

# Overseas Education Limited and Subsidiary Companies

Unaudited Condensed Interim Financial Statements  
For the six months ended 30 June 2025

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# Overseas Education Limited and Subsidiary Companies

## A. Condensed interim consolidated statement of comprehensive income For the six-month financial period ended 30 June 2025

|  | Note  | 6 months ended<br>30 June 2025<br>S\$'000 | 6 months ended<br>30 June 2024<br>S\$'000 | Increase/<br>(decrease)<br>% |
|--|-------|---|---|------------------------------|
| <b>Revenue</b>   |       |   |   |                              |
| Tuition fees   |       | 41,588                                    | 43,778                                    | (5.0)                        |
| Registration fees  |       | 554                                       | 613                                       | (9.6)                        |
| School shop revenue  |       | 151                                       | 159                                       | (5.0)                        |
| Enrichment programme revenue   |       | 560                                       | 579                                       | (3.3)                        |
| Interest income  |       | 287                                       | 405                                       | (29.1)                       |
| Other income   |       | 10  | 12  | (16.7)                       |
| <b>Total revenue</b>   | 5     | 43,150                                    | 45,546                                    | (5.3)                        |
| <b>Operating Expenses</b>  |       |   |   |                              |
| Personnel expenses   |       | (25,679)                                  | (24,803)                                  | 3.5                          |
| School shop costs  |       | (96)                                      | (84)                                      | 14.3                         |
| Enrichment programme costs   |       | (390)                                     | (394)                                     | (1.0)                        |
| Utilities  |       | (636)                                     | (695)                                     | (8.5)                        |
| Upkeep and maintenance   |       | (1,094)                                   | (821)                                     | 33.3                         |
| Finance costs  | 6     | (1,762)                                   | (2,164)                                   | (18.6)                       |
| Other operating expenses   |       | (3,998)                                   | (3,791)                                   | 5.5                          |
| <b>Operating expenses before depreciation and amortisation</b>                         |       | (33,655)                                  | (32,752)                                  | 2.8                          |
| <b>Profit before depreciation and amortisation</b>                                     |       | <b>9,495</b>                              | <b>12,794</b>                             | <b>(25.8)</b>                |
| Depreciation expenses  |       | (6,104)                                   | (6,001)                                   | 1.7                          |
| Amortisation of intangible assets  |       | (188)                                     | (199)                                     | (5.5)                        |
|  |       | (6,292)                                   | (6,200)                                   | 1.5                          |
| <b>Profit after depreciation and amortisation</b>                                      |       | <b>3,203</b>                              | <b>6,594</b>                              | <b>(51.4)</b>                |
| <b>Fair value (loss)/gain on derivatives</b>   | 6     | (1,065)                                   | 289                                       | n.m.                         |
| <b>Profit before taxation</b>  | 6     | <b>2,138</b>                              | <b>6,883</b>                              | <b>(68.9)</b>                |
| Income tax expense – current tax   | 7     | (1,323)                                   | (1,882)                                   | (29.7)                       |
| – deferred tax   | 7, 16 | 365                                       | 253                                       | 44.3                         |
|  |       | (958)                                     | (1,629)                                   | (41.2)                       |
| <b>Net profit for the period attributable to owners of the Company</b>                 |       | <b>1,180</b>                              | <b>5,254</b>                              | <b>(77.5)</b>                |
| <b>Other comprehensive income for the period, net of tax</b>                           |       |   |   |                              |
| Item that may be reclassified subsequently to profit or loss                           |       |   |   |                              |
| Foreign currency translation   |       | *   | *   |                              |
| <b>Total comprehensive income for the period attributable to owners of the Company</b> |       | <b>1,180</b>                              | <b>5,254</b>                              | <b>(77.5)</b>                |
| <b>Earnings per share (cents)</b>  |       |   |   |                              |
| - Basic and diluted  | 8     | 0.3                                       | 1.3                                       |                              |

