Yellow Ribbon sg Beyond Second Chances

Unlocking New Possibilities, Shaping Tomorrow Together

Annual Report FY2025

Overview

This past year underscored the power of partnership in creating pathways towards growth, reintegration and hope. The theme, "*Unlocking New Possibilities, Shaping Tomorrow Together*", reflects Yellow Ribbon Singapore (YRSG)'s commitment to working alongside our partners to empower inmates and ex-offenders as they rebuild their lives and take steps towards a brighter future.

This year's theme focuses on the belief that every open door can lead to new opportunities. Through close collaborations with employers, schools, professional bodies and community organisations, YRSG helps individuals discover new possibilities, build skills and take steps to strengthen their capabilities and contribute meaningfully to society. These collective efforts not only support personal growth and career development but also help create a more inclusive and promising society.

As we look ahead, we invite everyone to play a part in creating opportunities, fostering acceptance and supporting successful reintegration. Together, we can shape a tomorrow where everyone has the opportunity to thrive.

Vision

An inclusive society, a nation beyond second chances.

Mission

We galvanise society to uplift ex-offenders through skills and career development, co-creating opportunities for their successful reintegration and contribution back to society.

Our HOPE Values

Honour

We act with integrity and professionalism.

People-Oriented

We care about the people we work with and those we serve.

Oneness

We work with all sectors of society, with a common goal, to inspire second chances and uplift ex-offenders.

Enterprising

We imagine all possibilities and make them happen.

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Chairman's Message

The past year has been one of meaningful progress, of connections forged, opportunities created and lives transformed. As I reflect on what we have accomplished together, I am heartened by the collective commitment of our staff, partners and community in standing alongside those seeking a second chance.

This annual report's theme, "*Unlocking New Possibilities, Shaping Tomorrow Together*", reflects YRSG's commitment to opening doors for inmates and ex-offenders through stronger partnerships and community support. We continued to strengthen our network of employers, training providers and community partners, creating pathways that empower individuals to explore new directions, build readiness for work and take meaningful steps towards a more hopeful future.

At the heart of our efforts is the belief that successful reintegration is a shared responsibility. Over the past year, we deepened collaborations across the public, private and people sectors to expand opportunities for learning, employment and personal growth. Partnerships with organisations such as the SIM People Development Fund, Marina Bay Sands, Institute of Singapore Chartered Accountants Cares and many others enabled us to enhance employability, strengthen workplace readiness and broaden support networks for inmates and ex-offenders. These collaborations complemented our continued focus on career facilitation and skills development. Through enhanced training opportunities, structured career support and technology-enabled initiatives such as résumé-building platform Resumify, we sought to equip individuals with the confidence, competencies and resources needed to navigate an increasingly dynamic workforce. These efforts helped create stronger pathways towards sustainable employment and successful reintegration.

Beyond employment and skills training, we continued to foster a more inclusive and supportive society through the Yellow Ribbon Project and Yellow Ribbon Fund — now part of Yellow Ribbon Cares. By means of community outreach, youth advocacy initiatives, corporate partnerships and fundraising efforts, we strengthened public awareness and encouraged greater participation in giving second chances. The strong support from our partners, volunteers and donors reflects a collective commitment to helping individuals rebuild their lives with hope and acceptance.

At the organisational level, we remained focused on strengthening our foundations for the future. We advanced our digital transformation journey through initiatives such as the launch of our Data Warehouse and digital learning platforms that support innovation and data-driven decision-making. At YRSG, we never stop investing in our people.

We build leadership capability, strengthen workforce readiness and foster a positive workplace culture that enables our staff to deliver meaningful impact.

As we look ahead, we remain steadfast in our vision of building a more inclusive society. By working closely with our partners and stakeholders, embracing innovation and strengthening collective action, we will keep working to unlock new possibilities for those seeking a second chance and shape a brighter tomorrow together.

Mr Phillip Tan Eng Seong
Chairman
Yellow Ribbon Singapore

About YRSG Board

As at 31 March 2026

All members of the YRSG Board are appointed by the Minister for Home Affairs and hold office for a term of three years from the date of their appointment. YRSG Board meetings are held quarterly every year.

The roles of the YRSG Board include:

- Providing strategic direction and guidance to YRSG for the successful reintegration of ex-offenders through employment;
- Advising on trends and opportunities in key industries, rehabilitation and reintegration of ex-offenders, aftercare and the social landscape; and
- Reviewing and endorsing strategic work plans and proposals put up by YRSG's management.

Mr Phillip Tan Eng Seong
Chairman

Mr Ngiam Shih Chun
Deputy Chairman

Ms Shie Yong Lee
Member

Mr Mayank Parekh
Member

Dr Mohamed Fadzil Bin Mohamed Hamzah
Member

Mr Lim Teck Kiat
Member

Mr David Toh Seng Hong
Member

Ms Mable Chan Kam Man
Member

Mr Thomas Pek Ee Perh
Member

Mr Carlos Nicholas Fernandes
Member

Ms Shirley Wong Swee Ping
Member

Ms Tham Loke Kheng
Member

Ms Jasmmine Wong
Member

Mr Shivkumar Mahadevan
Member

Board Committees

As at 31 March 2026

Audit and Risk Management Committee

The Audit and Risk Management Committee oversees the internal and external audits on YRSG's risk management and internal control systems. Its reviews and findings ensure that YRSG's work processes are rigorous and robust, based on the principles of good governance and risk management.

Chairman
Mr David Toh Seng Hong

Members
Ms Rafidah Suparman
Dr Jonathan Pan
Mr Bernard Soh Hong Kuan
Mr Chun Wai Seng
Ms Hah Yanying
Mr Raj Joshua Thomas
Mr Shivkumar Mahadevan
Ms Elaine Beh

Secretariat
Mr Ng Woon Ming Jason

Talent and Remuneration Committee

The Talent and Remuneration Committee seeks to build a dedicated and passionate workforce necessary to deliver YRSG's mission. It advises on effective human resource policies and practices to attract, nurture and retain good staff.

Chairman
Ms Mable Chan Kam Man

Members
Ms Shirlyn Ng Siok Har
Mr Ethan Tan
Ms Teo Chew Yam, Debbie
Mr Mayank Parekh
Mrs Bernadette Giam

Secretariat
Ms Amanda Tan

Finance and Budget Committee

The Finance and Budget Committee is responsible for reviewing YRSG's annual budget proposal, reviewing and appraising YRSG's financial position, and reviewing YRSG's reserve policies.

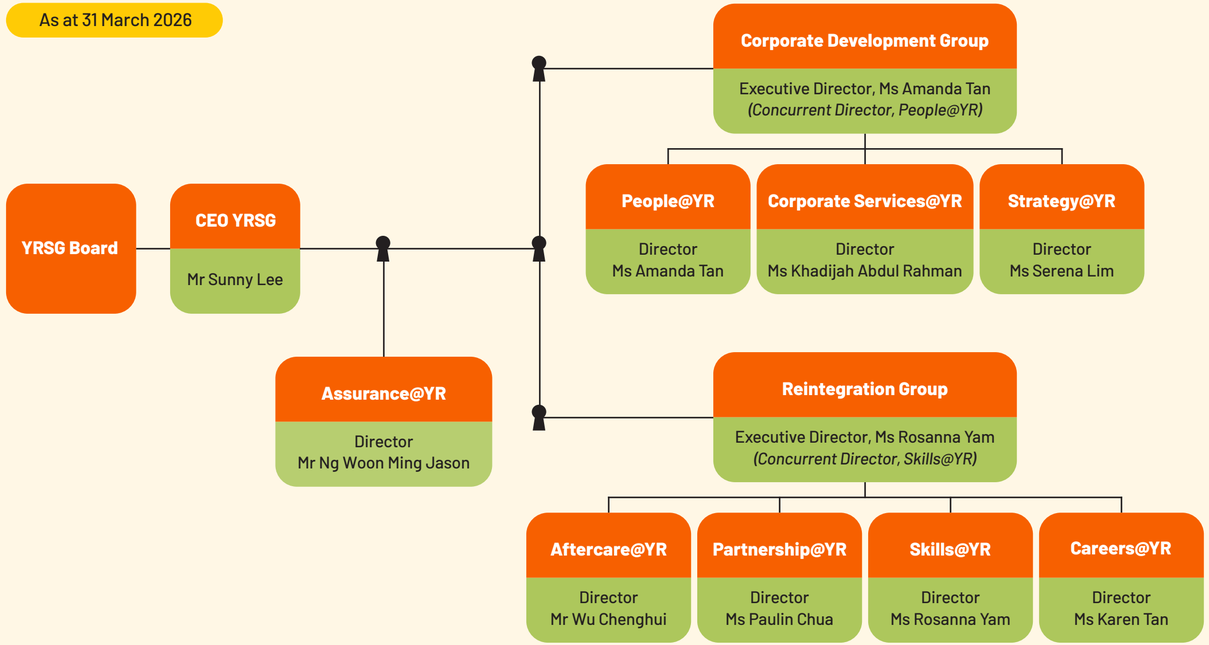
Chairman
Mr Phillip Tan Eng Seong

Members
Ms Shirley Wong Swee Ping
Mr Carlos Nicholas Fernandes
Mr Abdul Rohim Bin Sarip
Ms Debra Ann Ker

Secretariat
Ms Khadijah Abdul Rahman

Our Management

As at 31 March 2026



Corporate Planning

YRSG EXCO Retreat

The YRSG EXCO Retreat was held on 25 July 2025 at Jewel Changi Airport, bringing together 17 EXCO members and middle managers. During the retreat, participants conducted a comprehensive mid-point review of YRSG's Masterplans, enablers and workplans, and evaluated the Strategic Planning Framework (developed in 2020) against current realities, opportunities and threats to ensure that it remains fit-for-purpose.

Through robust discussions, participants developed a refreshed Strategic Planning Framework that better aligns YRSG's strategic enablers, focus areas and desired outcomes with YRSG's Mission and Vision, providing clear direction to chart the organisation's efforts through to 2030.

Digital Culture and Adoption

Launch of YRSG's Data Warehouse

YRSG's Data Warehouse was launched in July 2025, marking a key milestone in YRSG's efforts to foster a data-driven culture. The system consolidates organisational data into a centralised repository, ensuring data integrity and accessibility, and is integrated with YRSG's Tableau Server to support data visualisation. Through these capabilities, staff are empowered to derive insights from reliable data sources, enabling more informed, data-driven decision making.

Digital Services Awards 2025

At the annual Digital Services Awards, organised by GovTech and supported by Smart Nation Group, YRSG's corporate website received the "Best Discoverability Award" under Category A (for websites with up to 100,000 average monthly visits), recognising its strong information architecture and ease of access for users.

Launch of "Byte & Bite" – YRSG's Digital Brown Bag sessions

As part of YRSG's drive for digital adoption, "Byte & Bite" was launched in January 2026. The brown bag sessions provide an interactive platform for sharing knowledge on digital tools, practical tips and artificial intelligence (AI), while offering participants hands-on practice with new digital tools.

Our Corporate Social Responsibility

In 2025, YRSG continued our partnership with the South Central Community Family Service Centre for the second consecutive year, reaffirming our belief in giving back to the communities we serve. Together, we carried out two outreach programmes that provided meaningful support and opportunities for engagement with our beneficiary communities. Through these initiatives, YRSG sought to strengthen community connections and make a positive difference in the lives of the families we engaged.

Grocery Run Initiative ▶

Our staff supported beneficiary families in making informed purchasing decisions and healthier food choices through a guided grocery shopping experience. Their support extended beyond the supermarket, with staff assisting in the delivery of groceries by providing transport home for the families after the event.

◀ Beach Clean-up Activity

At East Coast Park, our staff teamed up with beneficiaries' children to collect litter along the shoreline. The activity brought staff and children together in a shared effort, creating opportunities for conversation, teamwork and learning. Through their participation, the children gained a deeper understanding of the impact of litter on the environment and the role everyone can play in keeping public spaces clean.

Environmental Sustainability Disclosure

Senior Management Statement

At YRSG, we remain committed to embedding environmental sustainability into our operations and organisational culture.

In this statement, we share YRSG's performance across key environmental areas in FY2025, highlighting areas we have done well in, where we can improve and how we are managing our environmental impact going forward. The performance for each indicator is set out in the performance indicators section of this report.

A key area of progress in FY2025 was waste reduction. YRSG's Waste Disposal Index decreased by 46.2% from the FY2024 baseline. This reflects the sustained efforts by our staff to reduce the use of disposable items, minimise printing and adopt more sustainable practices in their day-to-day-operations.

As a tenant within the Singapore Prison Service (SPS) Headquarters (HQ) premises, YRSG does not have dedicated meters for measuring electricity and water consumption. Our reported utilities consumption and related Scope 2 emissions are therefore pro-rated based on the gross floor area (GFA) occupied by YRSG. As YRSG occupies only a small proportion of the overall premises, the reported figures should be interpreted as allocated indicators rather than direct measurements of YRSG's standalone operational consumptions. Within this context, we continue to monitor trends, engage SPS to better understand building-level drivers and pursue practical demand-side measures within our control.

Looking back on FY2025, we are encouraged by the progress we have made, particularly the significant strides our people have taken in reducing waste. At the same time, we recognise that there is more to be done, especially in managing our energy and water consumption as we undertake new projects and activities.

We view these as motivation to continue finding more sustainable ways of carrying out our work. The enthusiasm and commitment shown by our staff have been encouraging, and we will continue to build on this momentum.

