will continue to monitor and assess the financial implications of climate-related risks and opportunities on its business and operations.
	25 (a). The issuer shall provide qualitative and quantitative disclosures about how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy. 25 (b). The issuer shall provide qualitative and quantitative disclosures about how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Qualitative: Climate Change – Strategy Quantitative information: Application of financial effect relief. The Group will continue to monitor and assess the financial implications of climate-related risks and opportunities on its business and operations.

Part D: Climate-related Disclosures		Reference Section
	26 (a). An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term. 26 (b). An issuer shall disclose how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	Adoption of reasonable information and capabilities relief. The Group has not conducted climate scenario analysis and will continue to evaluate the feasibility of incorporating the analysis into its future disclosures.

Part D: Climate-related Disclosures		Reference Section
Risk Management	27 (a). An issuer shall disclose information about the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period. 27 (b). An issuer shall disclose information about the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities). 27 (c). An issuer shall disclose information about the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	Climate Change – Risk Management

Part D: Climate-related Disclosures		Reference Section
Metrics and Targets	28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	Climate Change – Metric and target
	29. An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	Climate Change – Metric and target

Part D: Climate-related Disclosures	Reference Section
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Reasonable Information Relief Adopted
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Climate Change – Metrics and Targets
34. An issuer shall disclose:	Climate Change – Metric and Targets
(a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and	
(b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	
35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	Climate Change – Metric and Targets
36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	Climate Change – Metric and Targets

Part D: Climate-related Disclosures		Reference Section
	37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Climate Change – Metrics and Targets
	38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	Climate Change – Metrics and Targets
	39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	Climate Change – Metrics and Targets

Part D: Climate-related Disclosures		Reference Section
	40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose: (a) which greenhouse gases are covered by the target; (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; (d) whether the target was derived using a sectoral decarbonisation approach; and (e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	Climate Change – Metrics and Targets
	41. In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of (i) cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	Climate Change – Metrics and Targets

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 122 to 182, which comprise the consolidated statement of financial position as at 30 June 2026, 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 to the consolidated financial statements, including material accounting policy 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 2026 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as 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 ("HKSAs") as 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"), as applicable to audits of financial statements of public interest entities. 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.

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.

The Key audit matter	How the matter was addressed in our audit
Revenue Recognition The Group generated AUD$36.1 million in revenue from the provision of education courses for the year ended 30 June 2026. 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, particularly in respect of the occurrence and accuracy of revenue recorded.	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 the accuracy of information used by management in performing analysis of tuition fee revenue, including course fees and student records, on a sampling basis, by agreeing the information to relevant supporting documentation; and • using data analytical procedures over tuition fee revenue, contract liabilities, receivables (where applicable) and cash receipts to identify unusual transactions, investigating exceptions identified, and testing selected revenue transactions to supporting documentation.

Other Information

The directors are responsible for 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 as 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 Finance 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 HKSAs 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.

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.

We communicate with the Audit and Finance 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 Finance Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to 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 Finance 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, 25 September 2026
Chu, Johnny Chun Yin
Practising certificate number P08355

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 30 June 2026

	Notes	2026 AUD$'000	2025 AUD$'000
REVENUE	5	**38,126**	34,258
Cost of sales		**(19,254)**	(18,727)
Gross profit		**18,872**	15,531
Interest income		**2,234**	2,687
Other income and gains	5	**47**	150
Administrative expenses		**(9,249)**	(9,352)
Advertising and marketing expenses		**(3,090)**	(3,359)
Impairment losses recognised on goodwill and intangible assets		**(2,833)**	–
Finance cost	7	**(587)**	(716)
PROFIT BEFORE TAX	6	**5,394**	4,941
Income tax expense	10	**(1,781)**	(1,612)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**3,613**	3,329
Profit attributable to:			
Owners of the Company		**3,763**	3,428
Non-controlling interests		**(150)**	(99)
		3,613	3,329
EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Basic earnings per share (AUD cents)	12	**0.173**	0.143
Diluted earnings per share (AUD cents)	12	**0.163**	0.135

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	2026 AUD$'000	2025 AUD$'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	**6,938**	7,569
Intangible assets	16	**4,063**	6,475
Right-of-use assets	14	**6,716**	8,926
Prepayments and deposits	18	**1,714**	2,902
Goodwill	15	**–**	1,533
Deferred tax assets	23	**888**	506
Total non-current assets		**20,319**	27,911
CURRENT ASSETS			
Trade receivables	17	**398**	346
Prepayments, other receivables and other assets	18	**2,558**	1,560
Cash and bank balances	19	**51,658**	49,058
Total current assets		**54,614**	50,964
CURRENT LIABILITIES			
Trade payables	20	**4,443**	3,194
Other payables and accruals	21	**4,152**	5,770
Lease liabilities	14	**2,569**	2,556
Contract liabilities	22	**3,444**	3,530
Tax payable		**1,401**	934
Total current liabilities		**16,009**	15,984
NET CURRENT ASSETS		**38,605**	34,980
TOTAL ASSETS LESS CURRENT LIABILITIES		**58,924**	62,891
NON-CURRENT LIABILITIES			
Lease liabilities	14	**7,402**	10,066
Other payables and accruals	21	**432**	346
Total non-current liabilities		**7,834**	10,412
Net assets		**51,090**	52,479
EQUITY			
Share capital	24	**33,706**	36,547
Treasury shares	24	**(796)**	(2,236)
Reserves		**18,180**	17,865
Non-controlling interests		**–**	303
Total equity		**51,090**	52,479