n.m. – Not meaningful

\* – Amount lower than S\$1,000

## Overseas Education Limited and Subsidiary Companies

### B. Condensed interim balance sheets As at 30 June 2025

|   |      | Group                      |                                | Company                    |                                |
|---|------|----------------------------|--------------------------------|----------------------------|--------------------------------|
|   | Note | 30 June<br>2025<br>S\$'000 | 31 December<br>2024<br>S\$'000 | 30 June<br>2025<br>S\$'000 | 31 December<br>2024<br>S\$'000 |
| <b>ASSETS</b>                                       |      |                            |                                |                            |                                |
| <b>Non-current assets</b>                           |      |                            |                                |                            |                                |
| Property, plant and equipment                       |      |                            |                                |                            |                                |
| - Leasehold land                                    | 9    | 22,260                     | 22,878                         | —                          | —                              |
| - School buildings, plant and equipment             | 9    | 181,022                    | 184,677                        | 105                        | 126                            |
| Right-of-use assets                                 |      | 3,196                      | 4,565                          | 99                         | 20                             |
| Intangible assets                                   |      | 1,862                      | 1,783                          | —                          | —                              |
| Investment in subsidiaries                          |      | —                          | —                              | 101,219                    | 101,219                        |
| Derivatives   | 10   | —                          | 749                            | —                          | —                              |
| Deposits  |      | 349                        | 349                            | —                          | —                              |
| Staff housing deposits                              |      | 299                        | 210                            | —                          | —                              |
| Other long-term asset                               | 13   | 334                        | 334                            | —                          | —                              |
|   |      | <b>209,322</b>             | <b>215,545</b>                 | <b>101,423</b>             | <b>101,365</b>                 |
| <b>Current assets</b>                               |      |                            |                                |                            |                                |
| Inventories   |      | 494                        | 501                            | —                          | —                              |
| Derivatives   | 10   | —                          | 85                             | —                          | —                              |
| Trade receivables                                   | 11   | 2,618                      | 981                            | —                          | —                              |
| Other receivables and deposits                      |      | 363                        | 573                            | 37                         | 24                             |
| Prepayments   |      | 1,267                      | 1,740                          | 49                         | 48                             |
| Amount due from subsidiary                          | 12   | —                          | —                              | —                          | 4,000                          |
| Cash and cash equivalents                           | 13   | 32,621                     | 53,649                         | 4,817                      | 5,258                          |
|   |      | <b>37,363</b>              | <b>57,529</b>                  | <b>4,903</b>               | <b>9,330</b>                   |
| <b>TOTAL ASSETS</b>                                 |      | <b>246,685</b>             | <b>273,074</b>                 | <b>106,326</b>             | <b>110,695</b>                 |
| <b>EQUITY AND LIABILITIES</b>                       |      |                            |                                |                            |                                |
| <b>Current liabilities</b>                          |      |                            |                                |                            |                                |
| Trade payables                                      |      | 611                        | 581                            | —                          | —                              |
| Other payables and liabilities                      |      | 804                        | 751                            | 81                         | 124                            |
| Fees received in advance                            | 14   | 14,263                     | 32,047                         | —                          | —                              |
| Derivatives   | 10   | 24                         | —                              | —                          | —                              |
| Lease liabilities                                   |      | 2,373                      | 3,710                          | 51                         | 22                             |
| Borrowings – Bank loan                              | 15   | 6,698                      | 6,906                          | —                          | —                              |
| Goods and Services Tax payable                      |      | 3,380                      | 3,447                          | 62                         | 73                             |
| Central Provident Fund payable                      |      | 447                        | 514                            | 3                          | 2                              |
| Income tax payable                                  |      | 2,705                      | 2,765                          | 250                        | 262                            |
|   |      | <b>31,305</b>              | <b>50,721</b>                  | <b>447</b>                 | <b>483</b>                     |
| <b>NET CURRENT ASSETS</b>                           |      | <b>6,058</b>               | <b>6,808</b>                   | <b>4,456</b>               | <b>8,847</b>                   |
| <b>Non-current liabilities</b>                      |      |                            |                                |                            |                                |
| Fees received in advance                            | 14   | 591                        | 505                            | —                          | —                              |
| Derivatives   | 10   | 207                        | —                              | —                          | —                              |
| Lease liabilities                                   |      | 871                        | 947                            | 49                         | —                              |
| Borrowings – Bank loan                              | 15   | 74,306                     | 77,327                         | —                          | —                              |
| Deferred tax liabilities                            | 16   | 5,043                      | 5,408                          | —                          | —                              |
|   |      | <b>81,018</b>              | <b>84,187</b>                  | <b>49</b>                  | <b>—</b>                       |
| <b>NET ASSETS</b>                                   |      | <b>134,362</b>             | <b>138,166</b>                 | <b>105,830</b>             | <b>110,212</b>                 |
| <b>Equity attributable to owners of the Company</b> |      |                            |                                |                            |                                |
| Share capital                                       | 17   | 99,253                     | 99,253                         | 99,253                     | 99,253                         |
| Revenue reserve                                     |      | 61,279                     | 65,083                         | 6,577                      | 10,959                         |
| Other reserves                                      | 18   | (26,170)                   | (26,170)                       | —                          | —                              |
| <b>TOTAL EQUITY</b>                                 |      | <b>134,362</b>             | <b>138,166</b>                 | <b>105,830</b>             | <b>110,212</b>                 |

**Overseas Education Limited and Subsidiary Companies**

**C. Condensed interim statements of changes in equity  
For the six-month financial period ended 30 June 2025**

|  |      | Attributable to owners of the Company |                            |   |  |  |                         |
|--|------|---------------------------------------|----------------------------|---|--|--|-------------------------|
| Group  | Note | Share capital<br>(Note 17)<br>S\$'000 | Revenue reserve<br>S\$'000 | Other reserves, total<br>(Note 18)<br>S\$'000 | Foreign currency translation reserve<br>(Note 18)<br>S\$'000 | Merger reserve<br>(Note 18)<br>S\$'000 | Total equity<br>S\$'000 |
| 2025   |      |                                       |                            |   |  |  |                         |
| Balance at 1 January 2025                    |      | 99,253                                | 65,083                     | (26,170)                                      | 1  | (26,171)                               | 138,166                 |
| Net profit after tax                         |      | —                                     | 1,180                      | —   | —  | —                                      | 1,180                   |
| Other comprehensive income for the period    |      | —                                     | —                          | *   | *  | —                                      | *                       |
| Total comprehensive income for the period    |      | —                                     | 1,180                      | *   | *  | —                                      | 1,180                   |
| Dividends                                    | 19   | —                                     | (4,984)                    | —   | —  | —                                      | (4,984)                 |
| Contributions by and distributions to owners |      | —                                     | (4,984)                    | —   | —  | —                                      | (4,984)                 |
| Balance at 30 June 2025                      |      | 99,253                                | 61,279                     | (26,170)                                      | 1  | (26,171)                               | 134,362                 |

\* – Amount lower than S\$1,000

Overseas Education Limited and Subsidiary Companies

**C. Condensed interim statements of changes in equity (cont'd)**  
**For the six-month financial period ended 30 June 2025**

|  |      | Attributable to owners of the Company |                            |   |  |  |                         |
|--|------|---------------------------------------|----------------------------|---|--|--|-------------------------|
| Group  | Note | Share capital<br>(Note 17)<br>S\$'000 | Revenue reserve<br>S\$'000 | Other reserves, total<br>(Note 18)<br>S\$'000 | Foreign currency translation reserve<br>(Note 18)<br>S\$'000 | Merger reserve<br>(Note 18)<br>S\$'000 | Total equity<br>S\$'000 |
| 2024   |      |                                       |                            |   |  |  |                         |
| Balance at 1 January 2024                    |      | 99,253                                | 64,214                     | (26,170)                                      | 1  | (26,171)                               | 137,297                 |
| Net profit after tax                         |      | —                                     | 5,254                      | —   | —  | —                                      | 5,254                   |
| Other comprehensive income for the period    |      | —                                     | —                          | *   | *  | —                                      | *                       |
| Total comprehensive income for the period    |      | —                                     | 5,254                      | *   | *  | —                                      | 5,254                   |
| Dividends                                    | 19   | —                                     | (5,400)                    | —   | —  | —                                      | (5,400)                 |
| Contributions by and distributions to owners |      | —                                     | (5,400)                    | —   | —  | —                                      | (5,400)                 |
| Balance at 30 June 2024                      |      | 99,253                                | 64,068                     | (26,170)                                      | 1  | (26,171)                               | 137,151                 |
|  |      |                                       |                            |   |  |  |                         |