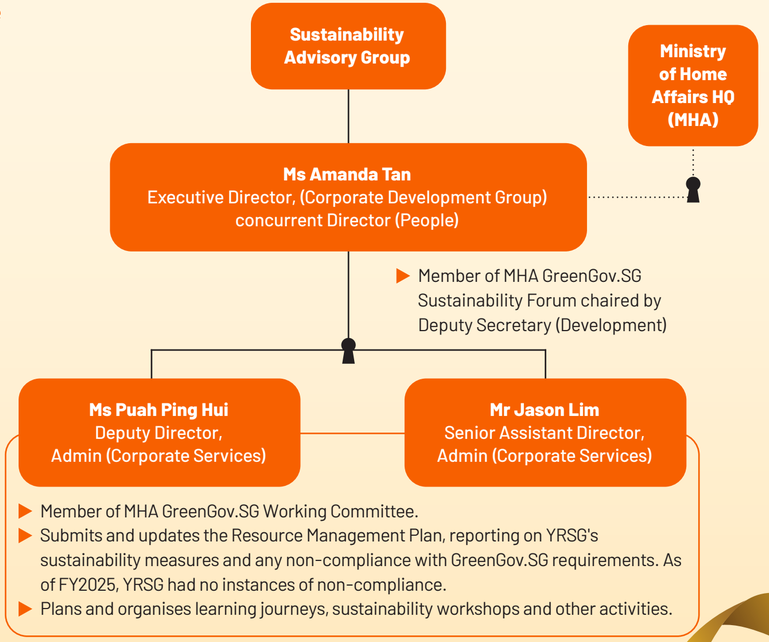
The leadership team will continue to set clear goals, track our progress and support everyone across the organisation in playing their part in this journey. We believe sustainability is a shared responsibility, and we will continue to pursue practical and meaningful improvements in the years ahead.

Mr Sunny Lee
Chief Executive Officer
Yellow Ribbon Singapore

Sustainability Governance Structure

YRSG's sustainability efforts are overseen by a senior management lead and supported by an internal workgroup comprising representatives from Corporate Services@YR. The workgroup coordinates sustainability initiatives, monitors environmental indicators and encourages staff participation across the organisation. YRSG is also represented at the Ministry of Home Affairs' (MHA) GreenGov.SG Sustainability Forum, which supports alignment with Ministry-wide sustainability guidance and GreenGov.SG objectives.

To strengthen sustainability governance, YRSG established a Sustainability Advisory Group in February 2025. The advisory group comprises members with expertise in environmental sustainability, sustainability reporting, energy management and corporate governance. It provides advice on YRSG's sustainability policies, practices and annual report disclosures, and supports YRSG in aligning our efforts with national environmental objectives.



Electricity Consumption

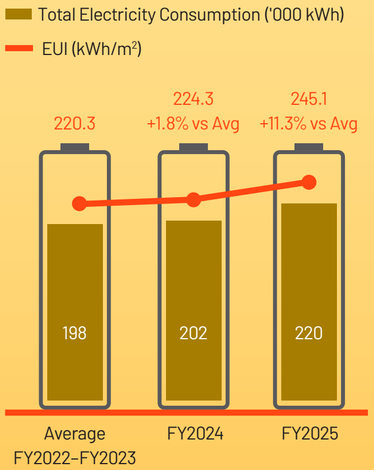
Target: 10% reduction in Energy Utilisation Index (EUI) by 2030, compared to the average of FY2022–FY2023 levels.

In FY2025, our Electricity Consumption and Energy Utilisation Intensity increased compared to the FY2022–2023 baseline. EUI increased by 11.3% from the baseline. The increase was consistent with higher workplace utilisation during the year, with average office occupancy increasing from 40 to 50 persons and more meetings held in the office.

In addition to higher office occupancy, electricity consumption may also have been influenced by factors associated with operating from shared leased premises. These included the operation of central air-conditioning and mechanical ventilation systems, lighting and other common building services, as well as other operational activities.

Notwithstanding these factors, YRSG remains committed to improving energy efficiency in the areas within our influence. We will continue to monitor our electricity usage, encourage energy-conscious workplace practices and work with relevant stakeholders to better understand building operations.

	Average FY2022–FY2023 (Baseline)	FY2024	FY2025
Electricity consumption (kWh)	198,150	201,722	220,497
EUI[1] (kWh/m²)	220.3	224.3	245.1
Variance from baseline (%)	-	1.8	11.3



[1] EUI is defined as the total electricity consumed in one year divided by the total gross floor area (GFA). EUI methodology is based on GreenGov.SG metrics.

Greenhouse Gas Emissions

Target: Net zero emissions by FY2045.

As YRSG does not own or operate combustion sources, we do not generate Scope 1 emissions (direct emissions from owned or controlled sources). Our reported emissions therefore comprise Scope 2 emissions arising from the use of purchased electricity.

In FY2025, our Scope 2 greenhouse gas (GHG) emissions increased to 0.091 kt CO_2e, broadly reflecting the increase in electricity consumption. As our emissions profile is closely linked to purchased electricity, progress in reducing emissions will depend largely on improving electricity efficiency within our operations, while recognising that some building-level factors are beyond YRSG's direct influence.

	FY2022	FY2023	FY2024	FY2025
Emissions[2] (kt CO_2e)	0.093	0.072	0.083	0.091

[2] GHG emissions are computed based on GreenGov.SG metrics.

Water Consumption

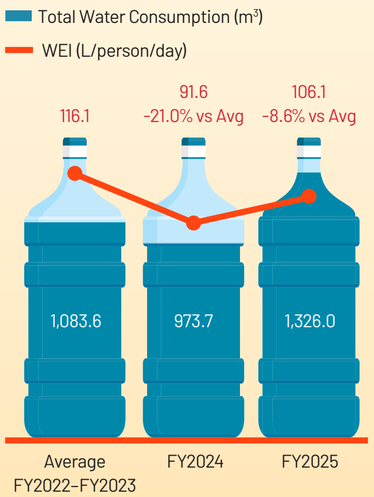
Target: 10% reduction in Water Efficiency Index (WEI) by 2030, compared to the average of FY2022–FY2023 levels.

Water consumption increased in FY2025 compared with the baseline, mainly due to higher office occupancy. Consumption may also have been influenced by building-level activities, including façade cleaning works carried out in preparation for repair and redecoration works at the SPS HQ premises.

Despite the increase in total water consumption, our WEI remained 8.6% below the baseline, indicating that water consumption per person continued to improve relative to the baseline period. This suggests that our ongoing water conservation efforts, together with operational factors, have contributed to more efficient water use despite increased workplace utilisation. As YRSG operates from shared premises, some water consumption is influenced by building-level activities that are beyond the organisation's direct control. We will continue to monitor our consumption trends, work with relevant parties to better understand these factors and encourage responsible water use across the organisation.

	Average FY2022–FY2023 (Baseline)	FY2024	FY2025
Water consumption (m^3)	1,083.6	973.7	1,326.0
WEI[3] (L/person/day)	116.1	91.6	106.1
Variance from baseline (%)	-	-21.1	-8.6

[3] WEI is defined as the water consumption per day divided by the total number of public officer headcount including visitors to the premises. WEI methodology is based on GreenGov.SG metrics.



Waste Generation

Target: 30% reduction in Waste Disposal Index (WDI) by 2030, compared to FY2024 level.

The WDI decreased by 46.2% compared to the FY2024 baseline, indicating a substantial reduction in waste generated on a per-person basis and partly due to the comparison against an extrapolated five-month baseline from FY2024. This improvement reflects the positive impact of staff adopting more sustainable workplace practices.

These include bringing reusable cups and cutlery for internal events, reducing printing through greater use of digital documents, and discontinuing hard-copy newspaper subscriptions. These everyday actions have helped strengthen a culture of resource conservation across the organisation.

	FY2024 (Baseline)	FY2025
Waste disposed of (kg)	1,350.8	893.3
WDI[4] (kg/person/day)	0.13	0.07
Variance from baseline (%)	-	-46.2%

[4] WDI is defined as the total waste disposed of per day divided by the total number of public officer headcount including visitors to the premises. WDI methodology is based on GreenGov.SG metrics.

Overall Assessment

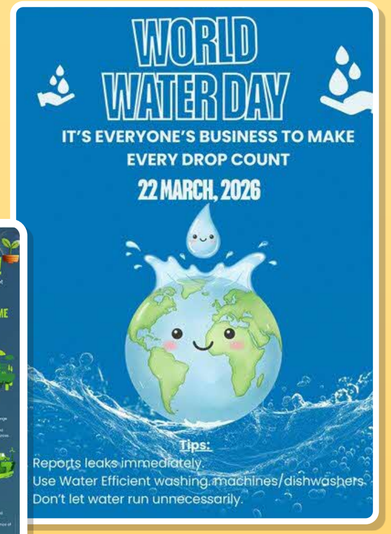
Our environmental performance in FY2025 reflects the combined effects of increased workplace activity and the shared premises in which we operate. While higher office occupancy contributed to increased electricity and water consumption, building-level operations beyond YRSG's direct control also influenced our overall environmental performance.

We are encouraged by the improvements in water efficiency and the significant reduction in waste generated per person, which reflect the positive impact of our staff's sustainable workplace practices. Going forward, YRSG will continue to focus on the areas within our direct influence by promoting resource-efficient behaviours, monitoring consumption trends and working with relevant stakeholders to support our sustainability targets.

Sustainability Efforts Within YRSG

Beyond tracking our environmental indicators, we believe that fostering a culture of environmental sustainability begins with raising awareness and engaging our people. In FY2025, YRSG took active steps to promote environmental awareness through a range of initiatives and activities.

We regularly sent electronic direct mailers to keep staff informed and inspired on sustainability topics, including global campaigns such as Earth Hour and World Water Day.



Staff were encouraged to attend virtual sustainability talks organised by external organisations, including the Civil Aviation Authority of Singapore, JTC Corporation and Grab. These sessions provided our officers with broader perspectives on how sustainability is being advanced across different sectors.

YRSG also organised and participated in a variety of hands-on activities that brought sustainability to life in practical and engaging ways.

Activities included a footwear donation drive organised by SPS, giving pre-loved shoes a second life, a gamified experience that made learning about sustainability fun and interactive, and a mobility collage workshop that sparked conversations on sustainable transport and mobility. Our staff also went on a learning journey to the Hyundai Motor Group Innovation Centre Singapore, where they gained first-hand exposure to advancements in clean mobility and green technologies.

Beyond the workplace, staff participated in a beach clean-up that contributed directly to environmental conservation and attended a beeswax wrap workshop that introduced practical alternatives to single-use plastics for everyday use. In addition, sports towels for Yellow Ribbon Project (YRP) collaterals were packaged without plastic, representing a small but meaningful step towards reducing single-use plastics.

A large patchwork blanket created to commemorate the YRP 20th anniversary in 2024 was upcycled into tote bags and pouches in 2025 through a collaboration with the Tampines Changkat Zone 8 Sewing Interest Group. More than 150 sets were distributed to volunteers and caregivers at Kwong Wai Shiu Hospital and St. Luke's Hospital. Part of the patchwork blanket was also transformed into gala-themed attire for the HOPE bears, which were auctioned at the Yellow Ribbon CARE Network Gala Dinner 2025.

As part of our commitment to sustainability and social impact, inmates participating in the Visual Arts Hub (VAH) programme in Changi Prison Complex repurposed bread tags into artworks for display at the Yellow Ribbon Community Arts Festival (YRCAF).

This initiative achieved multiple outcomes:

- Reduced material waste by giving discarded bread tags a new purpose;
- Supported rehabilitation through meaningful engagement of inmates in creative activities;
- Created artworks that symbolise second chances; and
- Demonstrated the resourceful use of existing materials.

In addition, the programme booklet for YRCAF was produced in a digital format, reducing paper consumption while making event information more easily accessible.

Concluding Remarks

FY2025 was a meaningful year for sustainability at YRSG. We are encouraged by the progress made, particularly in reducing waste, and by the enthusiasm and commitment demonstrated by our staff in embracing more sustainable practices. While more is to be done, we remain committed to building on these efforts and will continue to seek practical ways to improve our environmental performance in the years ahead.

Organisation Excellence

YRSG remains committed to workplace safety excellence through internationally recognised certification standards.

YRSG has been ISO 45001:2018-certified since August 2020, demonstrating adherence to occupational health and safety management system requirements. YRSG is also accredited under bizSAFE STAR, the highest level of Workplace Safety and Health (WSH) certification in Singapore.

Both certifications were successfully renewed in 2023 and remain valid until August 2026. To maintain compliance, YRSG undergoes mandatory annual surveillance audits. In 2025, we completed our second surveillance audit, reaffirming YRSG's commitment to upholding the highest standards of WSH management.

WSHCOUNCIL
Tripartite Alliance for Workplace Safety and Health

Date of issue: 12/09/2023

bizSAFE STAR

CERTIFICATE

The Workplace Safety and Health Council
is pleased to certify that

YELLOW RIBBON SINGAPORE

has fulfilled the requirements to attain bizSAFE Level Star

This certificate is valid till 20/08/2026

Christopher Koh
General Manager
Workplace Safety and Health Council

Certificate No. E26754

CERTIFICATION OF REGISTRATION
The Governing Board of
QAI Certification Pte Ltd
Hereby grants to:

YELLOW RIBBON SINGAPORE

Registration No. **QAIC/SG/20064**

(hereby called the registered company) the right to be listed in the Directory of Registered Companies in respect to the services listed below. These services shall be offered by the Registered Companies at or from only the address given below in accordance with the ***Occupational Health and Safety Management System*** *in compliance with*

ISO 45001: 2018

Address to which this certificate refers:

980, Upper Changi Road North, Singapore 507708

Approved Scope to which this certificate refers:

Provision of Rehabilitation and Aftercare Services to Inmates and Ex-offenders

Certificate Issue Date: **21st August 2023**
Date of Initial Registration: **21st August 2020**
Certificate Valid until: **20th August 2026**

subject to adherence to the agreed on-going audit program, successful endorsement of certification following each audit and compliance with QAICPL regulations. This Certificate of Registration is granted subject to the Regulations approved by the Review Committee.