Amen Kwai Ping Lee
Director

Rongning Xu
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 30 June 2026

	Notes	Issued capital AUD$'000	Treasury shares AUD$'000	Other reserve (Note) AUD$'000	Share-based payment reserve AUD$'000	Retained profits AUD$'000	Non-controlling interests AUD$'000	Total equity AUD$'000
At 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(a)	–	–	–	16	–	–	16
At 30 June 2025 and 1 July 2025		**36,547**	**(2,236)**	**–**	**4,716**	**13,149**	**303**	**52,479**
Profit and total comprehensive income for the year		**–**	**–**	**–**	**–**	**3,763**	**(150)**	**3,613**
Transfer of treasury shares upon exercise of share awards	**24**	**(181)**	**1,440**	**–**	**(1,259)**	**–**	**–**	**–**
Dividends paid	**11**	**–**	**–**	**–**	**–**	**(2,520)**	**–**	**(2,520)**
Buy-back and cancellation of shares	**24**	**(2,188)**	**–**	**–**	**–**	**–**	**–**	**(2,188)**
Transaction costs directly attributable to buy-back and cancellation of shares	**24**	**(472)**	**–**	**–**	**–**	**–**	**–**	**(472)**
Transaction with non-controlling interests	**25(b)**	**–**	**–**	**125**	**–**	**–**	**(153)**	**(28)**
Equity-settled performance rights arrangements	**25(a)**	**–**	**–**	**–**	**206**	**–**	**–**	**206**
At 30 June 2026		**33,706**	**(796)**	**125**	**3,663**	**14,392**	**–**	**51,090**

Note: Other reserve of the Group represents the effect due to changes in the Group's ownership interests in existing subsidiaries without losing control (see Note 25).

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 30 June 2026

	Notes	2026 AUD$'000	2025 AUD$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**5,394**	4,941
Adjustments for:			
Finance cost	7	**587**	716
Interest income		**(2,234)**	(2,687)
Write-off of intangible assets	16	**111**	41
Share-based payments	25(a)	**206**	16
Depreciation of property, plant and equipment	13	**1,048**	959
Amortisation of right-of-use assets	14	**2,054**	2,203
Amortisation of intangible assets	16	**1,585**	1,834
Impairment of goodwill	15	**1,533**	–
Impairment of other intangible assets	16	**1,300**	–
Impairment allowance for trade receivables	17	**48**	249
		11,632	8,272
Increase in trade receivables		**(100)**	(398)
Increase in prepayments, other receivables and other assets		**(196)**	(388)
Increase in trade payables		**1,249**	539
(Decrease)/increase in other payables and accruals		**(1,532)**	1,520
Decrease in contract liabilities		**(86)**	(716)
Cash generated from operations		**10,967**	8,829
Interest received		**2,234**	2,687
Income tax paid		**(1,696)**	(1,676)
Net cash flows from operating activities		**11,505**	9,840
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to term deposits		**(30,962)**	–
Purchases of property, plant and equipment		**(417)**	(121)
Additions to intangible assets		**(584)**	(569)
Cash flows used in investing activities		**(31,963)**	(690)

CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended 30 June 2026

	Notes	2026 AUD$'000	2025 AUD$'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Buy-back and cancellation of shares	24	**(2,188)**	–
Transaction costs directly attributable to buy-back and cancellation of shares	24	**(472)**	–
Interest element on lease liabilities	26(a)	**(587)**	(716)
Principal portion of lease payments	26(a)	**(2,495)**	(2,464)
Acquisition of non-controlling interests	25(b)	**(28)**	–
Dividends paid	11	**(2,520)**	(984)
Cash flows used in financing activities		**(8,290)**	(4,164)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(28,748)**	4,986
Cash and cash equivalents at beginning of year		**49,058**	44,072
CASH AND CASH EQUIVALENTS AT END OF YEAR	19	**20,310**	49,058
TERM DEPOSITS	19	**31,348**	–
CASH AND BANK BALANCES	19	**51,658**	49,058

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 2026 were authorised for issue in accordance with a resolution of the directors on 25 September 2026.

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 Level 1, Bay 3, 2 Locomotive Street, Eveleigh NSW 2015, 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 section headed "Report of the Directors". Information on other related party relationships of the Group is provided in Note 28.

Information about subsidiaries

Particulars of the Company's 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
			2026	2025	
Top Education Consulting (Beijing) Limited*	The People's Republic of China (the "PRC")	Hong Kong dollars ("HK$") 3,000,000	100	100	Provision of education consulting services
Top Education Development Pty Ltd	Australia	Australian dollars ("AUD$") 100	100	100	Provision of and investments in education services
Scots English College Pty Ltd ("SCOTS")	Australia	AUD$550,000	100#	85#	Provision of English Language courses
ANIMC Pty Ltd	Australia	AUD$1,000	100	100	Provision of education and training services

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

\# SCOTS is an indirectly-owned subsidiary of the Company.

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 2026. 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.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2. Material Accounting Policies (Continued)

2.3 Changes in Accounting Policies and Disclosures

The Group has adopted the following amendments to IFRS Accounting Standard for the first time for the current year's consolidated financial statements.

Amendments to IAS 21	*Lack of Exchangeability*

The adoption of this amendment to IFRS Accounting Standard 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	*Presentation and Disclosure in Financial Statements*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*[1]

[1] Effective for annual periods beginning on or after 1 January 2026
[2] Effective for annual periods beginning on or after 1 January 2027
[3] 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 other comprehensive income ("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 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.

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 to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. 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 granted 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 deducible 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.

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.

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

Income tax (Continued)

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.

The Group has assessed the requirements of the OECD Pillar Two global minimum tax legislation and has determined that it is not within the scope of the Pillar Two Model Rules. Accordingly, the Group does not expect the legislation to have an impact on its income tax position.

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

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.

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 equity.

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 12% (2025: 11.5%) 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").

2. Material Accounting Policies (Continued)

2.5 Summary of Material Accounting Policies (Continued)

***Share-based payments** (Continued)*

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(a).

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.

