

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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TRUSTEES' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The Board of Trustees present their statement to the members together with the audited financial statements of Singapore University of Social Sciences ("SUSS") for the financial year ended 31 December 2025.

In the opinion of the Trustees:

- (a) the financial statements as set out on page 62 to 97 are drawn up so as to give a true and fair view of the financial position of SUSS as at 31 December 2025, and the financial performance, changes in funds and reserves and cash flows of SUSS for the financial year covered by the financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that SUSS will be able to pay its debts when they fall due.

TRUSTEES

The Trustees of SUSS in office at the date of this report are:

Ms Mildred Sim Beng Mei	(Chairman)
Professor Tan Tai Yong	(Ex-Officio)
Ms Aileen Tan Mee Ling	
Ms Ang Bee Lian	(Resigned on 1 January 2026)
Ms Margaret Lee Mui Pheng	
Mr Christopher Chong Chi Chuin	
Mr David Chua	(Resigned on 1 January 2026)
Ms Tinku Gupta	
Mr Shekaran S/O K Krishnan	
Mr Aaron Tan Wei Cheng	
Ms Wee Ai Ning	
Ms Chong Yiun Lin	
Ms Melissa Kwee Mei Wan	(Appointed on 15 February 2025)
Mr Kadir Maideen Bin Mohamed	(Appointed on 15 February 2025)

ARRANGEMENTS TO ENABLE TRUSTEES TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was SUSS a party to any arrangement whose object was to enable the trustees of SUSS to acquire benefits by means of the acquisition of shares in, or debentures of, SUSS or any other body corporate.

SUSS is a company limited by guarantee and has no share capital or debentures. Therefore, there are no matters to be disclosed under Section 9, Twelfth Schedule of the Companies Act 1967.

TRUSTEES' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

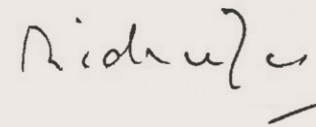
TRUSTEES' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no trustee of SUSS has received or become entitled to receive a benefit by reason of a contract made by SUSS or a related corporation with the Trustee, or with a firm of which the Trustee is a member, or with a company in which the trustee has a substantial financial interest.

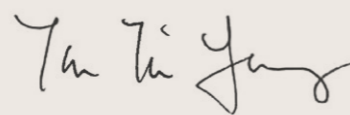
INDEPENDENT AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept reappointment.

On behalf of the Trustees



Ms Mildred Sim Beng Mei
Trustee



Professor Tan Tai Yong
Trustee

5 May 2026

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SINGAPORE UNIVERSITY OF SOCIAL SCIENCES

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OUR OPINION

In our opinion, the accompanying financial statements of Singapore University of Social Sciences ("SUSS") are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of SUSS as at 31 December 2025 and of the financial performance, changes in funds and reserves and cash flows of SUSS for the year ended on that date.

What we have audited

The financial statements of SUSS comprise:

- the statement of comprehensive income for the year ended 31 December 2025;
- the statement of financial position as at 31 December 2025;
- the statement of changes in funds and reserves for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information.

BASIS FOR OPINION

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of SUSS in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor's report thereon.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SINGAPORE UNIVERSITY OF SOCIAL SCIENCES

RESPONSIBILITIES OF MANAGEMENT AND THE TRUSTEES FOR THE FINANCIAL STATEMENTS

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

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

Those charged with governance comprises the Trustees. Their responsibilities include overseeing SUSS' financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SUSS' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SINGAPORE UNIVERSITY OF SOCIAL SCIENCES

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on SUSS' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause SUSS to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

During the course of our audit, nothing has come to our attention that causes us to believe that during the year:

- SUSS has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- SUSS has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 5 May 2026

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	General fund \$ '000	Endowment fund \$ '000	Other restricted funds \$ '000	Total \$ '000	General fund \$ '000	Endowment fund \$ '000	Other restricted funds \$ '000	Total \$ '000
Operating income	4	114,051	-	-	114,051	100,741	-	-	100,741
Operating expenditure									
Course expenditure		(115,650)	(1,481)	-	(117,131)	(112,174)	(863)	-	(113,037)
Employee benefits expense	5	(165,802)	-	-	(165,802)	(147,047)	-	-	(147,047)
Other operating expenditure	6	(48,331)	(1)	-	(48,332)	(40,428)	-	-	(40,428)
Total operating expenditure		(329,783)	(1,482)	-	(331,265)	(299,649)	(863)	-	(300,512)
Operating deficit		(215,732)	(1,482)	-	(217,214)	(198,908)	(863)	-	(199,771)
Non-operating income	7	7,761	-	-	7,761	3,279	-	-	3,279
Finance cost		(399)	-	-	(399)	(1,163)	-	-	(1,163)
Deficit before grant income and investment income		(208,370)	(1,482)	-	(209,852)	(196,792)	(863)	-	(197,655)
Grant income	8	229,106	-	-	229,106	216,047	-	-	216,047
Surplus before investment income		20,736	(1,482)	-	19,254	19,255	(863)	-	18,392
Net investment gains	9	20,143	43,935	-	64,078	18,738	42,127	-	60,865
Net surplus for the year, representing total comprehensive income for the financial year		40,879	42,453	-	83,332	37,993	41,264	-	79,257