\* – Amount lower than S\$1,000

**Overseas Education Limited and Subsidiary Companies**

**C. Condensed interim statements of changes in equity (cont'd)**  
**For the six-month financial period ended 30 June 2025**

|  |      | Attributable to owners of the Company |                            |                         |
|--|------|---------------------------------------|----------------------------|-------------------------|
|  | Note | Share capital<br>(Note 17)<br>S\$'000 | Revenue reserve<br>S\$'000 | Total equity<br>S\$'000 |
| Company                                      |      |                                       |                            |                         |
| 2025   |      |                                       |                            |                         |
| Balance at 1 January 2025                    |      | 99,253                                | 10,959                     | 110,212                 |
| Net profit after tax                         |      | —                                     | 602                        | 602                     |
| Total comprehensive income for the period    |      | —                                     | 602                        | 602                     |
| Dividends                                    | 19   | —                                     | (4,984)                    | (4,984)                 |
| Contributions by and distributions to owners |      | —                                     | (4,984)                    | (4,984)                 |
| Balance at 30 June 2025                      |      | 99,253                                | 6,577                      | 105,830                 |
| 2024   |      |                                       |                            |                         |
| Balance at 1 January 2024                    |      | 99,253                                | 11,005                     | 110,258                 |
| Net profit after tax                         |      | —                                     | 632                        | 632                     |
| Total comprehensive income for the period    |      | —                                     | 632                        | 632                     |
| Dividends                                    | 19   | —                                     | (5,400)                    | (5,400)                 |
| Contributions by and distributions to owners |      | —                                     | (5,400)                    | (5,400)                 |
| Balance at 30 June 2024                      |      | 99,253                                | 6,237                      | 105,490                 |

# Overseas Education Limited and Subsidiary Companies

## D. Condensed interim consolidated statement of cash flows For the six-month financial period ended 30 June 2025

|   | Note | 6 months ended<br>30 June 2025<br>S\$'000 | 6 months ended<br>30 June 2024<br>S\$'000 |
|---|------|---|---|
| <b>Cash flows from operating activities</b>   |      |   |   |
| Profit before taxation  |      | 2,138                                     | 6,883                                     |
| Adjustments for:  |      |   |   |
| Depreciation expenses   |      | 7,096                                     | 6,966                                     |
| Amortisation expenses   |      | 188                                       | 199                                       |
| Gain on disposal of property, plant and equipment   |      | (1)                                       | (7)                                       |
| Interest income   |      | (287)                                     | (405)                                     |
| Finance costs   |      | 1,762                                     | 2,164                                     |
| Fair value loss/(gain) on derivatives   |      | 1,065                                     | (289)                                     |
| <b>Operating profit before working capital changes</b>                                      |      | 11,961                                    | 15,511                                    |
| Decrease/(increase) in inventories  |      | 7   | (51)                                      |
| Increase in trade receivables   |      | (1,637)                                   | (1,611)                                   |
| Decrease in other receivables, deposits and prepayments                                     |      | 579                                       | 424                                       |
| Increase in non-current deposits  |      | (89)                                      | (163)                                     |
| Decrease in trade payables, other payables and liabilities,<br>and fees received in advance |      | (17,749)                                  | (20,695)                                  |
| <b>Cash used in operations</b>  |      | (6,928)                                   | (6,585)                                   |
| Interest received   |      | 287                                       | 364                                       |
| Income tax paid   |      | (1,383)                                   | (1,567)                                   |
| Lease interest paid   |      | (106)                                     | (143)                                     |
| <b>Net cash used in operating activities</b>  |      | <b>(8,130)</b>                            | <b>(7,931)</b>                            |
| <b>Cash flows from investing activities</b>   |      |   |   |
| Additions of intangible assets  |      | (267)                                     | (153)                                     |
| Acquisition of property, plant and equipment  |      | (185)                                     | (249)                                     |
| Proceeds from disposal of property, plant and equipment                                     |      | 36  | 7   |
| <b>Net cash used in investing activities</b>  |      | <b>(416)</b>                              | <b>(395)</b>                              |
| <b>Cash flows from financing activities</b>   |      |   |   |
| Payment of principal portion of lease liabilities   |      | (2,716)                                   | (2,516)                                   |
| Bank loan interest paid   |      | (1,702)                                   | (2,007)                                   |
| Bank loan repayment   |      | (3,080)                                   | (3,080)                                   |
| Dividends paid  | 19   | (4,984)                                   | (5,400)                                   |
| <b>Net cash used in financing activities</b>  |      | <b>(12,482)</b>                           | <b>(13,003)</b>                           |
| Net decrease in cash and cash equivalents   |      | (21,028)                                  | (21,329)                                  |
| Cash and cash equivalents at beginning of the period  |      | 53,649                                    | 55,679                                    |
| <b>Cash and cash equivalents at end of the period</b>                                       |      | <b>32,621</b>                             | <b>34,350</b>                             |



## Overseas Education Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements For the six-month financial period ended 2025

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#### 1. Corporate information

Overseas Education Limited (the "Company") is a public limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST) on 7 February 2013. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 comprise the Company and its subsidiaries (collectively, the Group). The registered office and principal place of business of the Company is at 81 Pasir Ris Heights, Singapore 519292.

The principal activity of the Company is an investment holding company. The principal activity of the main subsidiary company is operating a foreign system school.

#### 2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency and all values are rounded to the nearest thousand (S\$'000) except when otherwise indicated.

##### 2.1 *New and amended standards adopted by the Group*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial period beginning on 1 January 2025.

The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

##### 2.2 *Use of judgements and estimates*

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

**E. Notes to the condensed interim consolidated financial statements**  
**For the six-month financial period ended 2025**

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**2. Basis of preparation (cont'd)**

**2.2 Use of judgements and estimates (cont'd)**

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included below:

*Ability to renew the land lease*

The current land lease is 30 years, and the Group expects to seek the relevant authorities' approval for the extension of the lease for a further term of 30 years upon its expiration on 13 June 2043. The school site is zoned exclusively for use by an educational institution and the buildings have also been purpose-built for use as a school only. The school buildings have an estimated use for 50 years based on the assets' expected utility to the Group and the future economic benefits embodied in the assets. The judgement applied on the ability to renew the land lease at the end of 30 years is significant to the determination of the depreciation period of 50 years for the school buildings.

The carrying amount of the school buildings as at 30 June 2025 was S\$146,230,000 (31 December 2024: S\$148,058,000).

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

**3. Seasonal operations**

The Group's business is not affected significantly by seasonal or cyclical factors during the financial period.

**4. Segment and revenue information**

The Group operates in Singapore in one business segment to provide education under a foreign education system. Substantially all revenue, expenses, assets and liabilities are derived from operations in Singapore.