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.

3. Significant 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 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 of the cash-generating unit of SCOTS

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 are allocated, which is the higher of the value in use or fair value less costs of disposal. The fair value less costs of disposal of SCOTS was determined based on the consideration paid for the recent acquisition of the remaining equity interests in SCOTS as disclosed in Note 25(b). The key assumption used in the fair value assessment is that consideration provides a reasonable indication of the fair value of SCOTS as at the reporting date. In making this assessment, the Company had regard to the proximity of the transaction to the reporting date and the absence of any significant changes in the business, market conditions or other relevant circumstances between the transaction date and the reporting date that would materially affect the valuation implied by the transaction. Where the fair value less costs of disposal are lower than expected, additional impairment losses may be required. Conversely, where the fair value less costs of disposal are higher than expected, previously recognised impairment losses relating to assets other than goodwill may be reversed. As at 30 June 2026, the carrying amounts of goodwill and brand name were nil and nil (2025: AUD 1,533,000 and AUD 1,300,000), respectively. Details of the calculation of recoverable amount of the cash-generating unit are disclosed in Note 15.

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.

5. Revenue and Other Income and Gains

An analysis of revenue is as follows:

	2026 AUD$'000	2025 AUD$'000
Revenue from contracts with customers		
Course fee income	**36,055**	32,094
Other service fee income	**2,071**	2,164
	38,126	34,258

Revenue from contracts with customers

(i) Disaggregated revenue information

Geographical markets		
Australia	**38,126**	34,258
Timing of revenue recognition		
Course fee income recognised over time	**36,055**	32,094
Other service fee income recognised over time	**2,071**	2,164
	38,126	34,258

(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 normally 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 2026 and 2025 are as follows:

	2026 AUD$'000	2025 AUD$'000
Contract liabilities (Note 22)	**3,444**	3,530

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.

Revenue of AUD$3,530,000 (2025: AUD$4,246,000) recognised during the current year was included in contract liabilities balance at the beginning of the year.

No revenue recognised during the year related to performance obligations that were satisfied in prior years.

	2026 AUD$'000	2025 AUD$'000
Other income and gains		
Foreign exchange gains	**–**	3
Government grants (Note)	**–**	25
Others	**47**	122
	47	150

Note: Government grants represented 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	2026 AUD$'000	2025 AUD$'000
Amortisation of intangible assets	16	**1,585**	1,834
Depreciation	13	**1,048**	959
Amortisation of right-of-use assets	14	**2,054**	2,203
Auditors' remuneration		**213**	207
Employee benefit expense (excluding directors' and chief executive's remuneration (Note 8)):			
Wages, salaries and other employee benefits		**9,537**	9,435
Share-based payments	25(a)	**–**	16
Pension scheme contributions (defined contribution schemes)		**1,015**	931
Less: Amount capitalised		**(27)**	(27)
		10,525	10,355
Impairment allowance for trade receivables	17	**48**	249

7. Finance Cost

	2026 AUD$'000	2025 AUD$'000
Interest on lease liabilities	**587**	716

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:

	2026 AUD$'000	2025 AUD$'000
Fees	**859**	830
Other emoluments:		
Salaries	**611**	547
Share-based payments	**206**	–
Pension scheme contributions	**145**	126
	962	673
	1,821	1,503

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	Pension scheme contributions	Total remuneration
	AUD$'000	AUD$'000	AUD$'000
2026			
Professor Steven Schwartz	**81**	**10**	**91**
Mr. Tianye Wang	**91**	**–**	**91**
Mr. Jonathan Richard O'Dea	**81**	**10**	**91**
Mr. Dominic Robert Beresford Verity	**81**	**10**	**91**
	334	**30**	**364**

	Fees	Pension scheme contributions	Total remuneration
	AUD$'000	AUD$'000	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 (Note a)	48	5	53
	303	23	326

There were no other emoluments payable to the independent non-executive directors during the year (2025: Nil).

8. Directors' and Chief Executive's Remuneration (Continued)

(b) Executive directors and non-executive directors

	Fees	Salaries	Share-based payments	Pension scheme contributions	Total remuneration
	AUD$'000	AUD$'000	AUD$'000	AUD$'000	AUD$'000
2026					
Executive directors:					
Dr. Rongning Xu, CEO	**71**	**369**	**206**	**53**	**699**
Ms. Xing Shi Huang	**71**	**181**	**–**	**30**	**282**
Mr. Qingquan Yang	**71**	**61**	**–**	**16**	**148**
	213	**611**	**206**	**99**	**1,129**
Non-executive directors:					
Dr. Amen Kwai Ping Lee	**132**	**–**	**–**	**16**	**148**
Mr. Yi Dai (Note b)	**90**	**–**	**–**	**–**	**90**
Mr. Edward Chiang	**90**	**–**	**–**	**–**	**90**
	312	**–**	**–**	**16**	**328**
	525	**611**	**206**	**115**	**1,457**

8. Directors' and Chief Executive's Remuneration (Continued)

(b) Executive directors and non-executive directors (Continued)

	Fees	Salaries	Share-based payments	scheme Pension contributions	Total remuneration
	AUD$'000	AUD$'000	AUD$'000	AUD$'000	AUD$'000
2025					
Executive directors:					
Dr. Rongning Xu, CEO	87	345	–	50	482
Ms. Xing Shi Huang	74	168	–	28	270
Mr. Qingquan Yang	76	34	–	12	122
	237	547	–	90	874
Non-executive directors:					
Dr. Amen Kwai Ping Lee	110	–	–	13	123
Mr. Yi Dai (Note b)	90	–	–	–	90
Mr. Edward Chiang	90	–	–	–	90
	290	–	–	13	303
	527	547	–	103	1,177

Note:

(a) Appointed on 2 December 2024.