Certification Manager
Mr Iverson Sim

QAI Certification

QAI Certification Pte Ltd
153, Bukit Batok Street 11,
#04-300, Singapore 650153
T: +65-63421948
F: +65-63421481
E: frida@gaicspore.org

SAC Accredited Certification Body
OSH-2015-11

Awards and Accolades FY2025

External Awards

Public Sector Transformation Awards 2025

- Workplace Transformation Award

Home Team InnovA 2025 (Dare-to-Try Category)

- Cecilia Ang
- Rina Arip Wee

Home Team InnovA 2025 (Project Category)

- AskFae by GroundBreakers Squad

MHA Star Service Award

- Mohammad Taufiq Bin Jumaat

Digital Services Awards 2025

- Best Discoverability Award

MHA National Day Award

- Individual-based – Tan Mei Yung Lisa
- Team-based – Yellow Ribbon Project: 20 Years of Unlocking Second Chances for Transformed Ex-offenders

National Awards 2025

- The Public Administration Medal (Bronze) – Tan Eng Lee
- The Commendation Medal – Chow Mun Ting Denise
- The Long Service Medal – Ho Kevin
- The Efficiency Medal – Noor Aieni Binte Tohari

Internal Awards

HOPE Award

- Nah Khim Cheng
- Yuzil Binti Mohd Yusoff

Sustaining Our Positive Culture

YRSG reinforced its positive workplace culture through purposeful staff engagement initiatives that brought people together, strengthened engagement and fostered greater collaboration across the organisation. YRSG's total staff strength as at 30 Sep 2025 was 114.[5]

Organisation-wide Initiatives

Town halls and office parties were organised to create shared experiences, align staff on organisational priorities and reinforce a vibrant, cohesive culture.

[5] This figure excluded seconded out officers, officers on no-pay leave, and temporary staff.

Rewards and Recognition

The YR Otterly Amazing Awards, introduced in 2022, was reviewed and enhanced to better recognise and celebrate staff who exemplify our Culture Code of "High Trust", "Agile and Nimble" and "Fun and Vibrant", building a culture of appreciation across the organisation.

Award categories include "I Got Your Back" (High Trust), "Never Say Die" (Agile and Nimble) and "Energiser Bunny" (Fun and Vibrant), which continue to foster a strong culture of appreciation across the organisation.

In addition, appreciation gifts were distributed to all staff in recognition of their contributions throughout the year.

Cross-divisional Engagement Initiatives

Through the "Kopi Jio" initiative, staff participated in three rounds of cross-divisional meet-ups, engaging in conversations ranging from their personal motivations for joining YRSG to insights on innovation.

"Kakis Connect", launched in 2025, further complemented these efforts as a staff-led initiative that brings together colleagues with shared interests (e.g. sports and music), fostering organic connections and strengthening camaraderie within and beyond the workplace.

Culture of Innovation

The GroundBreakers Squad continued to champion innovation within YRSG by organising initiatives such as Challenge Shield 2025 and a learning journey to Hyundai Motor Group Innovation Center Singapore to inspire new ideas and ways of working.

Building Capability, Enabling Impact

YRSG continued to strengthen its people strategies to build a future ready workforce, deepen leadership capability and foster a cohesive, engaged organisational culture.

Strengthening Workforce Planning and Organisational Readiness

YRSG established a more structured approach to resource planning and management to support the equitable and effective allocation of manpower across the organisation. To ensure organisational structures remained aligned with evolving priorities, People@YR worked with divisions to review divisional structures and job nomenclature, strengthening role clarity and readiness for future responsibilities.

Key initiatives included the reorganisation and renaming of Partnership@YR to Communications and Partnership@YR, and the review of divisional structures within Aftercare@YR in anticipation of business and organisational changes, with refinements implemented from 1 April 2026.

Enhancing Career Progression and Recognition

YRSG reviewed and implemented a revised designation framework with effect from 1 April 2026, as part of our continued efforts to better recognise staff contributions, strengthen career development pathways, and align designations more closely with demonstrated capabilities, performance and potential. The revised framework supports clearer progression pathways and reinforces merit based advancement.

Driving Competency based Growth

To support purposeful professional development, YRSG launched a functional competency mapping exercise across all divisions. Core functional competencies and proficiency levels were identified to provide staff with greater clarity on capability expectations and development pathways, reinforcing a competency-based growth culture.

Attracting and Onboarding Talent Aligned to Mission

YRSG strengthened its employer branding and talent attraction efforts through engagement at key recruitment platforms, including career fairs at the Singapore University of Technology and Design, the National University of Singapore and the One Public Service Recruitment Fair. These engagements showcased YRSG's mission, culture and impact, supporting outreach to potential recruits aligned with the organisation's values and purpose.

The onboarding experience for new staff was also refreshed through restructured induction materials and the introduction of an in house corporate induction video, enhancing clarity, consistency and engagement for new joiners.

Building Leadership Capability and Internal Talent Pipelines

YRSG continued to deepen its focus on leadership and talent development. Selected staff were supported through curated career development pathways, while engagement with key talent groups was strengthened through an inaugural in depth engagement session with ACORNs[6] in October 2025 to better understand their development needs and experiences.

To foster peer support and cohesion within the talent community, YRSG organised its inaugural ACORNs team-building session in March 2026. In addition, YRSG introduced a new full time Degree Scholarship and enhanced existing sponsorship schemes, including revisions to sponsorship quantum and the introduction of book and thesis allowances. Two ACORNs were awarded full-time Master's Scholarships, underscoring YRSG's commitment to cultivating internal talent and sustaining long-term organisational capacity.

Leadership development at the senior level was further reinforced through a customised one-and-a-half-day Multiplier Leadership Development Workshop conducted for the YRSG and Yellow Ribbon Industries (YRI) EXCO and management teams in March 2026, strengthening shared leadership expectations and reinforcing a culture of continuous leadership development.

[6] Refers to YRSG's Talent Development Programme. The programme aims to cultivate the leadership capabilities required to steer YRSG to its next bound.

Staff Well-being

YRSG CARES: Fostering Engagement, Well-being and Community

Reflecting the organisation's commitment to shaping tomorrow together, YRSG CARES delivered a comprehensive programme of staff well-being initiatives throughout the year. Through major staff events, meaningful communication initiatives and well-being support, the YRSG CARES programme reinforced the organisation's commitment to staff well-being, creating an environment where every staff feels seen, valued and connected.

Celebrating Milestones, Strengthening Bonds

The year was marked by a calendar of vibrant staff engagement initiatives that fostered celebration, camaraderie and a shared sense of purpose. YRSG's 49th birthday celebration honoured the organisation's legacy while reaffirming its aspirations for the future. YRSG-YRI Family Day provided a meaningful opportunity for staff and their families to connect beyond the workplace, while the Staff Appreciation Night gave everyone an evening of celebration and shared experiences through engaging activities.

Lighter moments were equally valued. The celebration of Ice Cream and Friendship Day fostered meaningful connections among staff and contributed to a positive, trust-based workplace culture. As an organisation that values mental well-being, YRSG continued to promote a supportive workplace culture through initiatives such as the Mental Wellness Activity, encouraging staff to prioritise self-care and psychological well-being. Complementing these efforts, Yellow Ribbon Fruits Day promoted healthy lifestyle habits and underscored the importance of holistic well-being in the workplace.

Collectively, these events fostered community spirit, deepened relationships among colleagues and promoted a culture of holistic well-being and shared purpose.

Staying Connected through Meaningful Communication

Recognising that a connected workforce is a resilient one, YRSG CARES maintained a consistent communication presence throughout the year. Messages shared in observance of key occasions such as Father's Day, Mother's Day, International Friendship Day and World Mental Health Day acknowledged these meaningful milestones while reinforcing the importance of self-care and caring for others. These efforts reflect the organisation's commitment to a supportive and people-centred culture.

Practical Support for Everyday Well-being

YRSG CARES supported staff through a range of practical well-being initiatives aimed at enhancing comfort, productivity and healthy habits across office and off-site work settings. These included portable laptop chargers, water tumblers, vitamin C supplements, honey and diffusers. In addition, new corporate tops were issued to replace existing ones, reinforcing organisational identity and a sense of belonging among staff.

Incare Rehabilitation Efforts

Partnership with the Private Sector through Work Programme

As part of our mission, YRSG equips inmates with employable skills to support their successful reintegration into the workforce through the Work Programme. Delivered through commercially operated business units within prison premises under YRSG's Private Partnership Scheme and YRI (YRSG's wholly owned subsidiary), the programme provides inmates with meaningful work experience, instilling positive work ethics and developing industry-relevant skills. Together, these opportunities enhance employability and prepare inmates for sustainable employment upon release.

Skills Training Feature Story

Under the Work Programme Transformation (WPX) initiative, Agape Connecting People Pte Ltd (Agape), a social enterprise, operates a professional contact centre within Institution A4. Inmates receive accredited workplace training integrated with structured on-the-job experience, covering contact centre onboarding, customer service, communication skills, telephony systems, quality assurance, workplace professionalism and other industry-relevant competencies. Through real commercial work supporting Agape's clients across sectors such as hospitality, logistics, healthcare and customer service, inmates gain practical experience while building pathways to employment upon release.

WPX adopts an experiential learning approach that combines practical workplace activities with structured reflection to strengthen inmates' self-awareness, resilience and readiness for employment. By applying their learning in authentic work settings, inmates develop greater confidence and make informed choices about their future employment. Beyond its prison-based operations, Agape also operates external contact centres that provide employment opportunities for ex-offenders after release.

"Agape's Work Programme and the WPX pathway have made a real difference in helping inmates gain structure, confidence and exposure to real workplace expectations within a supported environment. Through daily work routines, client-related tasks, coaching and skills training, I have seen inmates develop discipline, communication skills, accountability, teamwork and a service mindset. This prepares them to better understand what employers expect and sets them up for a smoother transition back into the workforce after their release."

Arunraaj Arumugam
Workshop Manager

Inmates' Testimonials

"I have been with Agape for about two years, and even with my prior call centre and customer service experience, I found that working here has made the job more meaningful. I've learned that through teamwork and diligence, anything is achievable. I particularly value the four Singapore Workforce Skills Qualification (WSQ) courses I attended, which helped me stay connected to the outside world and keep up with current workplace practices and etiquette. I hope to attend more courses to deepen my skills and challenge myself further as I prepare for the next chapter of my life."

July (pseudonym)

"I found the mass communication course to be a valuable experience, and I look forward to applying these skills in my future employment. I hope to be given more opportunities to attend WSQ workshops. The course has sharpened my understanding of today's social media landscape and is useful in my work as an agent, helping me understand how I can communicate more effectively with customers through phone, emails, SMS and other channels."

Avery (pseudonym)

International Women's Day Event at Agape Workshop

Agape organised an International Women's Day event to celebrate the women participating in its Work Programme, reinforcing themes of dignity, confidence and second chances. Senior leaders from Shiseido shared their personal journeys, inspiring participants through stories of perseverance and self-belief, while an awards ceremony recognised outstanding individual achievements. Together, these moments affirmed the participants' potential and reflected Agape's commitment to creating a supportive workplace where inmates are empowered to rebuild their lives.

Implementation of Skills Transformation

In 2025, YRSG continued to advance its Skills Transformation efforts by expanding access to industry-relevant training and enhancing service delivery, equipping inmates and supervisees with the skills needed on their rehabilitation journey.

Expansion of Training Offerings – Pilot of Hybrid Training as a New Initiative

As part of expanding training pathways, YRSG partnered with Temasek Polytechnic to pilot a hybrid training model under the SkillsFuture Career Transition Programme (SCTP) for the Environmental Services sector. The programme combined structured learning within correctional facilities with hands-on learning at the polytechnic, enabling participants to gain industry-relevant skills in a more applied setting. This approach provided participants with exposure to real-world work environments and facilitated a smoother transition into employment upon release.

To complement training efforts, YRSG also enhanced engagement with employers through initiatives such as job fairs, connecting participants with prospective employers and facilitating job placement opportunities. All SCTP graduates secured employment within one month of completing the programme in the community.

Enhanced Service Delivery

To enhance the rehabilitation experience, YRSG introduced several digital initiatives this year. Electronic correspondence from YRSG is now accessible to inmates, enabling more timely and efficient communication. The Skills Training Handbook has also been made accessible on the Digitisation of Inmate Rehabilitation and Corrections Tool (DIRECT) tablet, giving inmates direct access to vocational guidance and training information. Additionally, enhancements to YRSG's corporate website enabled real-time updates on current course offerings, ensuring that inmates, ex-offenders, families and stakeholders have access to the latest information.

Yellow Ribbon Unlocking Potential through Learning Incentive for Funded Training

Developed in FY2025, Yellow Ribbon Unlocking Potential through Learning Incentive for Funded Training (YR UPLIFT) strengthens support for supervisees on Community-Based Programmes (CBP) who wish to pursue skills upgrading.