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

STATEMENT OF FINANCIAL POSITION

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	NOTE	2025 \$'000	2024 \$'000
ASSETS			
Non-current assets			
Property, plant and equipment	11	24,154	10,868
Right-of-use assets	23	7,141	27,913
Financial assets at fair value through profit or loss	12	1,130,912	972,378
Total non-current assets		1,162,207	1,011,159
Current assets			
Derivative assets	13	1,135	-
Financial assets at fair value through profit or loss	12	30,620	52,605
Trade and other receivables	14	32,338	28,978
Prepayments		5,793	4,588
Grant receivables	15	115,141	29,605
Cash and bank balances	16	102,351	154,210
Total current assets		287,378	269,986
Total assets		1,449,585	1,281,145
LIABILITIES AND EQUITY			
Current liabilities			
Derivative liabilities	13	-	1,375
Trade and other payables	17	69,140	60,162
Course fees received in advance	4(b)	28,416	19,809
Grants received in advance	19	53,120	58,267
Lease liabilities	23	4,476	21,936
Total current liabilities		155,152	161,549
Net current assets		132,226	108,437
Non-current liabilities			
Lease liabilities	23	2,862	7,338
Deferred capital grants	18	1,951	1,410
Provision	24	3,721	3,779
Total non-current liabilities		8,534	12,527
Total liabilities		163,686	174,076
Net assets		1,285,899	1,107,069
Funds and reserves			
Accumulated surplus:			
General fund		550,143	509,264
Endowment fund	20	735,706	597,755
Other restricted funds	21	50	50
Total funds and reserves		1,285,899	1,107,069
Total liabilities and equity		1,449,585	1,281,145
Funds managed on behalf of Ministry of Education (MOE)	22	29,133	29,157

STATEMENT OF CHANGES IN FUNDS AND RESERVES

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	General fund Accumulated surplus \$'000	Capital \$'000	Endowment fund Accumulated surplus \$'000	Sub-total \$'000	Other restricted funds \$'000	Total \$'000
Balance at 1 January 2024	471,271	496,494	32,227	528,721	50	1,000,042
Net surplus, representing total comprehensive income for the financial year	37,993	-	41,264	41,264	-	79,257
Donations	-	27,770	-	27,770	-	27,770
Balance at 31 December 2024	509,264	524,264	73,491	597,755	50	1,107,069
Balance at 1 January 2025	509,264	524,264	73,491	597,755	50	1,107,069
Net surplus, representing total comprehensive income for the financial year	40,879	-	42,453	42,453	-	83,332
Donations	-	95,498	-	95,498	-	95,498
Balance at 31 December 2025	550,143	619,762	115,944	735,706	50	1,285,899

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

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	NOTE	2025 \$'000	2024 \$'000
Operating activities			
Net surplus for the financial year		83,332	79,257
<u>Adjustments for:</u>			
Depreciation expense of property, plant and equipment	6, 11	6,265	5,289
Depreciation expense of right-of-use assets	23	20,772	33,032
Interest income	9	(17,342)	(11,119)
Dividend income	9	(875)	(1,528)
Grant income	8	(229,106)	(216,047)
Loss on disposal of financial assets at fair value through profit or loss	9	1,861	12,750
Fair value gains on financial assets at fair value through profit or loss	9	(45,568)	(68,295)
Loss on disposal of plant and equipment	7	55	2,695
Loss allowance on trade and other receivables	14	-	19
Interest expense on lease liabilities	23	399	1,163
Unrealised foreign exchange (gain)/loss	9	(2,516)	4,105
Operating deficit before changes in working capital		(182,723)	(158,679)
<u>Changes in working capital:</u>			
Trade and other receivables		(1,603)	9,332
Prepayments		(1,205)	(342)
Course fees received in advance		8,607	(4,877)
Trade and other payables		6,774	(17)
Provisions		(58)	224
Net cash flows used in operating activities		(170,208)	(154,359)
Investing activities			
Purchase of plant and equipment		(17,402)	(6,664)
Proceeds from disposal of plant and equipment		-	106
Net purchase of financial assets at fair value through profit or loss		(92,836)	(264,657)
Interest received		15,585	14,549
Dividend income received	9	875	1,528
Withdrawal/(Deposit) of fixed deposits with maturity of more than 3 months from financial year end		1,899	(2,145)
Net cash flows used in investing activities		(91,879)	(257,283)
Cash flows from financing activities			
Donations received for endowment fund	20	95,498	27,770
Interest paid	23	(399)	(1,163)
Payment of principal portion of lease liabilities	23	(21,936)	(33,677)
Grants received		138,964	231,113
Net cash flows provided by financing activities		212,127	224,043
Net decrease in cash and cash equivalents		(49,960)	(187,599)
Cash and cash equivalents at beginning of financial year		148,424	336,023
Cash and cash equivalents at end of financial year	16	98,464	148,424

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

1. General information

Singapore University of Social Sciences ("SUSS") is incorporated in Singapore as a company limited by guarantee.