(b) Resigned on 20 July 2026.

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 (2025: the CEO and an executive director), details of whose remuneration are set out in Note 8 above. Details of the remuneration for the year of the remaining three (2025: three) highest paid employees who are neither directors nor the CEO of the Group are as follows:

	2026	2025
	AUD$'000	AUD$'000
Salaries	**674**	585
Performance related bonus	**175**	112
Pension scheme contributions	**77**	80
	926	777

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	
	2026	2025
Nil to AUD$161,000 (HK$1,000,000)	**–**	–
AUD$161,001 (HK$1,000,001) to AUD$242,000 (HK$1,500,000)	**–**	–
AUD$242,001 (HK$1,500,001) to AUD$323,000 (HK$2,000,000)	**2**	3
AUD$323,001 (HK$2,000,001) to AUD$404,000 (HK$2,500,000)	**1**	–
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 (2025: nil).

10. Income Tax Expense

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 2026 and the year ended 30 June 2025 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.

	2026	2025
	AUD$'000	AUD$'000
Current – Income tax		
Charge for the year	**2,507**	1,741
(Overprovision)/underprovision in respect of prior periods	**(344)**	184
Deferred tax (Note 23)	**(382)**	(313)
Total tax charge for the year	**1,781**	1,612

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:

	2026		2025	
	AUD$'000	**%**	AUD$'000	%
Profit before tax	**5,394**		4,941	
Tax at the Group's statutory tax rate of 25% for 2026 and 2025	**1,349**	**25**	1,235	25
Expenses not deductible for tax	**65**	**1.2**	35	0.7
Unrecognised tax losses	**269**	**5.0**	94	1.9
(Overprovision)/underprovision in respect of prior years	**(344)**	**(6.4)**	184	3.7
Others	**442**	**8.2**	64	1.3
Tax charge at the Group's effective rate	**1,781**	**33.0**	1,612	32.6

11. Dividends

	2026 AUD$'000	2025 AUD$'000
Final – HK 0.6 cents (2025: HK 0.2 cents) per ordinary share	**2,520**	984

During the year ended 30 June 2026, a final dividend of HK 0.6 cents per ordinary share in respect of the year ended 30 June 2025 was declared and paid to the owners of the Company (2025: HK 0.2 cents).

Subsequent to the end of the reporting period, a final dividend of HK 0.9 cents in respect of the year ended 30 June 2026 (2025: HK 0.6 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.

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$3,763,000 (2025: AUD$3,428,000) and the weighted average number of ordinary shares of 2,173,805,000 (2025: 2,397,574,000) 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:

	2026 AUD$'000	2025 AUD$'000
Earnings		
Profit attributable to owners of the Company	**3,763**	3,428

12. Earnings per Share Attributable to Owners of the Company (Continued)

	Number of shares	
	2026	2025
	Ordinary shares	Ordinary shares
	'000	'000
Shares		
Weighted average number of shares in issue used in the basic earnings per share calculation	**2,173,805**	2,397,574
Effect of dilution – weighted average number of shares:		
Performance rights and share options	**129,913**	149,914
	2,303,718	2,547,488

13. Property, Plant and Equipment

	Teacher reference books	Plant and equipment	Classroom and office equipment	Total
	AUD$'000	**AUD$'000**	**AUD$'000**	**AUD$'000**
30 June 2026				
At 30 June 2025 and 1 July 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**
At 1 July 2025, net of accumulated depreciation	**28**	**1,490**	**6,051**	**7,569**
Additions	**29**	**370**	**18**	**417**
Depreciation provided during the year	**(21)**	**(358)**	**(669)**	**(1,048)**
At 30 June 2026, net of accumulated depreciation	**36**	**1,502**	**5,400**	**6,938**
At 30 June 2026:				
Cost	**419**	**3,941**	**10,350**	**14,710**
Accumulated depreciation	**(383)**	**(2,439)**	**(4,950)**	**(7,772)**
Net carrying amount	**36**	**1,502**	**5,400**	**6,938**

13. Property, Plant and Equipment (Continued)

	Teacher reference books	Plant and equipment	Classroom and office equipment	Total
	AUD$'000	AUD$'000	AUD$'000	AUD$'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

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 2024	11,123
Amortisation charge	(2,203)
Early termination of a lease	6
As at 30 June 2025 and 1 July 2025	8,926
Amortisation charge	(2,054)
Lease modification	(156)
As at 30 June 2026	6,716

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	Lease liabilities	
	2026	2025
	AUD$'000	AUD$'000
Carrying amount at 1 July	**12,622**	15,080
Accretion of interest recognised during the year	**587**	716
Lease modification	**(156)**	–
Early termination of a lease	**–**	6
Payments	**(3,082)**	(3,180)
Carrying amount at 30 June	**9,971**	12,622
Analysed into:		
Current portion	**2,569**	2,556
Non-current portion	**7,402**	10,066

The maturity analysis of lease liabilities is disclosed in Note 31 to the financial statements.

14. Leases (Continued)

The Group as a lessee (Continued)

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	2026 AUD$'000	2025 AUD$'000
Interest on lease liabilities	**587**	716
Amortisation charge of right-of-use assets	**2,054**	2,203
Expense relating to short-term leases	**209**	148
Expense relating to leases of low-value assets	**63**	64
	2,913	3,131

(d) The total cash outflow for leases is disclosed in Note 26 to the financial statements.