Research conducted by YRSG in collaboration with the Singapore Prison Service found that financial pressures, particularly income loss during training, often discourage supervisees from participating in upskilling opportunities. YR UPLIFT was designed to provide targeted financial support to help offset these opportunity costs, enabling more individuals to choose training as a viable pathway during their supervision period.

Designed in consultation with key government stakeholders and aligned with existing national training support schemes, YR UPLIFT complements broader workforce upskilling efforts. Supported by FairPrice Foundation, the programme will be rolled out in FY2026 to reduce financial barriers to training, encourage participation, and support sustained employment and long-term reintegration.

SIM People Development Fund Memorandum of Understanding Study Award

On 19 December 2025, YRSG signed a three-year Memorandum of Understanding (MOU) with the Singapore Institute of Management People Development Fund (SIMPDF), marking a significant milestone in expanding education and career pathways for supervisees. The partnership reflects a shared commitment to supporting successful reintegration through skills development and employment.

A key outcome of this partnership is SIMPDF's commitment of $150,000 over three years, disbursed in the form of a $600 SIMPDF Progression Award. The award recognises supervisees who complete the SCTP and secure employment in a relevant industry. The award covers selected sectors such as food services, environmental services and retail, directly strengthening employability outcomes for supervisees as they transition back into the workforce. Annually, the award is expected to benefit up to 80 supervisees by encouraging skills upgrading, employability and long-term career progression.

At the inaugural presentation ceremony, 23 supervisees received the SIMPDF Progression Award, with 18 having secured employment through a job fair jointly organised by Temasek Polytechnic and the Environmental Management Association of Singapore.

The partnership reflects a broader ecosystem approach, bringing together community donors, training institutions, employers and government agencies. Together, these efforts reinforce Singapore's commitment to rehabilitation and reintegration, equipping individuals with the skills, confidence and opportunities to rebuild their lives and contribute meaningfully to society.

Time Dah Lambat (Time is Late Already): Din's Race to Start Over

A classroom at Temasek Polytechnic was the last place Din (pseudonym) expected to find himself.

For years, his nights belonged to the bar — the noise, the alcohol, the smell of drugs drifting through the air formed part of his daily life. By day, he installed office workstations. It was a life, but not the one he wanted. "I just wanted to try new things," he says. More than that, he wanted a way forward.

That desire led him to the SCTP Environmental Services Specialist programme, a collaboration between Temasek Polytechnic and YRSG, and one of the first programmes of its kind. Din stayed committed and made a conscious decision to be in the company with those who were serious about learning. "We shared with one another during class," he says. "What kept us going was that we all wanted to upgrade ourselves."

Being surrounded by like-minded peers helped him stay motivated. For the first time in a long while, he found himself among people who were looking ahead rather than standing still. The trainers also played an important role, Din spoke warmly of Dr Wuang Shy Chyi and Mr Kee Wee, who took the time to explain concepts in ways he could understand. "They were very genuine in their teaching," he says. That genuineness mattered, it showed Din that he was worth the effort, and that he belonged in the classroom as much as anyone else.

Completing the programme opened a door he had not known existed. Through the SCTP in Environmental Services Specialist, Din became eligible for up to 50% exemption towards the Specialist Diploma in Environment and Water Technology at Temasek Polytechnic, allowing him to complete the qualification in just six months. A polytechnic diploma was something he had never imagined pursuing. He remembered his mother had always encouraged him to continue studying. Looking back, Din realised she had seen potential in him long before he saw it in himself.

Since completing the SCTP, Din has not slowed down. His company sponsored him for an additional National Environment Agency certification in pest control, and he hopes to pursue an even more advanced certification in future. He is clear about what he wants from life. "*Keje bagus, solat tak kacau*," he says, sharing that he has found a good job that allows him to observe his daily prayers undisturbed. For Din, that means a great deal. The ability to grow in his career while remaining grounded in his values sits at the heart of what a good life looks like. He is confident that his salary and opportunities will increase with every certification he earns, something he admits felt out of reach when he first signed up.

The shift in Din runs deeper than qualifications. "*Dulu tak banyak belajaras*," he reflects. In the past, he did not place much importance on learning. Today, He speaks with greater confidence and conviction. "*Time dah lambat*," he says. Now in the final stretch of his community supervision, Din is determined to make every day count and intends to follow his plans. To those still weighing whether a programme like this is worth their while, Din does not dress it up. "*Course ni bukan lepas kan time*," he says. This course is not a waste of time. For him, it was the first step towards a future he once thought was beyond reach.

Resumify: Technology with Purpose, Empowering Second Chances

In line with our commitment to galvanise society to uplift ex-offenders through skills and career development, YRSG signed an MOU with Resumify on 28 July 2025 to pilot an AI-powered employment platform that supports ex-offender jobseekers in their employment journey. This collaboration marked a significant milestone in embedding technology-driven solutions into YRSG's reintegration efforts and advancing our mission of empowering ex-offenders towards meaningful careers and sustained employment.

Resumify is a youth-led, non-profit initiative formed during Season 5 of the Youth Action Challenge organised by the National Youth Council (NYC). Co-founded by five Singapore Polytechnic students with technology and engineering diplomas, the platform leverages AI and data-driven features to improve employment outcomes for jobseekers with diverse needs and facilitate their transition into the workforce. Its multilingual support, available through both speech and text input, accommodates colloquial Singaporean English, Malay and Mandarin, improving accessibility for clients who may face language barriers using conventional résumé applications.

Inmates and ex-offenders who accessed the platform highlighted its intuitive and accessible interface, reinforcing its potential to enhance employment readiness. By integrating Resumify into our reintegration efforts, YRSG's commitment goes beyond facilitating access to employment opportunities. It also equips clients with digital skills to leverage AI tools for résumé writing, job searches and career planning, strengthening their confidence to navigate an evolving employment landscape.

Clinical Supervision: Nurturing Growth, Strengthening Practice

Clinical Supervision provides a dedicated space for staff to reflect, learn and grow under the guidance of experienced supervisors. It is a formal process where practitioners engage with supervisors experienced in both intervention and supervision. These sessions, whether individual or group, are designed to uphold standards of practice, safeguard client outcomes and provide practitioners with opportunities to broaden their perspectives while enhancing their intervention competencies. Recognising the value it could offer in strengthening practice and nurturing staff, since October 2025, Careers@YR introduced Clinical Supervision for all Careers@YR staff.

Previously, Careers@YR staff relied primarily on informal peer consultations and formal case discussions to enhance their engagements and improve support for clients. While valuable, these approaches often lacked structured professional support to guide YRSG career coaches and career specialists in managing complex cases effectively. Recognising the challenges of working with inmates and ex-offenders, Careers@YR identified the need for specialised support and a safe, structured space to process complex cases.

Through Clinical Supervision, Careers@YR staff benefit from strengthened service quality, improved client outcomes, increased professional confidence and a reduced risk of burnout. The process also ensures consistency in practice standards within the team while fostering deeper professional development.

Clinical supervision is delivered through two complementary formats:

- Individual supervision, which focuses on the specific aspects of practice while supporting the practitioner's professional growth; and
- Group supervision, which provides a collaborative setting for shared learning, experience-sharing and peer support.

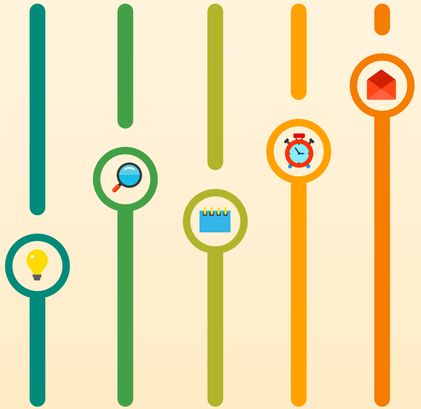
Career Management Framework: Enabling Reintegration through Structured Career Support

Ex-offenders often face a multitude of barriers in securing and sustaining meaningful employment. To better support them in navigating through these challenges, Careers@YR developed the Career Management Framework as a structured approach to guide YRSG career coaches and career specialists in their engagements and interventions facilitate ex-offenders' reintegration through work.

This framework integrates existing practice knowledge with evidence-informed approaches such as Working Alliance, Schlossberg's Transition Theory, Motivational Interviewing and the Transtheoretical Model of Change. Under this framework, career conversations and interventions now focus on three key areas: building employment stability, strengthening alignment between work and personal values and supporting long-term career progression.

Guided by the Career Management Framework, Careers@YR staff are better equipped to strengthen client engagement, help clients understand the role and importance of employment in achieving their reintegration goals and aligning with their personal values, and support them in planning their long-term career progression and development. Through these enhanced engagements and interventions, Careers@YR aims to guide more inmates and ex-offenders towards sustainable employment and, ultimately, long-term desistance.

Performance Highlights



Skills Training[7]	2021	2022	2023	2024	2025
Number of Inmates Trained[8]	4,748	3,740	4,046	3,973	**4,061**
Average Number of Training Hours Per Inmate Trained[9]	60	64	80	102	**92**

Work Programme[10]	2021	2022	2023	2024	2025
Average Number of Inmates Engaged in Work Programme in YRSG and YRI Workshops	1,660	1,464	1,405	1,260	**1,295**
% of Eligible Inmates Engaged in Work Programme	88%	88%	88%	86%	**88%**

[7] Skills Training Programmes are administered by YRSG to equip inmates with nationally accredited skills. The training offered is aligned to Singapore's Skills Framework, and consists of a mix of literacy skills, critical core skills, and technical skills and competencies.

[8] Number of inmates trained refers to the number of unique inmates trained; an inmate may attend more than one training course.

[9] Average number of training hours per inmate trained per year is calculated by taking the total number of training hours spent by inmates on training in a year divided by the total number of unique inmates trained in the same year.

[10] Work programmes aim to impart vocational and employability skills through on-the-job training. Discipline, positive work ethics and values are inculcated by immersing inmates in a real work environment within prisons.

Partnership and Engagement

Project Beyond Hiring

Project Beyond Hiring (PBH) aims to deepen engagement with YRSG's network of employers and better support them by enhancing the competencies and confidence of workplace supervisors who manage ex-offender employees. This, in turn, fosters a more inclusive work environment.

As part of this effort, four workshops were conducted in April, July, and September 2025, and January 2026, for workplace supervisors from employers who have hired ex-offenders. Themed "*Fostering Inclusion at the Workplace*", the workshops aimed to equip workplace supervisors with practical mentoring and coaching skills, promote inclusive workplace cultures, and raise awareness of the unique challenges faced by ex-offenders.

Through PBH, YRSG hopes to build a Community of Practice among employers to further advocate for second chances and promote workplace inclusivity. Building on the success of PBH to date, YRSG will target workplace supervisors from strategic employers for the remaining sessions in 2026.

YR Connects

YR Connects is a series of regular engagements that bring together employers, social service agencies, and community partners for meaningful conversations and to foster new partnerships in support of inmates and ex-offenders. This initiative underscores YRSG's commitment to partnering with employers who advocate for second chances and inclusive hiring practices.

On 13 November 2025, in collaboration with the Tripartite Alliance for Fair and Progressive Employment Practices, YRSG organised a session themed "*Bridging Futures Together*". The event brought together 16 employers and partners for a focus group discussion to understand how YRSG could more effectively enhance its support and serve their needs. At this session, affirmative and insightful feedback on enhancing workplace practices was shared and discussed.

Through YR Connects, YRSG continues to build a strong community of employers and partners committed to supporting the reintegration of ex-offenders.

Career Talks at Career Resource Centre

As part of the suite of services offered at YRSG's one-stop Career Resource Centre (CRC) in Institution S2, career talks are held regularly to equip releasing inmates with valuable industry insights and practical knowledge. This helps them prepare for and adapt to their future work environments. These sessions serve as an important bridge between incarceration and employment, providing inmates with a clearer understanding of workplace expectations and the opportunities available to them upon release.

Since October 2025, YRSG has organised four career talk sessions featuring presentations by Guzman y Gomez, Marina Bay Sands, Agape Services and the Singapore Logistics Association. Each session provided inmates with the opportunity to hear directly from employers and industry representatives, gaining first-hand insights into workplace expectations, available job roles and the skills in demand across various sectors.

Building on the positive response to these sessions, YRSG will continue to organise career talks on a monthly basis in 2026, with plans to engage a broader range of employers and industry partners. Through these efforts, YRSG remains committed to empowering inmates with the knowledge and confidence to make a successful transition into meaningful employment.

Financial Literacy Workshop by Institute of Singapore Chartered Accountants Cares

On 23 January 2026, the Institute of Singapore Chartered Accountants (ISCA) Cares conducted a financial literacy workshop at YRSG's Career Resource Centre in Institution S2. This marked a meaningful collaboration between YRSG and ISCA Cares in support of inmates on their reintegration journey. Recognising that financial literacy is an essential life skill, the workshop aimed to equip inmates with money management skills that will serve them well upon release.

The session was led by Mr Kushal Jaju, an Associate Member of ISCA, who guided inmates through practical strategies for budgeting, managing day-to-day spending and planning for their financial future. The workshop also provided inmates with the opportunity to ask questions and engage directly with a financial professional.

The session was met with an enthusiastic response from inmates, reflecting the strong demand for practical, skills-based programmes that address the real-world challenges they face upon release.

Encouraged by this positive response, YRSG plans to organise more financial literacy workshops in 2026, with the aim of reaching more inmates and further strengthening their readiness for life beyond incarceration.