The registered office and principal place of business is located at 463 Clementi Road, Singapore 599494.

The principal activities of SUSS are those relating to the advancement of education and dissemination of knowledge, the promotion of research and the conferring and awarding of degrees, diplomas and certificates

2. Material accounting policy information

2.1 Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act, Singapore Financial Reporting Standards ("FRS") and the Charities Act.

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or \$'000) which is the functional currency of SUSS.

2.2 Adoption of new and amended standards

On 1 January 2025, SUSS has adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the SUSS's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to SUSS's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.3 Standards issued but not yet effective

SUSS has not adopted the following standards that have been issued but not yet effective:

Amendments to FRS 109 and FRS 107:	
<i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvements to FRS - Volume 11	1 January 2026
FRS 118: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
FRS 119: <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027

The Trustees expect that the adoption of the standards above will have no material impact on the financial statements in the financial year of initial application, except for the adoption of FRS 118.

FRS 118 replaces FRS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though FRS 118 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance (comprising the statement of comprehensive income) and providing management-defined performance measures within the financial statements.

Management is currently assessing the implications of applying the new standard on the financial statements of SUSS.

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of SUSS and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated on a straight-line basis over the estimated useful lives as follows:

Office equipment, furniture and fittings (excluding artifacts and paintings)	25%
Computers	33.33%
Leasehold improvements	25%
Motor vehicles	20%

Assets under construction included in computers are not depreciated as these assets are not yet available for use.

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

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

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

2.6 Impairment of non-financial assets

Property, plant and equipment and right-of-use assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.6 Impairment of non-financial assets (continued)

Impairment losses are recognised in the statement of comprehensive income.

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

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

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

At initial recognition, SUSS 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 that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of comprehensive income.

Trade receivables are measured at the amount of consideration to which SUSS expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on SUSS' business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.7 Financial instruments (continued)

(a) Financial assets (continued)

Subsequent measurement (continued)

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in income and expenditure when the assets are derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(ii) Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in income and expenditure. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to income and expenditure as a reclassification adjustment when the financial asset is de-recognised.

(iii) Fair value through profit or loss (FVTPL)

Debt instruments that are held for trading as well as those that do not meet the criteria for amortised cost or Fair value through other comprehensive income are measured at FVTPL. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in income and expenditure in the period in which it arises.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.7 Financial instruments (continued)

(a) Financial assets (continued)

Subsequent measurement (continued)

Investments in equity instruments

SUSS subsequently measures all its equity investments at their fair values. Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in income and expenditure. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

Derecognition

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

(b) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.7 Financial instruments (continued)

(b) Financial liabilities (continued)

Derecognition

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

(c) Derivatives financial instruments

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

2.8 Impairment of financial assets

SUSS recognises an allowance for expected credit losses ("ECLs") 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 SUSS expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

For trade receivables, SUSS applies a simplified approach in calculating ECLs. Therefore, SUSS does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. SUSS 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 which could affect debtors' ability to pay.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.8 Impairment of financial assets (continued)

SUSS considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, SUSS may also consider a financial asset to be in default when internal or external information indicates that SUSS is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by SUSS. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, fixed deposits, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.10 Revenue

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

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

(a) Application fees

Application fees are recognised in the statement of comprehensive income when received.

(b) Course and executive seminar fees

Course and executive seminar fees are recognised over the duration of the programmes.

(c) Donations and sponsorships

Donations and sponsorships are recognised in the financial year they are received.

(d) Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.11 Provisions

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

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.12 Government grants

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

Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to the statement of comprehensive income over the expected useful life of the relevant asset. Deferred capital grants are recognised in the statement of comprehensive income over the period necessary to match the depreciation of the related assets purchased with the grants.

Other grants recognised in respect of the current year's operating expenses are recognised as income in the same period. Such grants which are received but not utilised are included in the grants received in advance account. Grants are accounted for on an accrual basis.

2.13 Employee benefits

(a) Defined contribution plan

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state-managed schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where SUSS' obligations under the plans are equivalent to those arising in a defined contribution plan.

(b) Employee leave entitlement

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.14 Leases

SUSS assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

As lessee

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

(a) Right-of-use assets

SUSS recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Depreciation of right-of-use assets is calculated on a straight-line basis over the estimated useful lives as follows:

Buildings	Over the lease term
-----------	---------------------

If ownership of the leased asset transfers to SUSS at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.6.