15. Goodwill

	2026 AUD$'000	2025 AUD$'000
Cost:		
At 1 July and 30 June	**1,533**	1,533
Accumulated impairment:		
At 1 July	**–**	–
Impairment during the year	**(1,533)**	–
As at 30 June	**(1,533)**	–
Net carrying amount:		
At 1 July	**1,533**	1,533
At 30 June	**–**	1,533

Impairment testing of goodwill and intangible assets

Goodwill acquired through business combination amounted at AUD$1,533,000 is allocated to the cash-generating unit of SCOTS for impairment testing:

SCOTS was acquired in 2019 and was engaged in the provision English language courses in Australia. During the year ended 30 June 2026, the changes in Australian government policies, including a significant increase in student visa application fees and other changes to student visa requirements, adversely affected demand from international students and resulted in a decrease in student enrolments of SCOTS. The lower-than-expected student enrolments adversely affected the financial performance and growth prospects of SCOTS and, accordingly, management of the Group carried out impairment review on the carrying amount of the relevant cash-generating unit.

15. Goodwill (Continued)

Impairment testing of goodwill and intangible assets (Continued)

The recoverable amount of the relevant cash-generating unit has been determined based on its fair value less costs of disposal using a market approach. In determining the fair value, the Company primarily made reference to the consideration paid by the Group for the acquisition of the remaining equity interests in SCOTS, as disclosed in Note 25(b). Given the proximity of the transaction to the reporting date, the Company considered the transaction price to provide relevant and recent evidence of the fair value of SCOTS. The fair value of the cash-generating unit was determined by reference to the valuation implied by the recent transaction, adjusted for control premium, and reduced by the estimated costs of disposal. The fair value less costs of disposal is categorised as a Level 3 fair value measurement within the fair value hierarchy due to the use of significant unobservable inputs as disclosed below. Accordingly, the valuation technique used to determine the recoverable amount of the cash-generating unit changed from a value in use approach in the prior year to a fair value less costs of disposal approach in the current year.

The key assumption used in the fair value assessment is that the consideration paid for the recent acquisition of the remaining equity interests in SCOTS provides a reasonable indication of the fair value of SCOTS as at the reporting date. In making this assessment, the Company had regard to the proximity of the transaction to the reporting date and the absence of any significant changes in the business, market conditions or other relevant circumstances between the transaction date and the reporting date that would materially affect the valuation implied by the transaction.

Based on the above assessment, the recoverable amount was determined to be AUD$187,000 and impairment losses of AUD$2,833,000 were recognised for SCOTS cash-generating unit during the year.

The impairment loss has been allocated first to goodwill and then to brand to the extent the carrying amount of the asset is not reduced below the highest of its fair value less costs of disposal, its value in use and zero. Accordingly, an impairment loss of AUD$2,833,000 was recognised in respect of the SCOTS cash-generating unit and allocated first to goodwill and then to the brand name, in amounts of AUD$1,533,000 and AUD$1,300,000, respectively. As a result, the carrying amounts of both the goodwill and brand name were reduced to nil.

16. Intangible Assets

	Registration and other development expenditure	Course development expenditure	Trademark	Agent Relationship	Brand	Total
	AUD$'000	AUD$'000	AUD$'000	AUD$'000	AUD$'000	AUD$'000
30 June 2026						
At 30 June 2025 and 1 July 2025:						
Cost	2,817	16,498	52	1,600	1,300	22,267
Accumulated amortisation	(2,288)	(12,551)	(46)	(907)	-	(15,792)
Net carrying amount	529	3,947	6	693	1,300	6,475
Cost as at 1 July 2025, net of accumulated amortisation	529	3,947	6	693	1,300	6,475
Additions	59	525	-	-	-	584
Write-off	-	(111)	-	-	-	(111)
Impairment during the year	-	-	-	-	(1,300)	(1,300)
Amortisation	(150)	(1,261)	(6)	(168)	-	(1,585)
At 30 June 2026, net of amortisation	438	3,100	-	525	-	4,063
At 30 June 2026:						
Cost	2,876	16,912	52	1,600	1,300	22,740
Accumulated amortisation and impairment	(2,438)	(13,812)	(52)	(1,075)	(1,300)	(18,677)
Net carrying amount	438	3,100	-	525	-	4,063

16. Intangible Assets (Continued)

	Registration and other development expenditure	Course development expenditure	Trademark	Agent relationship	Brand	Total
	AUD$'000	AUD$'000	AUD$'000	AUD$'000	AUD$'000	AUD$'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

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 2026 and 30 June 2025. The Group amortises its registered trademark with finite useful life using the straight-line method of 10 years from 1 July 2018, agent 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.

During the year ended 30 June 2026, an impairment loss of AUD$1,300,000 (2025: nil) was recognised for the brand name based on the impairment assessment set out in Note 15.

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 diversified student population, 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	
	2026	2025
	AUD$'000	AUD$'000
Trade receivables	**446**	595
Allowance for expected credit losses	**(48)**	(249)
	398	346

	As at 30 June	
	2026	2025
	AUD$'000	AUD$'000
1 to 3 months	**398**	346

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 diversified student population with common risk characteristics that are representative of the students' abilities to pay all amounts due in accordance with the contractual terms. AUD$48,000 (2025: AUD$249,000) was recorded as allowance for impairment loss during the reporting period. 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	
	2026	2025
	AUD$'000	AUD$'000
Non-current assets		
Prepayments	**–**	1,188
Deposits for lease guarantees	**1,714**	1,714
	1,714	2,902
Current assets		
Prepayments	**85**	611
Deposits for lease guarantees	**–**	386
Other assets	**113**	110
Other receivables	**2,360**	453
	2,558	1,560

Deposits for lease guarantees primarily comprise rental deposits held to support bank guarantees required under various lease arrangements.

As at 30 June 2026, other assets represented the Group's total restricted bank balances of AUD$72,000 (2025: AUD$69,000) and AUD$41,000 (2025: AUD$41,000) which were reserved at the Trust and a security account respectively to fund the employee performance share scheme.