Workforce Singapore's Employers Connect

Employers Connect is part of Workforce Singapore's (WSG) series of complimentary workshops and talks designed to provide employers with insights into trending human resources, employment and recruitment topics. The platform serves as a valuable space for employers to stay informed about evolving workforce practices and connect with relevant partners and resources.

In August 2025, YRSG was invited to present on the programmes and resources available to employers that are open to hiring ex-offenders. The presentation focused on breaking down employment barriers for individuals with criminal records and sharing best practices for workplace integration. This included addressing misconceptions and highlighting the tangible benefits of inclusive hiring practices.

Through its participation in this session, YRSG aimed to broaden employers' perspectives on talent acquisition, encouraging them, particularly small and medium-sized enterprises, to look beyond conventional hiring pools and support successful community reintegration.

Performance Highlights

Employment Assistance	2021	2022	2023	2024	2025
Number of Inmates Assisted	2,969	2,615	2,350	2,283	**2,259**
% of Assisted Inmates Who Secured Jobs	94%	93%	95%	95%	**96%**

Employer Engagement	2021	2022	2023	2024	2025
Number of Employers Registered With YRSG[11]	5,634	6,265	6,516	6,712	**6,486**

[11] This refers to employers who are registered with YRSG and still in operation. As part of periodic data maintenance, records of employers who had ceased operations would be removed to ensure the accuracy of YRSG's employer network.

Yellow Ribbon Project

Impact Partner for the Unlabelled Run 2025

The YRP came on board as an impact partner for The New Charis Mission's (TNCM) seventh edition of the Unlabelled Run, held on 28 June 2025 at OCBC Square, Singapore Sports Hub. The event, themed "*Drop the Label, See the People*", was graced by Dr Tan See Leng, Minister for Manpower as the Guest of Honour and drew more than 6,200 participants. The Unlabelled Run advocates for the removal of negative labels associated with ex-offenders and other marginalised groups. This year's theme underscored the importance of enabling individuals to reclaim their dignity, realise their potential and be recognised for their contributions to society — values that resonate strongly with YRP's mission of building a more inclusive society by championing second chances for ex-offenders.

YRP's inaugural participation as an impact partner marked a significant milestone in the evolution of its community engagement efforts. The collaboration reflects the two organisations' shared commitment to building a more inclusive, cohesive and compassionate society. Through this partnership, YRP seeks to inspire collective action to dismantle the stigma surrounding ex-offenders and support their reintegration into society, reinforcing its tagline, "We Are Each Other's Second Chances."

"The Unlabelled Run is more than a run — it's a clarion call to Singaporeans that we must unite to build an inclusive, cohesive and compassionate society," said Reverend Don Wong, Founder and Executive Director of TNCM.

"By partnering with the Yellow Ribbon Project, we amplify the message that everyone deserves a second chance."

"We are pleased to support the Unlabelled Run as an impact partner this year. Together with TNCM and supporters of the run, we hope to inspire more organisations, groups and individuals to remove negative labels and provide equal opportunities for ex-offenders to reintegrate into society, thus empowering them to pay-it-forward as contributing members of society," said Mr Sunny Lee, CEO of YRSG.

Yellow Ribbon Community Arts Festival

The Yellow Ribbon Community Arts Festival (YRCAF) returned with the powerful theme, "*We Are Each Other's Second Chances*", showcasing 60 inmate artworks that highlighted the role of the arts in rehabilitation and reintegration. The theme also resonated with the shared values of SG60 as Singapore celebrated its 60th year of independence, underscoring the importance of hope, resilience and second chances in building a more inclusive and cohesive society.

This year's edition featured a nationwide Yellow Ribbon Art Competition, which drew an encouraging 294 student entries from 58 schools across Singapore. The strong participation reflects a growing awareness among the younger generation of the values of compassion and second chances. The exhibition was launched by President Tharman Shanmugaratnam on 1 August 2025 and featured an iconic fashion show showcasing 12 outfits inspired by inmate artworks — a vivid celebration of the creativity and stories behind each piece. Through the exhibition and a roving arts truck that brought the initiative directly into the community, the festival reached more than 25,000 members of the public, with 50 artworks adopted and over $14,500 raised for the Yellow Ribbon Fund (YRF).

Yellow Ribbon Songwriting Competition

The Yellow Ribbon Songwriting Competition marked a significant milestone with its 10th edition, held under the theme "*Celebrating Second Chances Together*". The event took place on 10 September 2025 at Changi Prison Complex. The competition attracted more than 100 song entries from inmates, providing them with a meaningful platform to develop their songwriting skills, showcase their creativity and express their hopes for a fresh start. The finals brought together more than 100 guests, including family members, CARE Network representatives and community partners, creating a warm and supportive atmosphere that reflected the spirit of the occasion.

New to this year's edition was the Viewers' Choice Show, a 30-minute programme hosted by local singer-songwriters Inch Chua and Imran Ajmain. The show extended the competition's reach well beyond the prison complex, garnering over 44,000 views across four social media platforms and receiving more than 1,000 votes. This reflects the growing public support for the rehabilitation journey of inmates and ex-offenders. The 10th edition of the Yellow Ribbon Songwriting Competition continued to harness the power of music as a vehicle for reflection, healing and hope, reinforcing the belief that everyone deserves a second chance.

Youth Advocacy: Youth-led Initiatives – Project Solis and Project Defteros

Two youth-led projects demonstrated the growing momentum of youth advocacy in support of the rehabilitation and reintegration of ex-offenders. Project Solis, led by four Hwa Chong Institution students through the Young Men's Christian Association (YMCA) Youth for Causes programme, championed the Yellow Ribbon cause as part of their commitment to fostering a more inclusive society. Through a series of advocacy efforts, the team raised more than $10,000 for the YRF while bringing the message of second chances to the wider community. Their efforts included engagement booths at NDP@Heartlands, thrift sales at a vintage market and art-related activities, reflecting the passion and creativity that young advocates can bring to social causes.

Complementing this, Project Defteros from Raffles Institution brought the Yellow Ribbon cause to life through their interactive game, "Knock Down Barriers", which was featured at the SPS-YRSG Corporate Advance 2025 and the PSB Academy's Walk for Second Chances 2025.

The game provided an engaging and thought-provoking way to encourage members of the public to embrace second chances for those reintegrating into society, sparking meaningful conversations about inclusion and compassion. Together, the two projects exemplified the vital role that youth can play in shifting mindsets and building a more compassionate community that believes in the potential of every individual to turn over a new leaf and contribute meaningfully to the society.

Regular Outreach to Educational Institutions

YRP conducted more than 29 outreach sessions across 20 educational institutions, engaging students and educators to raise awareness and foster a more inclusive mindset towards individuals reintegrating into society. These sessions reached more than 300 youths throughout the year, inspiring them to become advocates for YRP. Beyond the classroom, meaningful partnerships were also established with youth organisations such as the YMCA and the National Youth Council, extending the reach and impact of YRP's advocacy efforts. These collaborations recognise that building a more compassionate and inclusive society requires young people to be engaged not just as an audience, but as active participants and champions of change.

Corporate Partnerships (Star Light, Star Bright Campaign)

For the third consecutive year, YRP collaborated with Geneco Singapore to showcase the artistic talents of inmates and bring the message of second chances to the wider public. This year's edition featured 22 inmate artworks, continuing a partnership that has grown in both scale and impact. A highlight of the collaboration was the launch of a roving art truck at Hillion Mall on 1 December 2025. The truck subsequently visited three locations across Singapore, bringing the artworks directly into the community. It also featured festive bakes from Yellow Ribbon Bakery (YR Bakery), adding a warm and celebratory touch that encouraged the public to engage with the cause in a personal and meaningful way.

This year's collaboration also carried a deeply human dimension. Geneco Singapore produced a heartfelt video highlighting the hopes of two female inmates for family reconciliation, which resonated strongly with viewers and garnered more than 124,000 views by the end of 2025.

Complementing the video, Geneco Singapore also launched an online campaign inviting the public to vote for their favourite paintings created by female inmates and their children. The campaign celebrated the enduring bonds between families despite incarceration. The campaign drew an overwhelming response, with more than half a million votes cast, reflecting strong public support for inmates seeking to rebuild their family relationships.

Grassroots Engagements (SG60 National Day Celebrations)

YRP played an active role in Singapore's SG60 celebrations, supporting a range of grassroots initiatives that brought the message of second chances to communities across the island. This included participating in Emergency Preparedness Day roadshows across multiple districts, raising awareness for the Yellow Ribbon cause while contributing to national efforts to build a resilient and cohesive community.

During the National Day Heartland Celebrations, YRP mobilised volunteers and youth groups across six locations — Bishan, Yishun, Geylang Serai, Siglap, Tampines and Bukit Gombak. A highlight of these engagements was performances by desistor musicians, who entertained audiences while sharing their personal reintegration journeys. Their performances served as a powerful testament to the possibility of change and the importance of community support. YRP's participation in the SG60 celebrations reflected its commitment to building a more inclusive and compassionate society where everyone is given the opportunity for a second chance.

Collaborative Community Mural

YRP partnered with HUG Community Services Ltd to commemorate the second anniversary of the "Mai Gong Bo Jio" programme with a mural unveiling and community breakfast on 22 November 2025. The unveiling of a community mural was the centrepiece of the event, which was attended by 150 residents and beneficiaries. Painted by desistor artist Derrick, the artwork was inspired by the themes of support, hope and second chances. Guest of Honour Mr Chee Hong Tat, Minister for National Development, joined Ms Shie Yong Lee, then-Commissioner of Prisons and Mr Sunny Lee, CEO of YRSG in adding the final touches to the mural. This meaningful gesture reflected a shared commitment among partners and the community to championing second chances.

Yellow Ribbon Fund

Chief Justice's Cup

The Singapore Academy of Law (SAL) has been a steadfast supporter of the YRF since 2013, demonstrating its commitment to rehabilitation and second chances primarily through its annual Chief Justice's Cup (CJ's Cup) charity futsal tournament. The 2025 edition, held on 12 April 2025, marked a record-breaking milestone, raising $205,000 for the YRF and the Singapore After-Care Association (SACA). The tournament continues to leverage SAL's extensive legal network to rally support for ex-offenders and their families, demonstrating that the legal community's role extends beyond the courtroom to the broader work of rehabilitation and reintegration.

The funds raised support two meaningful causes. Through the SAL–YRF Skills Training Assistance to Restart Bursary, financial assistance is provided to ex-offenders pursuing vocational and skills training, equipping them with the tools they need to secure stable livelihoods. Complementing this, SACA's Volunteer After-Care Programme supports the families of ex-offenders, recognising that successful reintegration is not just an individual journey but one that involves and affects the entire family.

Yellow Ribbon-CARE Network Gala Dinner

The Community Action for the Rehabilitation of Ex-offenders (CARE) Network marked its 25th anniversary with the Yellow Ribbon-CARE Network Gala Dinner on 20 September 2025 at Shangri-La Singapore. Themed "*Starlight Odyssey: 25 Years of Transforming Lives*", the event brought together more than 800 community partners, donors, sponsors, beneficiaries and representatives from CARE Network agencies — a fitting celebration of 25 years of transforming the lives of ex-offenders and their families.

The evening was a resounding success, with CARE Network agencies collectively raising more than $1.7 million through table sales, donations, and live and silent auctions. This was a testament to the generosity and unwavering support of the community for the cause of rehabilitation and reintegration.

Hosted by local actor, comedian and host, Mr Gurmit Singh, the event featured musical performances by inmates from the Performing Arts Centre, prison officers and students from LASALLE College of the Arts and University of the Arts Singapore.

Our Business Subsidiary – Yellow Ribbon Industries Pte Ltd

Sustaining Our Mission, Scaling Our Impact – Yellow Ribbon Industries Pte Ltd

2025 was a year of reflection for YRI. Against a backdrop of increasing global uncertainty and evolving operating challenges, the leadership team came together to re-anchor YRI's identity, purpose and priorities that would guide the organisation in the years ahead.

A central theme explored was the dual priorities of financial sustainability and being a mission-led organisation. Through at-times spirited discussions, a shared understanding emerged that meaningful impact cannot be sustained without operational viability.

At the same time, YRI's mission gives purpose and direction to the work across its portfolio of businesses and services — with each playing distinct but complementary roles. Together, they strengthen YRI's ability to remain relevant, resilient and impactful over time.

> "Financial sustainability and mission impact go hand in hand — enabling YRI to strengthen operations, deepen rehabilitation outcomes, and extend its impact on the wider community."

Building Financial Resilience for Long-term Impact

YRI focused on financial sustainability through three key areas that collectively contributed to greater operational resilience, cost discipline, and revenue sustainability.

Strengthening Operations

The Laundry Unit renewed key equipment systems, including the Programmable Logic Controller for the Bag Transport System. The upgrade replaced an obsolete set-up, ensuring continued access to replacement parts and enabling more targeted maintenance and fault recovery. This improved downtime response and reduced disruption risks from system failures, strengthening the Plant's operational reliability.

Cost Discipline

Given the large volume of contracts managed across Food Services operations, rations and suppliers, the division strengthened back-end supply chain processes to enhance cost discipline and operational oversight. Tools such as a Contract Tracker were developed to support utilisation monitoring and manage at-risk contracts.

Commercial Growth

The YR Bakery team expanded revenue pathways through product innovation, market outreach, and the expansion of consignment-based channels. Across festive seasons, roadshows and corporate engagements, the team introduced new products and flavours that broadened YR Bakery's market visibility and customer reach.

What's New @ YR Bakery!