(b) Lease liabilities

At the commencement date of the lease, SUSS recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by SUSS and payments of penalties for terminating the lease, if the lease term reflects SUSS exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. Material accounting policy information (continued)

2.14 Leases (continued)

(b) Lease liabilities (continued)

SUSS has elected to not separate lease and non-lease components for its leases and account these as one single lease component.

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

(c) Short-term leases and leases of low-value assets

SUSS applies the short-term lease recognition exemption to its short-term leases of assets (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

3. Significant accounting judgements and estimates

The preparation of SUSS' financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods. The Trustees are of the opinion that there is no significant judgement made in applying accounting policies and there is no estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. Operating income

(a) Disaggregation of revenue

	2025 \$'000	2024 \$'000
Major service lines		
Course fees	104,217	91,991
Application fees	1,178	1,291
Executive seminar fees	5,968	5,687
Others	2,688	1,772
	114,051	100,741
Timing of transfer of goods or services		
Over time	110,185	97,678
At a point in time	3,866	3,063
	114,051	100,741

(b) Course fees received in advance

Information about course fees received in advance from contracts with customers is disclosed as follows:

	31.12.2025 \$'000	31.12.2024 \$'000	1.1.2024 \$'000
Course fees received in advance:	28,416	19,809	24,686

Course fees received in advance primarily relate to SUSS' obligation to transfer services to students for which SUSS has received advanced payment from students for sale of course services. Course fees received in advance are recognised as revenue as SUSS performs under the contract.

Revenue recognised in relation to course fees in advance

	2025 \$'000	2024 \$'000
Revenue recognised in current period that was included in the course fees received in advance balance at the beginning of the year	19,809	24,686

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5. Employee benefit expense

	2025 \$'000	2024 \$'000
Wages and salaries		
Contributions to Central Provident Fund	146,999	129,887
Other short-term benefits	13,914	12,852
	4,889	4,308
	165,802	147,047

6. Other Operating Expenditure

	2025 \$'000	2024 \$'000
Corporate service fees	9,930	10,923
Depreciation expense of property, plant and equipment	6,265	5,289
Business application fees	16,555	11,675
Other professional fees	6,675	4,399
Audit fees	92	92
Other audit-related fees	107	107
Other administrative expenses	8,708	7,943
	48,332	40,428

7. Non-Operating Income

	2025 \$'000	2024 \$'000
Donations received from third-parties	7,131	4,908
Loss on disposal/write-off of plant and equipment	(55)	(2,695)
Sundry income	685	1,066
	7,761	3,279

8. Grant Income

	2025 \$'000	2024 \$'000
Operating grants received/receivable	221,642	212,038
Grants utilised (Note 19)	6,794	3,369
Deferred capital grants amortised (Note 18)	670	640
	229,106	216,047

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

9. Net investment gains/(losses)

	2025 \$'000	2024 \$'000
Interest income	17,342	11,119
Dividend income	875	1,528
Unrealised foreign exchange gain/(loss)	2,516	(4,105)
Realised foreign exchange loss	(362)	(3,222)
Loss on disposal of financial assets at fair value through profit or loss	(1,861)	(12,750)
Fair value gains on financial assets at fair value through profit or loss (net of investment management expense)	45,568	68,295
	64,078	60,865

10. Taxation

As SUSS is a charity registered under the Charities Act, their income is not subject to tax under Section 13 of the Singapore Income Tax Act 1947.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

11. Property, plant and equipment

	Leasehold Improvements \$'000	Office equipment, furniture and fittings \$'000	Computers \$'000	Motor Vehicles \$'000	Total \$'000
Cost					
At 1 January 2024	8,565	6,135	53,961	185	68,846
Additions	4,094	1,115	1,869	–	7,078
Disposals/Write-off	–	(231)	(3,125)	(185)	(3,541)
At 31 December 2024	12,659	7,019	52,705	–	72,383
At 31 December 2024 and 1 January 2025	12,659	7,019	52,705	–	72,383
Additions	10,791	2,641	6,174	–	19,606
Disposals/Write-off	(1,114)	(408)	(1,061)	–	(2,583)
At 31 December 2025	22,336	9,252	57,818	–	89,406
Accumulated depreciation					
At 1 January 2024	4,820	5,655	46,306	185	56,966
Charge for the year	1,790	300	3,199	–	5,289
Disposals/Write-off	–	(230)	(325)	(185)	(740)
At 31 December 2024	6,610	5,725	49,180	–	61,515
At 31 December 2024 and 1 January 2025	6,610	5,725	49,180	–	61,515
Charge for the year	3,095	618	2,552	–	6,265
Disposals/Write-off	(1,106)	(401)	(1,021)	–	(2,528)
At 31 December 2025	8,599	5,942	50,711	–	65,252
Net carrying amount					
At 31 December 2024	6,049	1,294	3,525	–	10,868
At 31 December 2025	13,737	3,310	7,107	–	24,154