Overseas Education Limited and Subsidiary Companies

**E. Notes to the condensed interim consolidated financial statements**  
**For the six-month financial period ended 2025**

**5. Revenue**

(a) *Disaggregation of revenue*

|  | Tuition fees |             | Registration fees |             | School shop,<br>Enrichment programme,<br>Interest income and<br>Other income |             | Total revenue |             |
|--|--------------|-------------|-------------------|-------------|--|-------------|---------------|-------------|
|  | 30 Jun 2025  | 30 Jun 2024 | 30 Jun 2025       | 30 Jun 2024 | 30 Jun 2025  | 30 Jun 2024 | 30 Jun 2025   | 30 Jun 2024 |
|  | S\$'000      | S\$'000     | S\$'000           | S\$'000     | S\$'000  | S\$'000     | S\$'000       | S\$'000     |
| <b>Timing of transfer of<br/>goods or services</b> |              |             |                   |             |  |             |               |             |
| At a point in time                                 | —            | —           | —                 | —           | 161  | 171         | 161           | 171         |
| Over time  | 41,588       | 43,778      | 554               | 613         | 847  | 984         | 42,989        | 45,375      |
|  | 41,588       | 43,778      | 554               | 613         | 1,008  | 1,155       | 43,150        | 45,546      |

(b) *Judgement and methods used in recognising revenue*

Tuition fees and enrichment programme

Tuition fees and enrichment programme are recognised over the duration of the course on a straight-line basis.

Estimating average student life for registration fees recognition over time

The Group charges non-refundable registration fees to new students who register with the school. The performance obligation is determined to be satisfied over the estimated student life in the school. Management estimates the average student life in the school by taking historical data of student enrolment over the past 5 years and compute the average number of years each student spends with the school. A reassessment of the average student life is conducted on an annual basis.

## Overseas Education Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements For the six-month financial period ended 2025

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#### 6. Profit before taxation

##### 6.1 Significant items

|   | 30 Jun 2025<br>S\$'000 | 30 Jun 2024<br>S\$'000 |
|---|------------------------|------------------------|
| Salaries and bonuses                              | 21,550                 | 20,791                 |
| Central Provident Fund contributions              | 1,273                  | 1,135                  |
| Staff medical insurance                           | 477                    | 400                    |
| Other short term benefits                         | 2,379                  | 2,477                  |
| Recovery of staff rental                          | (992)                  | (965)                  |
| Property tax                                      | 958                    | 958                    |
| Gain on disposal of property, plant and equipment | (1)                    | (7)                    |
| Impairment loss on trade receivables              | 39                     | 53                     |
| Directors' fees                                   | 266                    | 245                    |
| Foreign exchange loss                             | 3                      | 0                      |
| Teaching materials                                | 225                    | 268                    |
| Transport services                                | 500                    | 554                    |
| Fair value loss/(gain) on derivatives             | 1,065                  | (289)                  |
| Bank charges                                      | 218                    | 192                    |
| Finance costs include:                            |                        |                        |
| Loan interest expense                             | 1,598                  | 1,962                  |
| Interest expense on lease liabilities             | 106                    | 143                    |
| Other finance costs                               | 58                     | 59                     |
|   | 1,762                  | 2,164                  |

##### 6.2 Related party transactions

Apart from recurring directors' fees, directors' remuneration and key management personnel and related party remuneration, there are no other material related party transactions.

## Overseas Education Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements For the six-month financial period ended 2025

#### 7. Income tax expense

The Group calculates the income tax expense using the tax rate that would be applicable to the expected total earnings for the period. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income for the financial period ended 30 June are:

|  | 2025<br>S\$'000 | 2024<br>S\$'000 |
|--|-----------------|-----------------|
| <b>Statement of comprehensive income:</b>                              |                 |                 |
| Current income tax:  |                 |                 |
| - Current period income taxation                                       | 1,323           | 1,882           |
|  | 1,323           | 1,882           |
| Deferred income tax (Note 16):   |                 |                 |
| - Origination and reversal of temporary differences                    | (365)           | (253)           |
|  |                 |                 |
| Income tax expense recognised in the statement of comprehensive income | 958             | 1,629           |

#### 8. Earnings per share

The basic and diluted earnings per share are calculated by dividing net profit after taxation attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

The Company did not issue any dilutive potential ordinary shares during the current and previous financial periods.

The following table reflects the profit and share data used in the computation of basic and diluted earnings per share for the period ended 30 June:

|   | 2025<br>'000 | 2024<br>'000 |
|---|--------------|--------------|
| Net profit for the period attributable to owners of the Company                                 | S\$1,180     | S\$5,254     |
| Weighted average number of ordinary shares for basic and diluted earnings per share computation | 415,364      | 415,364      |
| Earnings per share (cents)  |              |              |
| - Basic and diluted   | 0.3          | 1.3          |

Overseas Education Limited and Subsidiary Companies

**E. Notes to the condensed interim consolidated financial statements**  
**For the six-month financial period ended 30 June 2025**

**9. Property, plant and equipment**

| Group                                     | Leasehold<br>land<br>S\$'000 | School buildings, plant and equipment |  |                      |                              |                                       | Total for school<br>buildings, plant<br>and equipment<br>S\$'000 | Total<br>S\$'000 |
|---|------------------------------|---------------------------------------|--|----------------------|------------------------------|---------------------------------------|--|------------------|
|   |                              | School<br>buildings<br>S\$'000        | School plant<br>and equipment<br>S\$'000 | Computers<br>S\$'000 | Motor<br>vehicles<br>S\$'000 | Library books<br>and media<br>S\$'000 |  |                  |
| <b>Cost</b>                               |                              |                                       |  |                      |                              |                                       |  |                  |
| At 1 January 2024                         | 37,100                       | 182,788                               | 71,349                                   | 5,664                | 874                          | 3,188                                 | 263,863  | 300,963          |
| Additions                                 | –                            | –                                     | 534                                      | 445                  | 200                          | 101                                   | 1,280  | 1,280            |
| Disposals/write-off                       | –                            | –                                     | (485)                                    | (1,078)              | (90)                         | (29)                                  | (1,682)  | (1,682)          |
| At 31 December 2024 and<br>1 January 2025 | 37,100                       | 182,788                               | 71,398                                   | 5,031                | 984                          | 3,260                                 | 263,461  | 300,561          |
| Additions                                 | –                            | –                                     | 83                                       | 57                   | –                            | 45                                    | 185  | 185              |
| Disposals/write-off                       | –                            | –                                     | (1,065)                                  | (593)                | (68)                         | (2,120)                               | (3,846)  | (3,846)          |
| At 30 June 2025                           | 37,100                       | 182,788                               | 70,416                                   | 4,495                | 916                          | 1,185                                 | 259,800  | 296,900          |
| <b>Accumulated depreciation</b>           |                              |                                       |  |                      |                              |                                       |  |                  |
| At 1 January 2024                         | 12,985                       | 31,074                                | 34,038                                   | 4,420                | 323                          | 2,853                                 | 72,708   | 85,693           |
| Charge for the year                       | 1,237                        | 3,656                                 | 3,269                                    | 442                  | 205                          | 115                                   | 7,687  | 8,924            |
| Disposals/write-off                       | –                            | –                                     | (441)                                    | (1,066)              | (75)                         | (29)                                  | (1,611)  | (1,611)          |
| At 31 December 2024 and<br>1 January 2025 | 14,222                       | 34,730                                | 36,866                                   | 3,796                | 453                          | 2,939                                 | 78,784   | 93,006           |
| Charge for the period                     | 618                          | 1,828                                 | 1,629                                    | 196                  | 96                           | 56                                    | 3,805  | 4,423            |
| Disposals/write-off                       | –                            | –                                     | (1,043)                                  | (592)                | (56)                         | (2,120)                               | (3,811)  | (3,811)          |
| At 30 June 2025                           | 14,840                       | 36,558                                | 37,452                                   | 3,400                | 493                          | 875                                   | 78,778   | 93,618           |
| <b>Net carrying values</b>                |                              |                                       |  |                      |                              |                                       |  |                  |
| At 30 June 2025                           | 22,260                       | 146,230                               | 32,964                                   | 1,095                | 423                          | 310                                   | 181,022  | 203,282          |
| At 31 December 2024                       | 22,878                       | 148,058                               | 34,532                                   | 1,235                | 531                          | 321                                   | 184,677  | 207,555          |