- **Christmas Special Mini Gingerbread Man series featuring local-inspired flavours**
- **Pineapple Cakes made with monk fruit sugar substitute (a healthier choice option)**
- **New cookie flavours: Hae Bi Hiam and Rendang**

Deepening Impact Within and Beyond Our Operations

In FY2025, YRI contributed a total of $350,000 to the CARE Network community in support of aftercare efforts for ex-offenders and their families. These included donations made at the Yellow Ribbon CARE Network Gala Dinner, and a sponsorship to Just BrewIN Café — a community space by charity Yellow Ribbon (YR) Cares. Beyond financial contributions, YRI sought to create value through our operations and initiatives to benefit the wider community. This included stronger skills development for inmate workers through structured work programme engagements, such as YR Bakery's R&D exposure for the 2025 Mooncake Collection and training courses in partnership with Asian Culinary Institute (ACI).

Mission Delivery Within Our Operations

YRI deepened its direct impact on inmate workers through a stronger focus on skills development within the YR Bakery work programme, including greater exposure to product innovation and development. In partnership with ACI, two accredited courses in Bread Making and Pastry Preparation were introduced to equip inmate bakers with new skills in R&D, with 43 inmates trained in FY2025.

YRI's Selarang Halfway House (SHWH) expanded its operations with the opening of a new facility — SHWH@Cosford to support female residents' reintegration needs through the provision of gender-responsive programmes and support. SHWH also enhanced its programme offerings and implemented a revised rehabilitation framework to ensure that support provided to residents remains relevant, responsive and effective.

Spreading the Message of Second Chances

YRI participated in the Singapore Clay Festival 2025 to showcase handcrafted pottery by inmate artists from the VAH. With mentorship from Meso Ceramics, inmates deepened their craft skills while gaining greater public exposure for their talents. Public reception was encouraging, with returning visitors recognising improvements in artwork quality. All proceeds were channelled to YR Cares.

In its Christmas sales campaign, YR Bakery partnered Geneco Singapore to incorporate co-created artworks by incarcerated mothers and their children into product packaging and public messaging. The collaboration strengthened public engagement while reinforcing YRI's social mission through a consumer-facing platform.

Beyond Our Core Mandate

As part of YRI's broader commitment to community and social responsibility, YRI collaborated with like-minded partners to give back to different beneficiary groups.

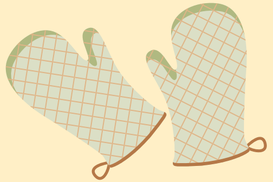
- Lunar New Year (LNY) Cheer with SUN-DAC: YRI staff volunteers spent a meaningful half-day with SUN-DAC beneficiaries across its Bedok South, Choa Chu Kang and Thomson branches, celebrating LNY through a series of interactive activities. A total of 169 clients were engaged, with each also receiving LNY cookies from the YR Bakery as a sweet end to the celebration.
- Supporting Families during Ramadan: Together with Our Tampines Hub (OTH), YR Bakery sponsored 95 tins of cookies for hampers distributed to underprivileged families during the OTH Buka Puasa 2026 event, extending the festive spirit to households in need.
- Clothing Recycling with UNIQLO: YRI supported UNIQLO's "Neighbours Helping Neighbours" programme as their laundry partner for processing pre-loved apparel. The clothing was subsequently redistributed through partner social service agencies to beneficiaries in need, with SHWH serving as one redistribution centre.

Heritage and Hope – YR Bakery's 2025 Mooncake Collection

The mooncake collection featured heritage-inspired flavours that paid tribute to Singapore's heritage in celebration of SG60, and was conceptualised and developed by inmate bakers under the guidance of YRI bakers.

Over a three-month period, inmates were guided through the R&D process — from ideation and recipe development to tasting and refinement. The structured experience provided inmates with practical exposure to product innovation while building confidence, creativity and market-relevant skills.

The collection also reflected YR Bakery's commitment to sustainability and purposeful design. Each mooncake set came in a reusable tingkat featuring artwork by an inmate artist from the VAH, inspired by batik motifs and the Vanda Miss Joaquim — Singapore's national flower, symbolising resilience and multiculturalism.



These initiatives form part of YRI's efforts to support the successful reintegration and employability of inmates while spreading the message of hope and second chances.

Strengthening Reintegration Pathways – Selarang Halfway House

SHWH's guiding philosophy is rooted in the belief that every individual has the capacity for change when given the right environment and a sense of personal agency. Over the past year, SHWH strengthened this approach by extending residential support to female residents, enhancing its programme offerings, and refining its rehabilitation framework.

New SHWH@Cosford

SHWH operationalised SHWH@Cosford on 23 October 2025 to provide gender-responsive support and curated programmes for female residents. Prior to its opening, all staff underwent specialised training to better support residential needs, informed by correctional research on the distinct pathways and experiences of female offenders.

A cornerstone of SHWH@Cosford is the pilot Healing, Empowerment, Awareness, Resilience, Transformation (H.E.A.R.T.) programme. Designed as a safe space for reflection, pro-social identity development and building emotional resilience, the six-session monthly psycho-educational support group complements existing programmes by reinforcing key rehabilitation concepts through practical, community-based application.

Enhanced Programme Offerings

SHWH expanded its lifestyle and vocational programmes with support from community and industry partners. Lifestyle programmes comprised the pilot Good Earth School's hands-on creative workshops, including bookbinding, coaster making, soy wax pendant creation and essential oil crafting. In collaboration with Cornerstone Community Services, SHWH also refreshed its Elderly Circle programme into the Fit Kakis Club, introducing pickleball, adaptive sports and community outings tailored for elderly residents.

SHWH also partnered YRSG, Temasek Polytechnic and Life Craft to introduce specialised vocational training and employment-linked pathways. These included the SCTP Environmental Services course with Temasek Polytechnic and Life Craft's LifeLine programme, which connect residents with job opportunities upon completion of core WSQ requirements. Collectively, these enhancements broaden the ways residents can build confidence, develop practical skills and strengthen community connections as they prepare for reintegration.

Refined Rehabilitation Framework

A review of SHWH's Rehabilitation Framework was conducted to ensure interventions remain relevant, responsive and effective. The refreshed framework shifts from dictating residents' movements towards empowering them to take greater ownership of their rehabilitation journey. It is anchored on two complementary levers: choice and accountability.

Built around the principle of "Choice as Leverage", residents are encouraged to make informed decisions in selecting a support group that best meets their needs and aspirations. The increased agency helps strengthen personal responsibility and motivation for long-term change. Complementing this is an updated incentivisation process that links residents' demonstrated accountability with progressively increased privileges and community access.

Together, these levers provide residents with opportunities to practise decision-making and self-management in a structured environment, helping them to transit more confidently from the halfway house to independent living. Initial responses have been encouraging with most residents sharing positive feedback on the new system in supporting their rehabilitation.

Annual Report FY2025 Working Committee

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Financial Statements

Financial Year Ended 31 March 2026

Yellow Ribbon Singapore and its subsidiary
(Unique Entity Number: T08GB0049F)

Yellow Ribbon Singapore General Information

Board Members

Chairman
Phillip Tan Eng Seong

Deputy Chairman
Ngiam Shih Chun

Member
Matthew Wee Yik Keong
Lim Teck Kiat
David Toh Seng Hong
Mable Chan Kam Man
Thomas Pek Ee Perh
Carlos Nicholas Fernandes
Mayank Parekh
Mohamed Fadzil Bin Mohamed Hamzah
Shirley Wong Swee Ping
Tham Loke Kheng
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Registered Office

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Singapore 507708

Auditor

KLP LLP

Principal Bankers

DBS Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Hong Leong Finance Limited

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Yellow Ribbon Singapore Statement by the Board

For the Financial Year Ended 31 March 2026

In the opinion of the Board,

a) the accompanying consolidated financial statements of the Yellow Ribbon Singapore ("the Corporation") and its subsidiary ("the Group") are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 ("the Public Sector (Governance) Act"), the Singapore Corporation of Rehabilitative Enterprises Act 1975 ("the Act"), and Statutory Board Financial Reporting Standards ("SB-FRS") so as to give a true and fair view of the consolidated statement of financial position of the Group and the statement of financial position of the Corporation as at 31 March 2026, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group and the statement of comprehensive income and statement of changes in equity of the Corporation for the year then ended on that date;

b) at the date of this statement, there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when they fall due;

c) proper accounting and other records have been kept, including records of all assets of the Corporation whether purchased, donated or otherwise; and

d) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Corporation during the financial year are in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Corporation.

The Board has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board,

Phillip Tan Eng Seong
Chairman

David Toh Seng Hong
Chairperson, Audit & Risk Management Committee

Singapore, 25 Aug 2026

Independent Auditor's Report

to the Board of Yellow Ribbon Singapore

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Yellow Ribbon Singapore ("the Corporation") and its subsidiary ("the Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Corporation as at 31 March 2026, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group and the statement of comprehensive income and statement of changes in equity of the Corporation for the year then ended, and notes to the financial statements, including material policy information.

In our opinion, the accompanying consolidated financial statements of the Group and statement of financial position of the Corporation are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 ("the Public Sector (Governance) Act"), the Singapore Corporation of Rehabilitative Enterprises Act 1975 ("the Act"), and Statutory Board Financial Reporting Standards ("SB-FRS") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Corporation as at 31 March 2026 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and financial performance and changes in equity of the Corporation for the year then ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Commission (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The other information which comprises the annual report is expected to be made available to us after the date of this auditor's report.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the Public Sector (Governance) Act, the Act and SB-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.

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Group or for the Group to cease operations.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

We communicate with those charged with governance 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,

(a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Corporation during the year are, in all material respects, in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Corporation; and

(b) proper accounting and other records have been kept by the Corporation and by its subsidiary corporation incorporated in Singapore of which we are auditors, including records of all assets, whether purchased, donated or otherwise.

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Compliance Audit section of our report. We are independent of the Group in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Corporation. This responsibility includes monitoring related compliance requirements relevant to the Corporation, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Auditor's Responsibility for the Compliance Audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Corporation.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Because of the inherent limitations in any accounting and internal control system, noncompliance may nevertheless occur and not be detected.

The engagement partner on the audit resulting in this independent auditor's report is See Zhen Ni, Jenny.

KLP LLP
Public Accountants and
Chartered Accountants

Singapore, 25 Aug 2026

Statements of Financial Position

As at 31 March 2026

	Note	Group 2026 $	Group 2025 $	Corporation 2026 $	Corporation 2025 $
Assets					
Non-current assets					
Property, plant and equipment	4	22,646,706	19,921,455	9,719,855	8,051,499
Right-of-use assets	5	1,148,260	2,786,926	1,107,269	1,837,597
Intangible assets	6	89,710	-	-	-
Investment in subsidiary	7	-	-	21,371,946	21,371,946
		23,884,676	22,708,381	32,199,070	31,261,042
Current assets					
Inventories	8	629,830	619,493	-	-
Trade and other receivables	9	21,787,413	28,164,380	2,087,325	2,300,224
Operating grants receivables	10(a)	1,766,730	476,675	1,766,730	476,675
Capital grants receivables	10(b)	576,730	266,430	576,730	266,430
Cash and cash equivalents	11	63,416,370	46,022,371	23,815,617	30,643,959
		88,177,073	75,549,349	28,246,402	33,687,288
Total assets		112,061,749	98,257,730	60,445,472	64,948,330
Equity and liabilities					
Equity					
Capital account	12	1,662,262	1,662,262	1,662,262	1,662,262
Accumulated surplus		73,818,826	59,811,508	39,534,112	39,534,112
Total equity		75,481,088	61,473,770	41,196,374	41,196,374
Non-current liabilities					
Deferred tax liabilities	26	1,505,496	1,781,702	-	-
Term loan	13	3,045,552	3,519,902	3,045,552	3,519,902
Lease liabilities	14	1,010,280	1,254,256	983,040	1,238,156
		5,561,328	6,555,860	4,028,592	4,758,058
Current liabilities					
Grants received in advance	10(a)	5,505,672	11,133,565	5,505,672	11,133,565
Deferred capital grant	10(b)	4,420,680	1,396,440	4,420,680	1,396,440
Term loan	13	480,674	470,863	480,674	470,863
Lease liabilities	14	270,022	854,970	255,117	729,679
Contract liability	15	3,826,655	3,679,487	-	-
Trade and other payables	16	13,808,907	10,888,437	4,558,363	5,263,351
Provisions	17	17,967	72,244	-	-
Tax payable		2,688,756	1,732,094	-	-
		31,019,333	30,228,100	15,220,506	18,993,898
Total liabilities		36,580,661	36,783,960	19,249,098	23,751,956
Total equity and liabilities		112,061,749	98,257,730	60,445,472	64,948,330
Net assets of the Yellow Ribbon Fund	18	1,058,534	8,757,115	1,058,534	8,757,115