Property, plant and equipment includes assets under construction of \$4,534,000 (2024: \$3,120,000) which relates to expenditure for IT system enhancements classified under "Computers" category. During the financial year, \$4,148,000 (2024: \$15,330) of assets previously under construction are available for use and has commenced depreciation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

12. Financial assets at fair value through profit or loss

	2025 \$'000	2024 \$'000
At fair value:		
Quoted equity securities	38,328	195,989
Quoted unit trusts	791,461	626,543
Quoted debt securities	126,736	121,199
Unquoted other investments	205,007	81,252
	1,161,532	1,024,983

Set out below are the carry amounts of financial assets at fair value through profit of loss:

	2025 \$'000	2024 \$'000
Current	30,620	52,605
Non-current	1,130,912	972,378
	1,161,532	1,024,983

Financial assets at fair value through profit or loss which are presented as non-current assets as investments are not expected to be realised within 12 months after the end of the reporting period under the investment mandate of SUSS.

13. Derivative assets/(liabilities)

	2025 \$'000	2024 \$'000
Currency forwards	1,135	(1,375)

Derivative financial instruments comprise United States Dollar/Singapore Dollar currency forwards used in the currency hedging program which aims to reduce the foreign currency risks of the investment portfolio. The contracted notional principal amount of the derivative outstanding at balance sheet date is SGD\$150,647,000 (2024: SGD\$88,570,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

14. Trade and other receivables

	2025 \$'000	2024 \$'000
Course fee receivables	7,556	8,888
Interest receivable	3,243	1,486
Due from MOE	20,451	17,173
Deposits	312	519
Others	776	912
	32,338	28,978
Add: Cash and bank balances (Note 16)	102,351	154,210
Total financial assets at amortised cost	134,689	183,188

Course fee receivables are non-interest bearing and are generally on 30 days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Expected credit loss model

The movement in allowance for expected credit losses of trade receivables and computed based on lifetime ECL are as follows:

	2025 \$'000	2024 \$'000
Movement in allowance accounts:		
At 1 January	22	3
Loss allowance made during the year	-	19
At 31 December	22	22

15. Grant receivables

Grant receivables relate to grants from MOE in respect of the operating and capital expenditure of SUSS. Grant receivables also include matching grants from MOE to match donations from external parties recorded under endowment fund (Note 20).

16. Cash and bank balances

	2025 \$'000	2024 \$'000
Cash on hand and at bank	81,976	76,381
Fixed deposits	16,104	66,875
Amounts under fund management	4,271	10,954
	102,351	154,210

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. Cash and bank balances (continued)

Fixed deposits are interest bearing at average rates ranging from 1.24% to 3.84% (2024: 2.67% to 3.90%) per annum and are for a tenure of approximately 13 days to 367 days (2024: 11 days to 365 days)

Cash and cash equivalents comprise of cash on hand and at bank and fixed deposits with 3 months to maturity.

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

	2025 \$'000	2024 \$'000
Cash on hand and at bank	81,976	76,381
Fixed deposits (with maturity period of up to 3 months)	12,217	61,089
Amounts under fund management	4,271	10,954
	98,464	148,424

17. Trade and Other Payable

	2025 \$'000	2024 \$'000
Payables	6,334	8,087
Accruals	55,804	48,257
Others	7,002	3,818
Total trade and other payables	69,140	60,162
Add: Lease liabilities (Note 23)	7,338	29,274
Less: Net GST payables	(6,002)	(3,180)
	70,476	86,256

Payables are non-interest bearing and normally settled on 30 days' term

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. Deferred Capital Grants

	2025 \$'000	2024 \$'000
At 1 January		\$'000
Transfer from grants receivable	1,410	797
Transfer from grants received in advance (Note 19)	1,206	1,220
Amortisation of deferred capital grants (Note 8)	5	33
At 31 December	(670)	(640)
	1,951	1,410

19. Grants Received in Advance

	2025 \$'000	2024 \$'000
At 1 January		\$'000
Received during the financial year	58,267	43,753
Transfer to the statement of comprehensive income (Note 8)	1,652	17,916
Transfer to deferred capital grants upon utilisation (Note 18)	(6,794)	(3,369)
At 31 December	(5)	(33)
	53,120	58,267

These are grants received from the Government and government agencies. The balance in this account represents grants received but not utilised at the end of the financial year.

20. Endowment fund

Endowment fund is set up to receive donations from external parties and matching grants which were invested for long term purposes of awarding scholarship, sponsorship, study grants, bursaries and prizes to students.