Depreciation expense in the condensed consolidated statement of comprehensive income comprises S\$4,423,000 (30 Jun 2024: S\$4,451,000) of depreciation of property, plant and equipment and S\$2,673,000 (30 Jun 2024: S\$2,515,000) of depreciation of right-of-use assets. During the period, an amount of S\$992,000 (30 Jun 2024: S\$965,000) related to the recovery of staff rental has been offset against the depreciation of right-of-use assets. For the condensed consolidated statement of cash flows, the depreciation expense comprises S\$4,423,000 (30 Jun 2024: S\$4,451,000) of depreciation of property, plant and equipment and S\$2,673,000 (30 Jun 2024: S\$2,515,000) of depreciation of right-of-use assets.

Overseas Education Limited and Subsidiary Companies

**E. Notes to the condensed interim consolidated financial statements**  
**For the six-month financial period ended 30 June 2025**

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

| <b>Company</b>  | <b>Motor<br/>vehicles<br/>S\$'000</b> | <b>Computers<br/>S\$'000</b> | <b>Total<br/>S\$'000</b> |
|---|---------------------------------------|------------------------------|--------------------------|
| <b>Cost</b>   |                                       |                              |                          |
| At 1 January 2024                                       | 155                                   | —                            | 155                      |
| Additions   | 87                                    | —                            | 87                       |
| Disposals/write-off                                     | (76)                                  | —                            | (76)                     |
| At 31 December 2024, 1 January 2025 and<br>30 June 2025 | 166                                   | —                            | 166                      |
| <b>Accumulated depreciation</b>                         |                                       |                              |                          |
| At 1 January 2024                                       | 67                                    | —                            | 67                       |
| Charge for the year                                     | 34                                    | —                            | 34                       |
| Disposals   | (61)                                  | —                            | (61)                     |
| At 31 December 2024 and 1 January 2025                  | 40                                    | —                            | 40                       |
| Charge for the period                                   | 21                                    | —                            | 21                       |
| At 30 June 2025   | 61                                    | —                            | 61                       |
| <b>Net carrying values</b>                              |                                       |                              |                          |
| At 30 June 2025   | 105                                   | —                            | 105                      |
| At 31 December 2024                                     | 126                                   | —                            | 126                      |

**10. Derivatives**

|                            | <b>Group</b>                           |                              | <b>Group</b>                           |                          |
|----------------------------|--|------------------------------|--|--------------------------|
|                            | <b>30 Jun 2025</b>                     |                              | <b>31 Dec 2024</b>                     |                          |
|                            | <b>Notional<br/>amount<br/>S\$'000</b> | <b>Liability<br/>S\$'000</b> | <b>Notional<br/>amount<br/>S\$'000</b> | <b>Asset<br/>S\$'000</b> |
| <b>Interest rate swaps</b> | 48,085                                 | (231)                        | 49,918                                 | 834                      |
| - Current                  |  | (24)                         |  | 85                       |
| - Non-current              |  | (207)                        |  | 749                      |
|                            |  | (231)                        |  | 834                      |

## Overseas Education Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2025

#### 10. Derivatives (cont'd)

In 2022, the Group entered into interest rate swaps with a financial institution with notional amount of S\$60,000,000 to partially hedge its exposure to interest rate risk on its variable rate borrowings from the same financial institution. The interest rate swaps entitle the Group to receive, on a quarterly basis, floating interest equal to prevailing SORA and pay a fixed rate of interest at rates ranging from 1.74% to 1.86% (2024: 1.74% to 1.86%) per annum. The interest rate swaps mature on 16 February 2027.

The carrying value of the derivatives approximates their fair values at 30 June 2025 based on the methods and assumptions used to estimate their fair values as set out in Note 20. The Group does not apply hedge accounting and records interest rate swaps at fair value with changes in value recorded in profit or loss.

#### 11. Trade receivables

|  | <b>Group</b>       |                    |
|--|--------------------|--------------------|
|  | <b>30 Jun 2025</b> | <b>31 Dec 2024</b> |
|  | <b>S\$'000</b>     | <b>S\$'000</b>     |
| Trade receivables                                | 2,799              | 1,123              |
| Less: Allowance for expected credit losses       | (181)              | (142)              |
| Total financial assets carried at amortised cost | 2,618              | 981                |

Trade receivables are non-interest bearing. Trade receivables relating to tuition fees are due one month before semester commences while other trade receivables are generally due immediately. They are recognised at their original invoice amounts which represent their fair values on initial recognition. All trade receivables are denominated in Singapore Dollars.

|  | <b>Group</b>       |                    |
|--|--------------------|--------------------|
|  | <b>30 Jun 2025</b> | <b>31 Dec 2024</b> |
|  | <b>S\$'000</b>     | <b>S\$'000</b>     |
| <u>Expected credit losses</u>          |                    |                    |
| Movements in allowance for impairment: |                    |                    |
| At beginning of the period/year        | 142                | 161                |
| Charge for the period/year             | 39                 | 24                 |
| Write-off during the period/year       | —                  | (28)               |
| Write-back during the period/year      | —                  | (15)               |
| At end of the period/year              | 181                | 142                |

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

#### 12. Amount due from subsidiary

As at 31 December 2024, the amount due from subsidiary of S\$4,000,000 pertained to financial year 2024 interim dividend declared by the subsidiary and received in January 2025.