Statements of Comprehensive Income

For the Financial Year Ended 31 March 2026

	Note	Group 2026 $	Group 2025 $	Corporation 2026 $	Corporation 2025 $
Operating income	19	88,467,571	66,392,694	3,783,710	3,371,804
Other income	20	773,717	2,388,470	492,003	806,606
Items of expense					
Depreciation of property, plant and equipment	4	(3,457,454)	(2,237,793)	(1,303,825)	(748,908)
Depreciation of right-of-use assets	5	(805,696)	(1,324,266)	(730,328)	(730,329)
Amortisation of intangible asset	6	-	(127,936)	-	-
Distribution costs		(1,772,059)	(1,421,998)	-	-
Finance costs	21	(246,093)	(482,394)	(231,125)	(380,656)
General office expenses	22	(7,543,580)	(5,572,230)	(6,450,640)	(4,671,216)
Inmate earnings		(1,610,011)	(1,298,138)	(328,508)	(287,025)
Inmate training costs		(3,941,775)	(3,200,781)	(3,898,987)	(3,161,098)
Maintenance of equipment and premises		(2,017,462)	(3,104,911)	(70,625)	(104,594)
Manpower costs	23	(35,442,522)	(30,840,871)	(15,081,092)	(14,092,907)
Material/production costs		(33,783,355)	(23,417,079)	-	-
Utilities		(3,898,409)	(3,601,770)	-	-
Other loss	24	(551,003)	-	-	-
Other expenses	25	(6,220,387)	(4,917,128)	(4,773,947)	(3,866,889)
		(101,289,806)	(81,547,295)	(32,869,077)	(28,043,622)
Deficit before government grant		(12,048,518)	(12,766,131)	(28,593,364)	(23,865,212)
Government operating grants, net	10(a)	27,862,423	23,636,443	27,862,423	23,636,443
Amortisation of deferred capital grant	10(b)	730,941	228,769	730,941	228,769
Surplus before taxation		16,544,846	11,099,081	-	-
Income tax expense	26	(2,537,528)	(1,894,106)	-	-
Net surplus for the year and total comprehensive income for the year		14,007,318	9,204,975	-	-

Statements of Changes in Equity

For the Financial Year Ended 31 March 2026

	Capital account	Accumulated surplus	Total equity
	$	$	$
Group			
Balance as at 1 April 2024	1,662,262	50,606,533	52,268,795
Total comprehensive income for the year	-	9,204,975	9,204,975
Balance as at 31 March 2025	1,662,262	59,811,508	61,473,770
Total comprehensive income for the year	-	14,007,318	14,007,318
Balance as at 31 March 2026	1,662,262	73,818,826	75,481,088
Corporation			
Balance as at 1 April 2024	1,662,262	39,534,112	41,196,374
Total comprehensive income for the year	-	-	-
Balance as at 31 March 2025	1,662,262	39,534,112	41,196,374
Total comprehensive income for the year	-	-	-
Balance as at 31 March 2026	1,662,262	39,534,112	41,196,374

Consolidated Statement of Cash Flows

For the Financial Year Ended 31 March 2026

	Note	2026	2025
		$	$
Cash flows from operating activities			
Deficit before government grant		(12,048,518)	(12,766,131)
Adjustments for:			
Amortisation of intangible assets	6	-	127,936
Bad debts written off		19,343	
Compensation receivable		3,058,309	(5,050,590)
Depreciation of property, plant and equipment	4	3,457,454	2,237,793
Depreciation of property, plant and equipment written back		1,551	-
Depreciation of right-of-use assets	5	805,696	1,324,266
Finance costs	21	246,093	482,394
Interest income		(613,767)	(950,049)
Other loss - reversal of insurance claim		551,003	-
Property, plant and equipment written off		-	25,040
Loss on disposal of property, plant and equipment		2,408	15,420
Provision for linen loss	17	(54,277)	10,521
Operating cash flow before working capital changes		(4,574,705)	(14,543,400)
Changes in working capital:			
Inventories		(10,337)	52,358
Trade and other receivables		2,670,718	(793,855)
Contract liability	15	147,168	3,679,487
Trade and other payables		2,920,470	(7,013,812)
Cash flows generated from/(used in) operating activities		1,153,314	(18,619,222)
Interest received		41,555	-
Income tax paid		(1,857,072)	(82,962)
Government grant received, net		25,120,297	26,264,597
Amortisation of deferred capital grant		(730,941)	(228,769)
Net cash generated from operating activities		23,727,153	7,333,644
Cash flows from investing activities			
Placement/(Withdrawal) of short-term deposits		3,000,000	(1,000,000)
Interest income received		621,503	900,757
Purchase of property, plant and equipment	4	(5,415,101)	(3,256,182)
Disposal of investments held at amortised cost		-	4,971,109
Net cash (used in)/generated from investing activities		(1,793,598)	1,615,684
Cash flows from financing activities			
Interest paid		(246,093)	(482,394)
Repayment of lease liabilities		(828,924)	(1,556,992)
Repayment of term loan		(464,539)	(441,308)
Net cash used in financing activities		(1,539,556)	(2,480,694)
Net increase in cash and cash equivalents		20,393,999	6,468,634
Cash and cash equivalents at the beginning of financial year		43,022,371	36,553,737
Cash and cash equivalents at the end of financial year	11	63,416,370	43,022,371

Notes to the Financial Statements

For the Financial Year Ended 31 March 2026

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

1. Corporation information

Yellow Ribbon Singapore (the "Corporation") is a statutory board established under the Singapore Corporation of Rehabilitative Enterprises Act 1975. The address of its registered office is at 980 Upper Changi Road North, Singapore 507708.

The Corporation is under the purview of the Ministry of Home Affairs. As a statutory board, the Corporation is subject to the directions of the Minister for Home Affairs and is required to follow policies and instructions issued from time to time by the supervising ministry.

The principal activity of the Corporation is to rehabilitate and help reintegrate offenders to become responsible and contributing members of society.

The principal activity of the subsidiary is disclosed in Note 7 to the financial statements.

2. Material accounting policy information

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Corporation have been drawn up in accordance with the provisions of the Public Sector ("Governance") Act 2018, (the "Public Sector (Governance) Act"), the Singapore Corporation of Rehabilitative Enterprises Act 1975 (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRSs") prepared under historical cost convention, except as disclosed in the account policies below.

2. Material accounting policy information

The consolidated financial statements are presented in Singapore Dollars ("$"), which is the Group's functional currency. All financial information is presented in Singapore dollars, unless otherwise stated.

The consolidated financial statements of the Group have been prepared on the basis that it will continue to operate as a going concern.

2.2 Adoption of new and amended standards and interpretations

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

2.3 Standards issued but not yet effective

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

The management expect that the adoption of these new and amended standards will not have material impact on the financial statements in the year of initial application.

2.4 Basis of consolidation

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

All intra-group balances, incomes and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full. The subsidiary is consolidated from the date of incorporation, being the date on which the Group obtain control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary is attributed to the non-controlling interest even if that results in a deficit balance.

2. Material accounting policy information

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

2.5 Subsidiary

A subsidiary is an investee that is controlled by the Corporation. The Corporation controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. In the Corporation's separate financial statements, investment in a subsidiary is accounted for at cost less impairment losses. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.6 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. 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. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

2. Material accounting policy information

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

	Useful lives
Leasehold building	Over the remaining lease term of 12.5 years
Plant, equipment and machinery	3 to 15 years
Furniture, fixtures and fittings	8 years
Renovation	10 years

Asset under construction are not depreciated until assets are completed and ready for use.

The residual value, useful lives and depreciation method are reviewed at least at the end of each reporting period, and adjusted prospectively, if appropriate.

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

2.7 Impairment of non-financial assets

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

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

Impairment losses are recognised in profit or loss.

2. Material accounting policy information

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

2.8 Financial instruments

(a) Financial assets

Initial recognition and measurement

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

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

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

Subsequent measurement

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

2. Material accounting policy information

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

Derecognition

A financial asset is derecognised when 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 has been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Derecognition

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

2. Material accounting policy information

(c) Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are initially recognised at their fair values plus transaction costs in the balance sheet. Financial guarantees are subsequently amortised to the profit or loss account over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to the profit or loss account.

2.9 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

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

2. Material accounting policy information

The Group considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, short term deposits, cash held under Centralised Liquidity Management ("CLM") scheme and cash balances with the Accountant-General's Department which are subject to an insignificant risk of change in value.

2.11 Inventories

Linen inventories purchased for the purpose of providing linen leasing services to hospitals are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average basis and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2.12 Provisions

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

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of 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. Material accounting policy information

Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

2.13 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached 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 profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Alternatively, government grants related to an asset may be presented in the statement of financial position by deducting the grant in arriving at the carrying amount of the asset.

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

2.14 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

2.15 Employee benefits

(a) Defined contribution plans

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

2. Material accounting policy information

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(c) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of the reporting year.

(d) Profit sharing plan

The Group recognises a liability and an expense for profit-sharing, based on a formula that takes into consideration the profit attributable to the Group's employees after certain adjustments. The Group recognises an accrual when it is contractually obliged to pay or when there is a past practice that has created a constructive obligation to pay.

Under some profit-sharing plans, employees receive a share of the profits only if they remain with the entity for a specified period in the future. The measurement of such benefit shall reflect the possibility that some employees may leave without receiving the profit-sharing payment.

2.16 Leases

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

As lessee

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

2. Material accounting policy information

Right-of-use assets

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

	Useful lives
Leasehold land	Over the remaining lease term of 9.25 years
Office premises	Over the remaining lease term of 0.2 to 6 years
Plant and machinery	Over the lease term of 3 to 5.3 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.7.

The Group's right-of-use assets are presented as a separate line item in the Statements of Financial Position and Note 5 to the financial statements.

Lease liabilities

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

2. Material accounting policy information

Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

The Group's lease liabilities are disclosed in Note 14.

2.17 Revenue

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

Revenue is recognised when the Group and the Corporation satisfy a performance obligation by transferring a promised good or extending a service to the customer, which is when the customer obtains control of the good or derive benefits from the usage of the 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) Leasing income

The Group provides Industrial Space Leasing which includes (i) a fixed monthly management fee for the use of industrial space under the Private Partnership Scheme; and (ii) utilisation fees arising from inmate services rendered to third parties. Revenue from management fee is recognised over time, whilst revenue from utilisation fees are recognised upon the satisfaction of the performance obligations at a point in time.

2. Material accounting policy information

(b) Rendering of services

The Group sells standard kitchen meals, bread and catering services, and provides laundry, dry cleaning services and other residential care services. The transaction price is allocated to the services based on their relative standalone selling prices. Revenue from rendering of services is recognised upon the satisfaction of the performance obligation at the point of time.

(c) Halfway house management fee

Pursuant to the Memorandum of Understanding dated 2 June 2014, the Singapore Prison Service ("SPS") and the Corporation entered into an Implementation Agreement for the Group to manage and provide rehabilitative and aftercare services to the residents, residing at Selarang Halfway House before and after discharge from custody. The management fee includes (i) a pre-agreed Furniture and Equipment Fee received annually; (ii) 92% Per Capita Fee and (iii) the remaining 8% Per Capita Fee annually, payable when the agreed key performance indicators are met.

Pursuant to the service agreement dated 1 January 2025 between SPS and Group entered to manage and provide rehabilitative and aftercare services to the residents, residing at Selarang Halfway House. The SPS shall pay the Group operating grant based on the terms of the prevailing Service Model.

Management fee income on Furniture and Equipment Fee and the 92% Per Capita Fee are recognised over time, whilst the 8% Per Capita Fee is recognised upon the satisfaction of key performance indicators, i.e. at a point in time.

2.18 Trust Fund

Trust funds are set up to account for funds held in trust where Yellow Ribbon Fund is not the owner and beneficiary of the funds received from the Government and other organisations. The receipts and expenditure in respect of fund are taken directly to the funds accounts and the net assets relating to the funds are shown as a separate line item in the statement of financial position. Trust funds are accounted for on the accrual basis.

Yellow Ribbon Fund administers the funds on behalf of the holders of these funds. Upon dissolution of these funds, the remaining moneys in these funds shall be donated to an Institution of Public Character

2. Material accounting policy information

with similar objectives in Singapore which is or are registered under the Charities Act as the members of the Fund may determine.

2.19 Income tax

The Corporation is a tax-exempted institution under the provisions of the Statutory Income Tax Act 1947. The subsidiary of the Corporation is subject to local income tax legislation.

(a) Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly inequity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

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

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

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

2. Material accounting policy information

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.20 Related party

The Corporation is established as a statutory board and is an entity related to the Government of Singapore. The Group's and the Corporation's related parties refer to Government-related entities including Ministries, Organs of State and other Statutory Boards. The Group and the Corporation apply the exemption in Paragraph 25 of SB-FRS 24 Related Party Disclosures such that required disclosures are limited to the following information to enable users of the Group's and the Corporation's financial statements to understand the effect of related party transactions on the financial statements:

(a) the nature and amount of each individually significant transaction with Ministries, Organs of State and other Statutory Boards; and

(b) for other transactions with Ministries, Organs of State and other Statutory Boards that are collectively but not individually significant, a qualitative or quantitative indication of their extent.

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The directors and senior management officers are considered key management personnel.

3. Significant accounting judgments and estimates

The preparation of the Group's financial statements requires management to make judgments, 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.

3.1 Judgments made in applying accounting policies

(a) Control over the Yellow Ribbon Fund

The Yellow Ribbon Fund (the "Fund") was established by the Corporation in June 2004 and is managed by the Main Committee, comprising volunteers and ex-officio appointments from the Ministry of Home Affairs ("MHA"), Singapore Prison Service and the Corporation, appointed by the MHA. In assessing whether the Corporation is acting as a custodian or agent but does not exercise control over the Fund, management has considered the following:

1. The Fund is held in trust and/or managed by the Corporation as an agent;
2. The Corporation does not bear/ enjoy majority of the risks and rewards incidental to the activities of the Fund;
3. The Fund can only be used for specified purposes determined by MHA; and
4. The Corporation does not have the right to decide how the residual amounts in the Fund are to be used after the closure of the Fund.