As at 30 June 2026, the Group recognised a receivable of AUD$1,188,184 in relation to the refund of start-up funding previously paid under the Academy of Digital Economy, Beijing National Accounting Institute-IMC project. Subsequent to year end, the Group formally notified the counterparty of the termination of the cooperation agreement and requested repayment of the start-up funding. Management expects the full amount to be refunded within 12 months of the reporting date and has therefore classified the balance as a current asset.

Remaining balance of $1,172,000 represents interest receivable and GST receivables.

Where applicable, an impairment assessment is performed at each reporting date, having regard to the probability of default of comparable entities with published credit ratings. As at 30 June 2026, ECLs were estimated using a loss rate approach, based on the Group's historical loss experience, adjusted to reflect current conditions and forecasts of future economic conditions where appropriate. The loss rate applied as at 30 June 2026 was 0% (2025: 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.

19. Cash and Bank Balances

	2026 AUD$'000	2025 AUD$'000
Cash and cash equivalents	**20,310**	49,058
Term deposits (Note)	**31,348**	–
Cash and bank balances	**51,658**	49,058

Note: As at 30 June 2026, the Group held term deposits totalling AUD$31,348,000 with three Australian authorised deposit-taking institutions. The deposits are denominated in Australian dollars, bear fixed interest at rates ranging from 3.50% to 4.79% per annum, with interest payable on maturity, and had original terms to maturity ranging from 181 days to 12 months. Each deposit carries an early withdrawal option, allowing the Group to access the funds prior to maturity by providing 31 days' notice to the relevant bank, subject to a reduction in the interest otherwise payable.

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:

	2026 AUD$'000	2025 AUD$'000
Over two months	**4,443**	3,194

Trade payables are non-interest-bearing and are normally settled on 60-day terms.

21. Other Payables and Accruals

	As at 30 June	
	2026 AUD$'000	2025 AUD$'000
Current liabilities		
Other payables	**1,792**	3,680
Unpaid leave obligations	**2,360**	2,090
	4,152	5,770
Non-current liabilities		
Unpaid leave obligations	**115**	199
Accruals for reinstatement cost	**317**	147
	432	346

Other payables and accruals for reinstatement cost are unsecured, interest-free and have no fixed terms of repayment.

22. Contract Liabilities

Details of contract liabilities are as follows:

	2026 AUD$'000	2025 AUD$'000
Short-term advances received from students		
Course fees	**3,444**	3,530

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

	2026					
	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 2025	**356**	**599**	**104**	**2,596**	**62**	**3,717**
Credited/(charged) to profit or loss	**(356)**	**48**	**15**	**(520)**	**(36)**	**(849)**
At 30 June 2026	**–**	**647**	**119**	**2,076**	**26**	**2,868**

	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
Credited/(charged) to profit or loss	(34)	40	(6)	(506)	73	(433)
At 30 June 2025	356	599	104	2,596	62	3,717

23. Deferred Tax (Continued)

Deferred tax liabilities

	2026				
	Intangible assets	**Prepayments**	**Lease assets**	**Others**	**Total**
	AUD$'000	**AUD$'000**	**AUD$'000**	**AUD$'000**	**AUD$'000**
At 1 July 2025	**1,447**	**17**	**1,737**	**10**	**3,211**
Charged/(credited) to profit or loss	**(792)**	**(1)**	**(466)**	**28**	**(1,231)**
At 30 June 2026	**655**	**16**	**1,271**	**38**	**1,980**

	2025				
	Intangible assets	Prepayments	Lease assets	Others	Total
	AUD$'000	AUD$'000	AUD$'000	AUD$'000	AUD$'000
At 1 July 2024	1,803	–	2,154	–	3,957
Charged/(credited) to profit or loss	(356)	17	(417)	10	(746)
At 30 June 2025	1,447	17	1,737	10	3,211

* Total deferred tax credited to profit or loss during the year amounted to AUD$382,000 (2025: AUD$313,000) (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:

	2026	2025
	AUD$'000	AUD$'000
Gross deferred tax assets	**2,868**	3,717
Gross deferred tax liabilities	**(1,980)**	(3,211)
Net deferred tax assets recognised in the consolidated statement of financial position	**888**	506

24. Share Capital and Treasury Shares

Shares

	2026 AUD$'000	2025 AUD$'000
Issued and fully paid:		
Ordinary shares		
At beginning of year	**36,547**	36,547
Buy-back and cancellation of shares	**(2,660)**	–
Transfer of treasury shares upon exercise of share awards	**(181)**	–
At end of year	**33,706**	36,547

A summary of movements in the Group's share capital during the year ended 30 June 2026 is as follows:

	Number of ordinary shares in issue (Note)	Share capital AUD$'000
At 1 July 2024 and 1 July 2025	2,436,394,000	36,547
Buy-back and cancellation of shares	(264,708,000)	(2,660)
Transfer of treasury shares upon exercise of share awards	–	(181)
At 30 June 2026	**2,171,686,000**	**33,706**

Note: 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.

On 15 July 2025, the Company completed purchase of all the 264,708,000 shares held by PwC Nominees for a consideration of AUD$2,188,000, with relevant transaction costs of AUD$472,000. The shares bought back were cancelled on 25 July 2025.

24. Share Capital and Treasury Shares (Continued)

Treasury shares

	Number of shares	Total
		AUD$'000
At 1 July 2024, 30 June 2025 and 1 July 2025	38,820,000	(2,236)
Transfer of treasury shares upon exercise of share awards	(25,000,000)	1,440
At 30 June 2026	**13,820,000**	**(796)**

On 1 August 2025, the 25,000,000 outstanding awards shares were exercised (see Note 25) and the Company transferred 25,000,000 treasury shares to the awardees. The cost of treasury shares of AUD$1,440,000 were transferred to issued capital.

During the year ended 30 June 2026, the Trust did not acquire any shares (2025: nil).