## Overseas Education Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2025

#### 13. Cash and cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise the following balance sheet amounts:

|                             | <b>Group</b>       |                    | <b>Company</b>     |                    |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|
|                             | <b>30 Jun 2025</b> | <b>31 Dec 2024</b> | <b>30 Jun 2025</b> | <b>31 Dec 2024</b> |
|                             | <b>S\$'000</b>     | <b>S\$'000</b>     | <b>S\$'000</b>     | <b>S\$'000</b>     |
| Cash at bank                | 13,233             | 18,939             | 810                | 458                |
| Fixed deposit               | 19,722             | 35,044             | 4,007              | 4,800              |
| Less: Other long term asset | (334)              | (334)              | —                  | —                  |
| Cash and cash equivalents   | 32,621             | 53,649             | 4,817              | 5,258              |

Cash at bank earns interest at floating rates based on daily bank deposit rates. Fixed deposits earn interest rates ranging from 1.50% to 2.28% (31 December 2024: 2.00% to 2.47%) per annum and matures within 3 months (31 December 2024: 3 months).

Included in cash at bank is an amount of S\$334,000 (31 Dec 2024: S\$334,000) placed with a bank to secure a banker's guarantee issued to a government authority for a proposed road widening project beside the school campus. The project is currently on-hold. This amount is expected to be placed with the bank for a duration of more than one year.

#### 14. Fees received in advance

Fees received in advance (current) refer to both registration fees and tuition fees billed and received for the new semester. Fees received in advance (non-current) refer to the registration fees received and to be recognised over the estimated average student life in the school.

|   | <b>Group</b>       |                    |
|---|--------------------|--------------------|
|   | <b>30 Jun 2025</b> | <b>31 Dec 2024</b> |
|   | <b>S\$'000</b>     | <b>S\$'000</b>     |
| Current – Tuition fee and registration fee    | 14,263             | 32,047             |
| Non-current (1 to 3 years) – Registration fee | 591                | 505                |
|   | 14,854             | 32,552             |

Fees received in advance are recognised as revenue as the Group fulfils its performance obligation under the contracts.

## Overseas Education Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2025

#### 15. Borrowings

|                                 | Group              |                    | Company     |             |
|---------------------------------|--------------------|--------------------|-------------|-------------|
|                                 | 30 Jun 2025        | 31 Dec 2024        | 30 Jun 2025 | 31 Dec 2024 |
|                                 | S\$'000            | S\$'000            | S\$'000     | S\$'000     |
| <b>Current liabilities:</b>     |                    |                    |             |             |
| Borrowings                      |                    |                    |             |             |
| - Bank loan                     | 6,160              | 6,160              | —           | —           |
| - Interest payable              | 656                | 864                | —           | —           |
| Less: Facility fee              | (118)              | (118)              | —           | —           |
|                                 | 6,698              | 6,906              | —           | —           |
| <b>Non-current liabilities:</b> |                    |                    |             |             |
| Borrowings                      |                    |                    |             |             |
| - Bank loan                     | 74,630             | 77,710             | —           | —           |
| Less: Facility fee              | (324)              | (383)              | —           | —           |
|                                 | 74,306             | 77,327             | —           | —           |
| Total borrowings                | 81,004             | 84,233             | —           | —           |
|                                 | <b>30 Jun 2025</b> | <b>30 Jun 2024</b> |             |             |
|                                 | S\$'000            | S\$'000            |             |             |
| <b>Finance costs</b>            |                    |                    |             |             |
| Loan interest expense           | 1,598              | 1,962              |             |             |

On 16 April 2019, the Group entered into a 10-year bank term loan agreement of S\$117,750,000 with maturity on 15 April 2029 to fully redeem the outstanding Company's bonds. The loan is unsecured, payable in quarterly instalments of S\$1,540,000, with a final payment of outstanding loan balance upon maturity. The loan bears interest at average rates ranging from 3.9% to 4.9% (31 Dec 2024: 4.9% to 5.6%) per annum during the period. Any amount of the loan outstanding at the end of the 10-year term is subject to further refinancing. Loan interest expense is computed based on the effective interest method.

Overseas Education Limited and Subsidiary Companies

E. Notes to the condensed interim consolidated financial statements  
For the six-month financial period ended 30 June 2025

16. Deferred tax liabilities

|   | Group                                   |             | Group  |             |
|---|---|-------------|--|-------------|
|   | Condensed consolidated<br>Balance sheet |             | Condensed consolidated<br>statement of<br>comprehensive income |             |
|   | 30 Jun 2025                             | 31 Dec 2024 | 30 Jun 2025  | 30 Jun 2024 |
|   | S\$'000                                 | S\$'000     | S\$'000  | S\$'000     |
| <b>Deferred tax assets</b>  |   |             |  |             |
| Provisions, unabsorbed capital allowances, and unearned registration fees | (283)                                   | (284)       | 1  | 27          |
| <b>Deferred tax liabilities</b>   |   |             |  |             |
| Differences in depreciation and amortisation for tax purposes             | 5,326                                   | 5,692       | (366)  | (280)       |
| Deferred tax liabilities (net)  | 5,043                                   | 5,408       | (365)  | (253)       |

17. Share capital

|                                  | Group and Company           |                        |                             |                        |
|----------------------------------|-----------------------------|------------------------|-----------------------------|------------------------|
|                                  | Number<br>of shares<br>'000 | 30 Jun 2025<br>S\$'000 | Number<br>of shares<br>'000 | 31 Dec 2024<br>S\$'000 |
| At 1 January and closing balance | 415,364                     | 99,253                 | 415,364                     | 99,253                 |

The Company did not hold any treasury shares or outstanding convertibles as at 30 June 2025 and 31 December 2024. The Company's subsidiaries do not hold any shares in the Company as at 30 June 2025 and 31 December 2024.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

## Overseas Education Limited and Subsidiary Companies

### E. Notes to the condensed interim consolidated financial statements For the six-month financial period ended 30 June 2025

#### 18. Other reserves

|                                      | Group       |             |
|--------------------------------------|-------------|-------------|
|                                      | 30 Jun 2025 | 31 Dec 2024 |
|                                      | S\$'000     | S\$'000     |
| Merger reserve                       | (26,171)    | (26,171)    |
| Foreign currency translation reserve | 1           | 1           |
| At closing balance                   | (26,170)    | (26,170)    |

Merger reserve represents the difference between the consideration paid by the Company and the share capital of the subsidiaries acquired under common control during the year ended 31 December 2011, following the application of the pooling of interest method. This reserve will remain until the subsidiaries are disposed.