	2025		
	Capital \$'000	Accumulated surplus \$'000	Total \$'000
At 1 January	524,264	73,491	597,755
Surplus for the year	-	42,453	42,453
Donations received	95,498	-	95,498
At 31 December	619,762	115,944	735,706

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. Endowment fund (continued)

	2024		
	Capital \$'000	Accumulated surplus \$'000	Total \$'000
At 1 January	496,494	32,227	528,721
Surplus for the year	-	41,264	41,264
Donations received	27,770	-	27,770
At 31 December	524,264	73,491	597,755
		2025 \$'000	2024 \$'000
<i>Represented by:</i>			
Financial assets at fair value through profit or loss		653,825	563,403
Other receivables		73,028	21,658
Cash and bank balances		9,013	13,230
Other payables		(349)	(536)
Derivative assets		189	-
		735,706	597,755

21. Other restricted funds

Name of fund	Purpose
Sponsorship awards fund	To receive donations and sponsorships for the purpose of awarding scholarships, study awards and prizes to deserving students
Other funds	To receive funds used for student activities and research projects.

22. Funds managed on behalf of MOE

	2025 \$'000	2024 \$'000
At 1 January	29,157	27,911
Student loans granted to students	7,844	7,536
Repayments received from students	(7,838)	(6,319)
Interest on student loans received	467	396
Interest on student loans paid	(497)	(367)
At 31 December	29,133	29,157
<i>Represented by:</i>		
- Tuition fee loan receivables	28,327	28,253
- Study loan receivables	806	904
	29,133	29,157

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

22. Funds managed on behalf of MOE (continued)

Student loans comprise tuition fee loans and study loans. SUSS acts as an agent for the student loan schemes, where MOE is the financier providing the funds.

Tuition fee and study loans are unsecured, non-interest bearing during the course of study and are repayable by monthly instalments over periods of up to 20 years after the students' graduation.

Interest is charged from the third month following the student's graduation based on the average of the prevailing prime rate of the three local banks. The interest rate as at statement of financial position date is 4.75% (2024: 4.75%) per annum.

23. Leases

SUSS as a lessee

SUSS has lease contracts for various campus and office spaces used for its operations. Leases of campus and office spaces generally have lease terms between 2 and 9 years (2024: 2 and 9 years). There are several lease contracts that include extension and termination options and variable lease payments.

SUSS also has certain leases with lease terms of 12 months or less and leases of low-value assets. SUSS applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the financial year:

	Buildings	
	2025 \$'000	2024 \$'000
At 1 January	27,913	49,428
Additions	-	4,919
Extensions	-	6,598
Depreciation expense	(20,772)	(33,032)
At 31 December	7,141	27,913

Set out below are the carrying amounts of lease liabilities:

	2025 \$'000	2024 \$'000
Current	4,476	21,936
Non-current	2,862	7,338
	7,338	29,274

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

23. Leases (continued)

SUSS as a lessee (continued)

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

	1 January 2025 \$'000	Lease addition/ extension \$'000	Cash flows \$'000	Non-cash change \$'000	31 December 2025 \$'000
<i>Lease liabilities</i>					
Current	21,936	-	(22,335)	4,875	4,476
Non-current	7,338	-	-	(4,476)	2,862
	29,274	-	(22,335)	399	7,338

	1 January 2024 \$'000	Lease addition/ extension \$'000	Cash flows \$'000	Non-cash change \$'000	31 December 2024 \$'000
<i>Lease liabilities</i>					
Current	33,187	490	(34,840)	23,099	21,936
Non-current	18,247	11,027	-	(21,936)	7,338
	51,434	11,517	(34,840)	1,163	29,274

The maturity analysis of lease liabilities is recognised in Note 29(d).

The following are the amounts recognised in the statement of comprehensive income:

	2025 \$'000	2024 \$'000
Depreciation expense of right-of-use assets (included in course expenditure)	20,772	33,032
Interest expenses on lease liabilities	399	1,163
Expenses relating to short-term leases (included in course expenditure)	20,170	5,539
Expenses relating to leases of low-value assets (included in course expenditure)	311	137
Total amount recognised in the statement of comprehensive income	41,652	39,871

SUSS had total cash outflows for leases of \$42,816,000 (2024: \$40,516,000) during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. Provision

	2025 \$'000	2024 \$'000
Non-current		
Provision for reinstatement costs	3,721	3,779

The reinstatement costs are the estimated costs of dismantlement, removal or restoration of plant and equipment arising from the use of assets which are capitalised and included in the cost of plant and equipment.

Movements in these provisions were as follows:

	2025 \$'000	2024 \$'000
Beginning of the year	3,779	3,555
Provision (reversed)/made	(58)	224
End of financial year	3,721	3,779

25. Related party transactions

SUSS receives grants from MOE to fund its operations and is subject to certain controls set by MOE and considers MOE a related party. Hence, the Government and government agencies are considered related parties of SUSS. The information of grants received from the Government and government agencies have been disclosed elsewhere in the financial statements.