25. Share-Based Payments and Reserves

(a) Share-based payments

The Group has adopted four share schemes, namely Pre-IPO Performance Rights Plan, Share Option Scheme, Share Award Scheme and 2026 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 former 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.

25. Share-Based Payments and Reserves (Continued)

(a) Share-based payments (Continued)

Pre-IPO Performance Rights Plan (Continued)

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.

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.

25. Share-Based Payments and Reserves (Continued)

(a) 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 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:

	2026		2025	
	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	**–**	**124,914,000**	–	124,914,000
Weighted average exercise period		**6 years**		7 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 (2025: nil).

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.

25. Share-Based Payments and Reserves (Continued)

(a) Share-based payments (Continued)

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:

	2026		2025	
	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		**2 years**		3 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 (2025: nil).

25. Share-Based Payments and Reserves (Continued)

(a) 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	24 May 2019
	to 27 February 2024	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:

	2026		2025	
	Weighted average exercise price HK$ per share	**Number of rights**	Weighted average exercise price HK$ per share	Number of rights
At 1 July	**–**	**25,000,000**	–	25,000,000
Exercised	**–**	**(25,000,000)**	–	–
At 30 June	**–**	**–**	–	25,000,000
Weighted average exercise period		**–**		4 years
Exercisable as at end of the year		**–**		25,000,000

During the year, 25,000,000 share awards were exercised. No share awards were granted, cancelled or lapsed during the year (2025: nil).

25. Share-Based Payments and Reserves (Continued)

(a) 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:

	2026		2025	
	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***	**3,840,000**	0.2*	15,400,000
Forfeited	**–**	**–**	–	(11,560,000)
At 30 June	**0.2***	**3,840,000**	0.2*	3,840,000
Weighted average exercise period		**6 years**		7 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 (2025: nil).

25. Share-Based Payments and Reserves (Continued)

(a) Share-based payments (Continued)

Post-IPO Schemes (Continued)

2026 Share Award Scheme

The Share Award Scheme was adopted by the Board of Directors on 14 April 2026. The Scheme is funded solely by existing Shares acquired by the Trustee on the market or otherwise held by the Trustee under the Trust. No new Shares will be issued by the Company pursuant to the Scheme and, accordingly, the Scheme is not subject to the scheme mandate limit under Chapter 17 of the Listing Rules. On 16 April 2026, 13,820,000 awarded shares had been granted to Dr. Rongning Xu, the executive Director of the Company under this plan for nil consideration.

The details of the awarded shares granted are shown below:

Exercise price	–
Vesting condition	Remaining eligible to participate in the Scheme from the Grant Date to the Acceptance Date
Dates of vesting	16 April 2026
Expiry date	15 April 2036

The following shares were outstanding under the 2026 Share Award Scheme during the year:

	2026	
	Weighted average exercise price HK$ per share	Number of rights
At 1 July	–	–
Granted during the year	–	13,820,000
At 30 June	–	13,820,000
Weighted average exercise period		10 years
Exercisable as at end of the year		13,820,000

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.

25. Share-Based Payments and Reserves (Continued)

(a) Share-based payments (Continued)

Post-IPO Schemes (Continued)

2026 Share Award Scheme (Continued)

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 fair value of the share-based payments in relation to the 2026 Share Award Scheme is determined based on the market price of the ordinary shares of the Company on the grant date. As the Awarded Shares vested immediately upon grant, no adjustment was made for projected dividends over a vesting period. The fair value of the Awarded Shares granted under the 2026 Share Award Scheme as at the grant date was AUD$206,000.

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 2026, the Group recognised share-based payments of AUD$206,000 (2025: AUD$16,000).

As at 30 June 2026, the Group had 157,665,233 (2025: 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 143,845,233 additional ordinary shares of the Group. The remaining 13,820,000 awarded shares relate to the 2026 Share Award Scheme and are satisfied by existing shares held by the Trustee, with no new shares to be issued by the Company.

	2026	2025
	AUD$'000	AUD$'000
Expense arising from equity-settled share-based payment transactions	**206**	16

(b) Changes in the Group's ownership interests in existing subsidiaries without losing control

On 19 June 2026, the Group acquired 15% equity interest of SCOTS, a non-wholly owned subsidiary, from the non-controlling shareholders at a consideration of AUD$28,000. The difference between the proportionate share of net assets attributable to non-controlling interests of SCOTS and the consideration paid by the Group is AUD$125,000 and was credited to other reserve and accumulated in equity.

26. Note to the Consolidated Statement of Cash Flows

(a) Change in liability arising from a financing activity:

2026

	Lease liabilities AUD$'000
At 1 July 2025	**12,622**
Changes from financing cash flows	**(3,082)**
Finance charges on lease liabilities	**587**
Lease modification	**(156)**
At 30 June 2026	**9,971**

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 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 is as follows:

	2026 AUD$'000	2025 AUD$'000
Within operating activities	**272**	212
Within financing activities	**3,082**	3,180
	3,354	3,392

27. Contingent Liabilities

As at 30 June 2026, the Group had bank guarantees of AUD$1,714,000 (2025: AUD$1,812,000) in favour of various landlords in respect of lease obligations. The directors do not consider it probable that a claim will be made under the guarantees and, accordingly, no provision has been recognised in respect of these guarantees.

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 (2025: 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:

	2026 AUD$'000	2025 AUD$'000
Financial assets at amortised cost		
Trade receivables	**398**	346
Financial assets included in deposits and other receivables	**4,074**	2,100
Cash and bank balances	**51,658**	49,058
	56,130	51,504
Financial liabilities at amortised cost		
Trade payables	**4,443**	3,194
Financial liabilities included in other payables and accruals	**1,792**	3,680
	6,235	6,874

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	Within 1 year	1 to 5 years	Over 5 years	Total
	AUD$'000	AUD$'000	AUD$'000	AUD$'000	AUD$'000
At 30 June 2026					
Trade payables	**4,443**	**–**	**–**	**–**	**4,443**
Lease liabilities	**–**	**2,569**	**7,402**	**–**	**9,971**
Financial liabilities included in other payables and accruals	**1,792**	**–**	**–**	**–**	**1,792**
	6,235	**2,569**	**7,402**	**–**	**16,206**
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

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.