#### 19. Dividends

|   | 30 Jun 2025 | 30 Jun 2024 |
|---|-------------|-------------|
|   | S\$'000     | S\$'000     |
| Paid during the financial period                      |             |             |
| - Final exempt (one-tier) dividend for 2024: S\$0.012 |             |             |
| (2023: S\$0.013) per share                            | 4,984       | 5,400       |

#### 20. Fair value of financial instruments

##### *Fair values*

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Management has determined that the carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables, and bank borrowings reasonably approximate their fair values because these are mostly short term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The fair values of the non-current deposits, staff housing deposits and other long term asset approximate their carrying value and are estimated using the discounted estimated cash flow analysis. Where repayment terms are not fixed, future cash flows are projected based on management's best estimates. The discount rates used are the current market incremental lending rates for similar types of lending and borrowing arrangements.

##### **A. Fair value hierarchy**

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

**E. Notes to the condensed interim consolidated financial statements**  
**For the six-month financial period ended 30 June 2025**

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**20. Fair value of financial instruments (cont'd)*****Fair values (cont'd)***

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

**B. Assets measured at fair value**

| <b>Group</b>                | <b>Note</b> | <b>Significant<br/>observable<br/>inputs other<br/>than quoted<br/>prices<br/>(Level 2)<br/>S\$'000</b> | <b>Total<br/>S\$'000</b> |
|-----------------------------|-------------|---|--------------------------|
| <b>30 June 2025</b>         |             |   |                          |
| <b>Financial liability:</b> |             |   |                          |
| Derivatives                 |             |   |                          |
| - Interest rate swaps       | 10          | (231)   | (231)                    |
| <b>31 Dec 2024</b>          |             |   |                          |
| <b>Financial asset:</b>     |             |   |                          |
| Derivatives                 |             |   |                          |
| - Interest rate swaps       | 10          | 834   | 834                      |

**Methods and assumptions used to determine fair values**

Interest rate swaps are valued using a valuation technique with market observable inputs, primarily forward rate curve and discount rate curve. The most frequently applied valuation technique includes swap models, using present value calculations.

**21. Subsequent events**

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

## Overseas Education Limited and Subsidiary Companies

### F. Other information required by Listing Rule Appendix 7.2

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1. Whether the figures have been audited or reviewed and in accordance with which audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

2. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

3. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion: (a) updates on the efforts taken to resolve each outstanding audit issue; (b) confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and computation methods used in the preparation of the financial statements for the current reporting period compared with the audited financial statements as at 31 December 2024, except for the adoption of the new and revised Singapore Financial Reporting Standards (International) (SFRS(I)) which became effective for the financial periods beginning on or after 1 January 2025.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The adoption of the new and revised accounting standards referred to in preceding paragraph 4 did not give rise to any significant changes to the financial performance or position of the Group.

6. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

|   | Group                         |                               | Company                       |                               |
|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|   | As at<br>30 Jun 2025<br>cents | As at<br>31 Dec 2024<br>cents | As at<br>30 Jun 2025<br>cents | As at<br>31 Dec 2024<br>cents |
| Net asset value per ordinary<br>share based on issued share<br>capital at the end of the<br>period/year reported on | 32.3                          | 33.3                          | 25.5                          | 26.5                          |

## **Overseas Education Limited and Subsidiary Companies**

### **F. Other information required by Listing Rule Appendix 7.2**

7. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

#### **Review of performance**

##### **Review of Income statement**

The Group recorded total revenue of \$43.15 million for the first half year ended 30 June 2025 (H1 2025) compared to \$45.55 million for the corresponding period ended 30 June 2024 (H1 2024).

Details of revenue lines are as follows:

Revenue from tuition fees was lower at \$41.59 million in H1 2025 compared to \$43.78 million in H1 2024 due to lower than expected new student enrolment for the current financial period reported on.

Revenue from registration fees was \$0.55 million in H1 2025 compared to \$0.61 million in H1 2024.

School shop revenue at \$0.15 million in H1 2025 was comparable to H1 2024.

Enrichment programme revenue was \$0.56 million in H1 2025 compared to \$0.58 million in H1 2024.

Interest income decreased to \$0.29 million in H1 2025 compared to \$0.41 million in H1 2024 due to lower prevailing interest rates in H1 2025.

Operating expenses before depreciation and amortisation was higher at \$33.66 million in H1 2025 compared to \$32.75 million in H1 2024.

Details of expenses are as follows:

Personnel expenses were \$25.68 million in H1 2025 compared to \$24.80 million in H1 2024. The increase was mainly due to adjustments to faculty staff headcount and related expenses.

School shop costs were \$0.10 million in H1 2025 compared to \$0.08 million in H1 2024.

Enrichment programme costs at \$0.39 million in H1 2025 were comparable to H1 2024.

Utilities expenses were lower at \$0.64 million in H1 2025 compared to \$0.70 million in H1 2024.

Upkeep and maintenance expenses were \$1.09 million in H1 2025 compared to \$0.82 million in H1 2024.

Finance costs were lower at \$1.76 million in H1 2025 compared to \$2.16 in H1 2024 due to lower prevailing interest rates on lower outstanding loan in H1 2025.

Other operating expenses were higher at \$4.00 million in H1 2025 compared to \$3.79 million in H1 2024 due mainly to costs inflation.

## **Overseas Education Limited and Subsidiary Companies**

### **F. Other information required by Listing Rule Appendix 7.2**

Depreciation and amortisation expenses were marginally higher at \$6.29 million in H1 2025 compared to \$6.20 million in H1 2024.

The Group recorded a fair value loss of \$1.07 million in H1 2025 compared to a gain of \$0.29 million in H1 2024. The fair value reversal and movement arose from fair value changes of the interest-rate-swap contracts that the Group entered to hedge against rising interest rates on bank borrowings. More information is provided in Note 10 of the Condensed Interim Consolidated Financial Statements.

Profit before taxation was \$2.14 million in H1 2025 compared to \$6.88 million in H1 2024.

Income tax expense was \$0.96 million in H1 2025 compared to \$1.63 million in H1 2024. The H1 2025 income tax expense comprised the provision for current tax of \$1.32 million and reversal of net deferred tax of \$0.36 million. The income tax expense in H1 2024 comprised the current tax of \$1.88 million and reversal of net deferred tax of \$0.25 million.