Compensation of Trustees and key management personnel

The remuneration of Trustees and key management during the year is as follows:

	2025 \$'000	2024 \$'000
Contributions to Central Provident Fund	254	242
Wages, salaries and short-term benefits	8,183	7,331
	8,437	7,573

The remuneration of key management is determined by the Establishment Committee of SUSS having regard to the performance of individuals and market trends.

Key management comprises senior executives in the President's Office, Deans and Directors.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

26. Operating lease and commitments

Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	2025 \$'000	2024 \$'000
Property, plant and equipment	17,308	7,946

27. Charities Act and Regulation

In accordance with the disclosure requirement under Section 17(1) of the Charities (Institutions of a Public Character) Regulations, SUSS has received total tax-deductible donations of \$26,206,000 (2024: \$7,398,000) during the financial year.

28. Fair value of assets and liabilities

(a) Fair value hierarchy

SUSS categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities that SUSS can access at the measurement date;
- 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28. Fair value of assets and liabilities (continued)

(b) Assets and liabilities measured at fair value

The following table shows an analysis of financial instruments that are carried at fair value by the above hierarchy:

	Note	Fair value measurements at the end of the reporting period using			
		Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant un-observable inputs (Level 3) \$'000	Total \$'000
2025					
Assets measured at fair value					
Financial assets:					
Financial assets at fair value through profit or loss					
Quoted equity securities	12	38,328	-	-	38,328
Quoted unit trusts	12	791,461	-	-	791,461
Quoted debt securities	12	126,736	-	-	126,736
Unquoted other investments	12	38,165	25,594	141,248	205,007
Derivative assets	13	-	1,135	-	1,135
		994,690	26,729	141,248	1,162,667
Fair value measurements at the end of the reporting period using					
		Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant un-observable inputs (Level 3) \$'000	Total \$'000
2024					
Assets measured at fair value					
Financial assets:					
Financial assets at fair value through profit or loss					
Quoted equity securities	12	195,989	-	-	195,989
Quoted unit trusts	12	626,543	-	-	626,543
Quoted debt securities	12	121,199	-	-	121,199
Unquoted other investments	12	40,762	11,951	28,539	81,252
Derivative assets	13	-	(1,375)	-	(1,375)
		984,493	10,576	28,539	1,023,608

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28. Fair value of assets and liabilities (continued)

(b) *Assets and liabilities measured at fair value (continued)*

Investments whose values are based on quoted market prices in active markets, and therefore classified within Level 1, include exchange traded funds. SUSS does not adjust the quoted price for these instruments.

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within level 2 and 3 of the fair value hierarchy:

Valuation techniques and inputs used in Level 2 fair value measurements

Unquoted other investments

Unquoted other investments classified under Level 2 represent mainly investments in hedge funds. The fair values of these unquoted investments are based on the net asset values ("NAV") provided by the fund managers and fund administrators at the last market day of the financial year. The net asset values approximate the fair values as the funds invest mainly in quoted financial assets.

Derivatives

Derivative financial instruments are valued using widely accepted pricing models with market observable inputs including volatilities, yield curves, foreign exchange spot and forward rates.

Valuation techniques and inputs used in Level 3 fair value measurements

Unquoted other investments

The Company's investments in financial assets at fair value through profit or loss include investments in private equity and private credit funds which are classified under Level 3.

In determining the fair value of its private fund investments, SUSS relies on the fund managers' latest available quarterly capital account statements and/or audited financial statements to determine the fair value of such investments which are based on their respective valuation policy and process designed to subject the valuation to an appropriate level of consistency, oversight and review in accordance to applicable accounting standards' requirements.

The reported fair value of such investments is based on the net asset value of the private funds and takes into consideration the relevant cashflow movements (drawdowns/distributions) which occur subsequent to the date of statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

28. Fair value of assets and liabilities (continued)

(c) *Financial instruments whose carrying amount approximates fair value*

The carrying amounts of cash and bank balances, other receivables, grant receivables and other payables, based on their notional amounts, reasonably approximate their fair values because they are mostly short-term in nature.

29. Financial risk management objectives and policies

SUSS and its various funds are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, credit risk, liquidity risk, foreign currency risk and market price risk. Within the ambit of its Terms of Reference, SUSS Investment Committee (IC) reviews the investment guidelines relating to the policies and procedures for the management of the risks under the investment programme, implemented by SUSS Investment Office. IC also approves the strategic asset allocation, and oversees the investment programme. The appointed fund managers have to manage the investment portfolio within the prescribed individual mandates and investment guidelines. The Audit and Risk Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been, throughout the current and previous financial year, SUSS' policy that no trading in derivatives for the explicit purpose of creating economic leverage shall be undertaken.