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:

	2026 AUD$'000	2025 AUD$'000
NON-CURRENT ASSETS		
Property, plant and equipment	**6,755**	7,348
Intangible assets	**3,377**	4,256
Right-of-use assets	**5,401**	6,949
Prepayments and deposits	**1,924**	3,112
Investments in subsidiaries	**–**	3,669
Loan to subsidiaries	**500**	–
Deferred tax assets	**1,023**	1,007
Total non-current assets	**18,980**	26,341
CURRENT ASSETS		
Trade receivables	**397**	337
Prepayments, other receivables and other assets	**2,521**	1,337
Cash and bank balances	**51,137**	48,229
Total current assets	**54,055**	49,903
CURRENT LIABILITIES		
Trade payables	**4,361**	3,087
Other payables and accruals	**4,045**	5,601
Lease liabilities	**2,075**	2,075
Contract liabilities	**3,377**	3,303
Tax payable	**1,401**	934
Total current liabilities	**15,259**	15,000
NET CURRENT ASSETS	**38,796**	34,903
TOTAL ASSETS LESS CURRENT LIABILITIES	**57,776**	61,244
NON-CURRENT LIABILITIES		
Lease liabilities	**6,232**	8,309
Other payables and accruals	**429**	343
Total non-current liabilities	**6,661**	8,652
Net assets	**51,115**	52,592
EQUITY		
Share capital	**33,706**	36,547
Treasury shares	**(796)**	(2,236)
Reserves	**18,205**	18,281
Total equity	**51,115**	52,592

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 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 and 1 July 2025	**4,716**	**13,565**	**18,281**
Total comprehensive income for the year	**–**	**3,497**	**3,497**
Equity-settled share-based payments	**206**	**–**	**206**
Exercise of share awards	**(1,259)**	**–**	**(1,259)**
Dividend	**–**	**(2,520)**	**(2,520)**
At 30 June 2026	**3,663**	**14,542**	**18,205**

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.

33. Remuneration of Auditors

	2026 AUD$'000	2025 AUD$'000
Audit services – RSM Australia	**124**	120
Other services – RSM Australia		
– Tax advisory services	**27**	15
	151	135
Audit services – Baker Tilly Hong Kong Limited	**52**	50
Other services – Baker Tilly Hong Kong Limited		
– Agreed upon procedures	**10**	22
	62	72

34. Events after the Reporting Period

On 5 August 2026, the Group became aware of a potential personal data leakage relating to students enrolled in education programmes operated by the Group (the "Alleged Incident"). Upon becoming aware of the Alleged Incident, the Group immediately commenced an investigation and engaged cyber security and forensic experts to assess the extent of unauthorised access to or leakage of personal data, if any, arising from the Alleged Incident (the "Investigation"). Based on the findings of the Investigation, certain personal information stored in the Group's system may have been subject to unauthorised access or disclosure by an unauthorised third party. The Group has reported the Alleged Incident to the relevant authorities in Australia and has notified the affected individuals. The Group has also implemented additional cybersecurity measures since becoming aware of the Alleged Incident.

Details of the Alleged Incident are set out in the Company's announcements dated 6 August 2026 and 24 August 2026. Based on the information currently available to the Group, the Alleged Incident has not caused any material disruption to the Group's operations. The Alleged Incident is considered a non-adjusting subsequent event, and the Group will continue to assess the operational and financial impact, if any, of the Alleged Incident.

35. Approval of the Consolidated Financial Statements

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 25 September 2026.

FINANCIAL SUMMARY

The following table summarises the results, assets and liabilities of the Group for the years ended 30 June 2022, 2023, 2024, 2025 and 2026:

Results

	Year ended 30 June				
	2026	2025	2024	2023	2022
	AUD$'000	AUD$'000	AUD$'000	AUD$'000	AUD$'000
REVENUE	**38,126**	34,258	29,041	26,848	18,697
Cost of sales	**(19,254)**	(18,727)	(16,284)	(15,056)	(11,121)
Gross profit	**18,872**	15,531	12,757	11,792	7,576
PROFIT/(LOSS) BEFORE TAX	**5,394**	4,941	2,714	1,790	(1,636)
Income tax (expense)/credit	**(1,781)**	(1,612)	(804)	(702)	308
PROFIT/(LOSS) AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**3,613**	3,329	1,910	1,088	(1,328)
Attributable to:					
Owners of the Company	**3,763**	3,428	1,917	1,113	(1,299)

Assets and Liabilities

	As at 30 June				
	2026	2025	2024	2023	2022
	AUD$'000	AUD$'000	AUD$'000	AUD$'000	AUD$'000
TOTAL ASSETS	**74,933**	78,875	77,380	76,239	73,983
TOTAL LIABILITIES	**23,843**	26,396	27,262	27,314	26,460
TOTAL EQUITY	**51,090**	52,479	50,118	48,925	47,523

DEFINITIONS

"2026 Share Award Scheme"	the Share Award Scheme adopted by the Company on 14 April 2026
"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
"Benefit Hongda"	Benefit Hongda International Company Limited (百紘達國際有限公司), a registered non-Hong Kong company registered in Hong Kong on 2 June 2021 under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"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
"course"	a program of study that will confer an award upon completion
"CPA Australia"	CPA Australia Ltd
"CRICOS"	Courses for Overseas Students
"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

"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
"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 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 2025 to 30 June 2026
"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
"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
"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