Net profit after taxation was \$1.18 million in H1 2025 compared to \$5.25 million in H1 2024.

#### **Review of Balance Sheet as at 30 June 2025**

Total property, plant and equipment and right-of-use assets at 30 June 2025 amounted to \$206.48 million compared to \$212.12 million at 31 December 2024. The decrease of \$5.64 million was due mainly to the depreciation charge for the reporting period, offset by the additional right-of-use assets of \$1.89 million during the reporting period.

Derivatives liabilities (current and non-current) at 30 June 2025 amounted to \$0.23 million compared to derivatives assets of \$0.83 million at 31 December 2024. The fair value reversal and movement arose from fair value changes of the interest-rate-swap contracts that the Group entered to hedge against rising interest rates on bank borrowings. Please refer to Note 10 of the Condensed Interim Consolidated Financial Statements for further details.

Inventories for school uniforms, books and stationery supplies for sale at the school shop of \$0.49 million at 30 June 2025 was comparable to 31 December 2024.

Trade receivables comprised amounts attributable to tuition fees, registration fees, school shop revenue and other revenue. Trade receivables at 30 June 2025 were higher at \$2.62 million compared to \$0.98 million at 31 December 2024 due mainly to the timing of collection of the receivables.

Other receivables and deposits were \$0.36 million at 30 June 2025 compared to \$0.57 million at 31 December 2024.

Prepayments were \$1.27 million at 30 June 2025 compared to \$1.74 million at 31 December 2024.

The Group's cash and cash equivalents amounted to \$32.62 million at 30 June 2025 and \$53.65 million at 31 December 2024. The decrease was due to cash used in operating, investing and financing activities as explained in the Review of Group cash flow section below.

Trade and other payables and liabilities were higher at \$1.42 million at 30 June 2025 compared to \$1.33 million at 31 December 2024 due mainly to timing of payments of operating expenses.



## **Overseas Education Limited and Subsidiary Companies**

### **F. Other information required by Listing Rule Appendix 7.2**

Total fees received in advance (current and non-current) was \$14.85 million at 30 June 2025 and \$32.55 million at 31 December 2024. Total fees received in advance at 30 June 2025 and 31 December 2024 comprised tuition fees collected before the commencement of the next semester in August and January 2025 respectively, and registration fees collected upon enrolment. As at 30 June 2025, the tuition fees for the new semester commencing in August 2025 were not due yet.

Lease liabilities (current and non-current) were \$3.24 million at 30 June 2025 compared to \$4.66 million at 31 December 2024. The variation in the lease liabilities was due to the expiration and renewal for teachers' apartments.

Borrowings - Bank Loan (current and non-current) was reduced to \$81.00 million at 30 June 2025 compared to \$84.23 million at 31 December 2024 due to the payments of quarterly instalments in January and April 2025. More information on the bank loan facility is disclosed in Note 15 of the Condensed Interim Consolidated Financial Statements.

Goods and Services Tax payable of \$3.38 million and \$3.45 million at 30 June 2025 and 31 December 2024 respectively arose mainly from the billing of next semester's tuition fees.

Deferred tax liabilities amounted to \$5.04 million at 30 June 2025 compared to \$5.41 million at 31 December 2024. The net deferred tax liabilities arose from the tax effect on temporary differences between the net book value and the tax-written-down-value of qualifying assets.

#### **Review of Group cash flow for the first half year ended 30 June 2025**

The net cash used in operating activities in H1 2024 was \$8.13 million, which consisted of cash inflow from operating activities before working capital changes of \$11.96 million, net working capital outflow of \$18.89 million and interest received of \$0.29 million, income tax paid of \$1.38 million and lease interest paid of \$0.11 million.

The above-mentioned net working capital outflow of \$18.89 million arose mainly from the cash outflow relating to the decrease in trade payables, other payables and liabilities and fees received in advance (current and non-current) of \$17.75 million. There were also the cash outflows from the increase in trade receivables of \$1.64 million.

The net cash used in investing activities of \$0.42 million was for the capital expenditure in the normal course of business.

The net cash used in financing activities of \$12.48 million comprised lease payments of \$2.72 million, payment of bank loan interest of \$1.70 million, bank loan repayment of \$3.08 million, and dividends payment of \$4.98 million during the reporting period.

8. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

## Overseas Education Limited and Subsidiary Companies

### F. Other information required by Listing Rule Appendix 7.2

9. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

The Group noted the global economic environment has become more volatile and uncertain, and geopolitical tensions remained unabated.

Under the present circumstances, the Group expects the foreign system schools' landscape and the operating environment to remain challenging and competitive.

#### 10. Dividend

- (a) Current financial period reported on

The directors do not recommend any declaration of interim dividend for the current financial period reported on.

The Company pays a final dividend as recommended by the Board and approved by the shareholders at the Annual General Meeting.

- (b) Corresponding period of the immediately preceding financial year

No dividend was declared for the corresponding period of the preceding financial year.

11. If the Group has obtained a general mandate from the shareholders for Interested Person Transactions (IPT), the aggregate value of such transactions as required under Rule 920(1) (a) (ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for IPTs.

12. Negative confirmation on interim financial results pursuant to Rule 705(5) of the Listing Manual.

The Directors of the Company confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the interim financial statements for the six months ended 30 June 2025 to be false or misleading in any material aspect.

## Overseas Education Limited and Subsidiary Companies

### F. Other information required by Listing Rule Appendix 7.2

#### 13. Disclosure of the status on the use of proceeds raised from IPO.

The Company raised net proceeds of S\$68,033,985 (after deducting IPO expenses of S\$3,966,015) from its IPO on 7 February 2013. The amount utilised as at the date of this report is as follows:

|   |            |
|---|------------|
| Total amount utilised for the building of a new school campus | 65,635,545 |
| Balance proceeds  | 2,398,440  |

It is intended that the balance \$2,398,440 of the IPO Proceeds also be used wholly towards the future capital expenditure for the school campus at 81 Pasir Ris Heights.

#### 14. Disclosure of confirmation of undertakings from Directors and Executive Officers pursuant to Rule 720(1) of the Listing Manual.

The Company has procured undertakings in the format set out in Appendix 7.7 from all its directors and executive officers under Rule 720(1) of the Listing Manual.

#### 15. Disclosures on acquisition and realisation of shares pursuant to Rule 706A of the Listing Manual.

There were no acquisitions or realisation of shares in any of the Group's subsidiary nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during H1 2025.

BY ORDER OF THE BOARD

Tan Swee Gek  
Company Secretary

14 August 2025