There has been no significant change to SUSS' exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below:

(a) *Foreign exchange risk*

SUSS' foreign currency exposures arise mainly from financial assets at fair value through profit or loss denominated in foreign currencies other than functional currency such as the United States Dollar ("USD") and Euro. In order to minimise any adverse effects on the financial performance of SUSS, derivative financial instruments are used to hedge against foreign currency risk exposure for the financial assets at fair value through profit or loss through the SUSS Investment Office and the external fund managers.

If the relevant foreign currency strengthens by 10% against the functional currency of SUSS, the net surplus (2024: net surplus) will increase (2024: increase) by:

	2025 \$'000	2024 \$'000
USD	40,017	41,219
Euro	534	236

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

29. Financial risk management objectives and policies (continued)

(b) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

SUSS' investments in quoted debt securities are at fixed rates. If interest rates had been higher/lower by 0.50% with all other variables including tax rate being held constant, the net surplus would have been higher/lower by \$903,739 (2024: \$605,995) as a result of fair value changes on these interest-bearing investments.

(c) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

SUSS' exposure to credit risk arises primarily from cash at bank, trade and other receivables and grant receivables. SUSS is not exposed to significant credit risk as most of its course fees are received in advance. For other financial assets (including cash at bank, short-term deposits, other receivables and grant receivables, SUSS adopts the policy of dealing only with high credit quality counterparties.

(i) Impairment of financial assets

SUSS considers the probability of default upon initial recognition of asset and whether there has been significant increase in credit risk on an ongoing basis throughout each reporting period.

SUSS has determined the default event on a financial asset to be when internal and or external information indicates that the financial asset is unlikely to be received, which generally is when there is significant difficulty of the counterparty. Financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probably that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

Financial assets are written off when there is evidence indicating that the debtor meets the above credit-impaired conditions and has no realistic prospect of recovery.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

29. Financial risk management objectives and policies (continued)

(c) Credit risk (continued)

(i) Impairment of financial assets (continued)

SUSS provides for lifetime expected credit losses for trade and other receivables using a provision matrix. Based on the historical observed default rates and incorporating forward looking information such as forecast of economic conditions, the expected credit loss was assessed to be minimal.

Summarised below is the information about the credit risk exposure on SUSS' trade and other receivables using provision matrix:

	Current \$'000	Less than 90 days \$'000	More than 90 days \$'000	Total \$'000
2025				
Gross carrying amount	29,113	1,337	1,910	32,360
Loss allowance provision	-	-	(22)	(22)
2024				
Gross carrying amount	24,776	1,107	3,117	29,000
Loss allowance provision	-	-	(22)	(22)

(i) Cash and cash equivalents

SUSS held cash and cash equivalents of \$102,351,000 (2024: \$154,210,000) with banks which are rated P-1 to P-2 (2024: P-1 to P-2) based on Moody's short-term rating and are considered to have low credit risk. The cash balances are measured on 12-months expected credit losses and subject to immaterial credit loss.

(d) Liquidity risk

Liquidity risk is the risk that SUSS will encounter difficulty in meeting financial obligations due to shortage of funds. SUSS' exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. SUSS' objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. SUSS monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by management to finance SUSS' operations and to mitigate the effects of fluctuation in cash flows.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

29. Financial risk management objectives and policies (continued)

(d) Liquidity risk (continued)

The table below summarises the maturity profile of SUSS' financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	Within one year \$'000	More than one year \$'000	Total \$'000
2025			
Financial liabilities:			
Trade and other payables	63,138	-	63,138
Lease liabilities	4,605	2,912	7,517
Total undiscounted financial liabilities	67,743	2,912	70,655
	Within one year \$'000	More than one year \$'000	Total \$'000
2024			
Financial liabilities:			
Trade and other payables	56,982	-	56,982
Derivate liabilities	1,375	-	1,375
Lease liabilities	22,334	7,517	29,851
Total undiscounted financial liabilities	80,691	7,517	88,208

(e) Market price risk

SUSS is exposed to market price risk arising from financial assets at fair value through profit or loss.

Further details of these investments can be found in Note 12 to the financial statements.

Market price sensitivity analysis

In respect of the investments, if the prices had been 10% higher/lower, this would increase/decrease (2024: increase/decrease) the SUSS' net surplus (2024: net surplus) for the year ended 31 December 2025 by \$98,078,000 (2024: \$90,378,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30. Capital management

The primary objective of SUSS' capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business. SUSS is partially funded by the grants received from MOE and the balance from its accumulated surplus. In addition, a portion of the accumulated surplus is invested so as to further enhance its value. This investment income could be drawn down to support SUSS' operating budget or development. SUSS manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 2024.

31. Authorisation of financial statement for issue

The financial statements of SUSS for the financial year ended 31 December 2025 were authorised for issue by the Board of Trustees on 5 May 2026.