Accordingly, such Fund is not included in the primary statements of the Corporation. Instead, the net assets of the Fund are presented at the bottom of the statement of financial position with disclosures in the notes to the financial statements in accordance with SB-FRS Guidance Note 3 Accounting and Disclosure for Trust Funds. (See Note 18)

(b) Determination of lease term of contracts with extension options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

3. Significant accounting judgments and estimates

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Group reassesses the lease term whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend (e.g. construction of significant leasehold improvements or significant customisation to the leased asset).

The Group included the extension option in the lease term for leases of leasehold factory premises because of the leasehold improvements made and the significant costs that would arise to replace the assets.

3.2 Key source of estimation of uncertainty

(a) Useful lives of plant and equipment

The Group depreciates the plant and equipment over their estimated useful lives after taking into account their estimated residual values. The estimated useful life reflects management's estimate of the period that the Group intends to derive future economic benefits from the use of the Group's plant and equipment. Changes in the expected level of usage and technological developments could affect the economic useful lives and the residual values of these assets which could then consequentially impact future depreciation charges. The carrying amount of the Group and Corporation plant and equipment as at 31 March 2026 were $22,646,706 and $9,719,855 (2025: $19,921,455 and $8,051,499), respectively.

(b) Provision for expected credit losses of trade receivables

The Group and Corporation uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's and Corporation's historical observed default rates. The Group and Corporation will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

3. Significant accounting judgments and estimates

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's and Corporation's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of the Group's and Corporation's trade receivables as at 31 March 2026 were $17,407,665 and $651,026 (2025: $20,067,311 and $775,846), respectively.

(c) Accounting for provision for onerous contracts and compensation and accrued claim receivables

In the previous financial year, 2024, a fire incident occurred in one of the laundry plants of the subsidiary which has disrupted the subsidiary's operations. The subsidiary has previously entered into non-cancellable contracts with certain customers which will be expiring in January 2025. As at 31 March 2024, external sub-contractors and/or additional contract staff costs amounting to approximately $1,200,000 have been incurred to fulfill the subsidiary's performance obligations in the laundry contracts entered with these customers.

In the previous financial year, 2024, the subsidiary management recognised a provision for onerous contracts amounting to $3,874,000 in accordance with FRS 37 Provisions, Contingent Liabilities and Contingent Assets, determined based on the estimated aggregate incremental costs to fulfil these contracts due to the business disruption. The subsidiary's management has an insurance policy that allows it to claim for (i) material damages to buildings located within its premises and (ii) business disruption, respectively. In respect of business disruption, management is entitled to claim for the loss of gross profit due to (a) reduction in turnover and (b) increase in costs of working (i.e. the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover that would have taken place during the indemnity period in consequence of the damage caused.

Arising from this, the subsidiary's management has recorded (i) a compensation receivable of $1,200,000 and has offset the corresponding income against the actual incremental costs incurred under "other expenses – linen outsourcing costs" in the statement of comprehensive income; and (ii) an accrued claim receivable of $3,874,000 which represents the estimated aggregate incremental costs to be incurred in

3. Significant accounting judgments and estimates

the next financial year to fulfil the performance obligations in the customer contracts due to the business disruption, respectively, in the statement of financial position as at 31 March 2024, on the basis that the subsidiary has an unconditional contractual right to receive compensation from the insurer as the subsidiary has an insurance contract under which it can make a claim for compensation and the loss event (i.e. fire) that creates a right for the subsidiary to assert a claim at the reporting date has occurred and the claim is not disputed by the insurer.

In the previous financial year, 2025, the compensation receivable includes an Industry All Risk ("IAR") claim amounting to $1,243,460, relating to costs incurred for the replacement, reinstatement, and repair of switchboards and cable wires damaged by the fire. This amount has been recorded as "Other income" in the statement of comprehensive income, as the related expenditure has been capitalized under "Assets Under Construction".

The remaining compensation receivable of $5,007,130 pertains to Business Interruption ("BI") claim, representing incremental costs incurred due to the fire incident, which resulted in the suspension of operations at the laundry plant in Cluster A5. This amount has been offset against "Material/production cost" in the statement of comprehensive income.

In the current financial year, 2026, the loss adjuster responded to the IAR claim and proposed a revised claim amount of $692,457, which is lower than the previously recognised amount of $1,243,460. Management has disputed this assessment, however, pending further resolution, the estimated compensation receivable has been revised to $692,457. Consequently, the disputed amount of $551,003 has been recognised as "Other loss" in the statement of comprehensive income.

The loss adjuster responded to the BI claim and proposed a settlement amount of $1,948,821. While management has disputed this assessment, pending further resolution, the estimated compensation receivable has been revised accordingly. The subsidiary has also incurred additional incremental costs of $682,416 during the financial year, 2026, which have been recognised as compensation receivables and offset against "Material/production costs" in the statement of comprehensive income. As a result, the total claim increased from $5,007,130 to $5,689,546. Consequently, the disputed amount of $3,740,725 between the total compensation receivable of $5,689,546 and the proposed settlement amount has been recognised within "Material/production costs" in the statement of comprehensive income.

3. Significant accounting judgments and estimates

(d) Leases – estimating the incremental borrowing rate

The Group and Corporation cannot readily determine the interest rate implicit in the lease; therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Group and Corporation would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Group and Corporation 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group and Corporation estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

4. Property, plant and equipment

	Leasehold building	Plant, equipment and machinery	Furniture, fixtures and fittings	Renovation	Assets under construction	Total
	$	$	$	$	$	$
Group						
Cost						
At 1 April 2024	11,839,600	12,879,025	598,787	4,960,896	1,072,712	31,351,020
Additions	-	656,193	-	-	2,599,989	3,256,182
Transfer	-	256,400	490,060	-	(746,460)	-
Written off	-	-	-	-	(25,040)	(25,040)
Reclassification from right-of-use assets	-	2,893,939	-	-	-	2,893,939
Disposals	-	(272,854)	(4,083)	-	-	(276,937)
At 31 March 2025	11,839,600	16,412,703	1,084,764	4,960,896	2,901,201	37,199,164
Additions	-	2,105,723	-	-	3,309,378	5,415,101
Transfer	-	3,727,912	-	260,939	(3,988,851)	-
Reclassification to intangible assets	-	-	-	-	(89,710)	(89,710)
Reclassification from right-of-use assets	-	861,273	-	-	-	861,273
Disposals	-	(14,057)	(195)	(32,105)	-	(46,357)
At 31 March 2026	11,839,600	23,093,554	1,084,569	5,189,730	2,132,018	43,339,471
Accumulated depreciation						
At 1 April 2024	5,394,657	6,028,426	426,722	3,451,628	-	15,301,433
Depreciation	572,884	1,078,326	90,492	496,091	-	2,237,793
Disposals	-	(257,434)	(4,083)	-	-	(261,517)
At 31 March 2025	5,967,541	6,849,318	513,131	3,947,719	-	17,277,709
Depreciation	572,884	2,264,671	102,874	517,025	-	3,457,454
Disposals	-	(14,057)	(195)	(29,697)	-	(43,949)
Write back	-	1,551	-	-	-	1,551
At 31 March 2026	6,540,425	9,101,483	615,810	4,435,047	-	20,692,765
Carrying amount						
At 31 March 2025	5,872,059	9,563,385	571,633	1,013,177	2,901,201	19,921,455
At 31 March 2026	5,299,175	13,992,071	468,759	754,683	2,132,018	22,646,706

4. Property, plant and equipment

	Leasehold building	Plant, equipment and machinery	Furniture, fixtures and fittings	Assets under construction	Total
	$	$	$	$	$
Corporation					
Cost					
At 1 April 2024	11,839,600	1,421,043	370,356	771,500	14,402,499
Additions	-	521,543	-	783,000	1,304,543
Transfer	-	256,400	490,060	(746,460)	-
Written off	-	-	-	(25,040)	(25,040)
Disposals	-	-	(4,083)	-	(4,083)
At 31 March 2025	11,839,600	2,198,986	856,333	783,000	15,677,919
Additions	-	2,105,723	-	866,458	2,972,181
Transfer	-	1,649,458	-	(1,649,458)	-
At 31 March 2026	11,839,600	5,954,167	856,333	-	18,650,100
Accumulated depreciation					
At 1 April 2024	5,394,657	1,233,615	253,323	-	6,881,595
Depreciation	572,884	106,711	69,313	-	748,908
Disposals	-	-	(4,083)	-	(4,083)
At 31 March 2025	5,967,541	1,340,326	318,553	-	7,626,420
Depreciation	572,884	647,643	83,298	-	1,303,825
At 31 March 2026	6,540,425	1,987,969	401,851	-	8,930,245
Carrying amount					
At 31 March 2025	5,872,059	858,660	537,780	783,000	8,051,499
At 31 March 2026	5,299,175	3,966,198	454,482	-	9,719,855

In the previous financial year, assets under construction relate to the subsidiary's installation of laundry machinery, modification of the ERP accounting software (Synergix) and the Corporation's IT-related project. In the current financial year, asset under construction relate to the subsidiary's installation of meals reheating equipment system and the upgrading of the futurail programming logic controller and bag operating production computer as at year end.

The Group's and the Corporation's leasehold building with a carrying amount of $5,299,175 (2025: $5,872,059) is mortgaged to a financial institution to secure the Group's and the Corporation's term loan as disclosed in Note 13 to the financial statements.

5. Right-of-use assets

	Leasehold land	Office premises and other equipment	Plant and equipment	Total
	$	$	$	$
Group				
Cost				
At 1 April 2024	1,696,364	4,197,354	8,743,951	14,637,669
Reclassification	-	-	(6,658,030)	(6,658,030)
At 31 March 2025	1,696,364	4,197,354	2,085,921	7,979,639
Additions	-	28,303	-	28,303
Written off	-	(81,731)	-	(81,731)
Reclassification	-	-	(2,085,921)	(2,085,921)
At 31 March 2026	1,696,364	4,143,926	-	5,840,290
Accumulated depreciation				
At 1 April 2024	531,781	2,763,064	4,337,690	7,632,535
Depreciation	104,292	636,282	583,692	1,324,266
Reclassification	-	-	(3,764,088)	(3,764,088)
At 31 March 2025	636,073	3,399,346	1,157,294	5,192,713
Depreciation	104,291	634,051	67,354	805,696
Written off	-	(81,731)	-	(81,731)
Reclassification	-	-	(1,224,648)	(1,224,648)
At 31 March 2026	740,364	3,951,666	-	4,692,030
Carrying amount				
At 31 March 2025	1,060,291	798,008	928,627	2,786,926
At 31 March 2026	956,000	192,260	-	1,148,260

	Leasehold land	Office premises	Total
	$	$	$
Corporation			
Cost			
At 31 March 2024, 31 March 2025 and 31 March 2026	1,696,364	4,087,346	5,783,710
Accumulated depreciation			
At 1 April 2024	531,781	2,684,003	3,215,784
Depreciation	104,292	626,037	730,329
At 31 March 2025	636,073	3,310,040	3,946,113
Depreciation	104,291	626,037	730,328
At 31 March 2026	740,364	3,936,077	4,676,441
Carrying amount			
At 31 March 2025	1,060,291	777,306	1,837,597
At 31 March 2026	956,000	151,269	1,107,269

5. Right-of-use assets

The right-of-use assets are secured against the lease liabilities (Note 14). In the current financial year, the Group leases plant and equipment with a carrying amount of Nil (2025: $928,627) under a number of hire purchase agreements. Machinery previously obtained through hire purchase has been reclassified as property, plant, and equipment following the fulfilment of the associated finance lease obligation. In addition, the Group wrote off right-of-use assets associated with other equipment following the expiry of the related lease agreement.

6. Intangible assets

	Software
	$
Group	
Cost	
At 1 April 2024 and 31 March 2025	383,808
Reclassification from plant and equipment	89,710
At 31 March 2026	473,518
Accumulated depreciation	
At 1 April 2024	255,872
Amortisation	127,936
At 31 March 2025	383,808
Amortisation	-
At 31 March 2026	383,808
Carrying amount	
At 31 March 2025	-
At 31 March 2026	89,710

In the current financial year, the reclassification represents the additional development cost incurred for modification of the ERP accounting software (Synergix). The system will be deployed for operational use by April 2026.

7. Investment in subsidiary

	Corporation	
	2026	2025
	$	$
Unquoted equity shares, at cost	21,371,946	21,371,946

Name of subsidiary	Country of incorporation and principal place of business	Principle Activities	Percentage of ownership interest	
			2026	2025
			%	%
Yellow Ribbon Industries Pte. Ltd.	Singapore	Laundry and dry cleaning services except self-operated laundries and residential care services for ex-offenders, cooked food, manufacturing of bakery products and management of a halfway house.	100	100

8. Inventories

	Group	
	2026	2025
	$	$
Finished goods, at cost	629,830	619,493
Statement of comprehensive income:		
Inventories recognised as an expense in cost of sales	392,204	618,831

9. Trade and other receivables

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Trade receivables				
- Third parties	4,545,437	4,303,922	342,120	334,745
- Subsidiary	-	-	141,605	297,382
- Accrued receivables	12,862,228	15,763,389	167,301	143,719
	17,407,665	20,067,311	651,026	775,846
Interest receivable	214,651	465,374	214,651	416,083
Compensation receivable	2,641,278	6,250,590	-	-
Other recoverable	359,770	162,915	468,926	405,290
Refundable deposits	179,970	177,490	-	-
Prepayments	984,079	1,040,700	752,722	703,005
	21,787,413	28,164,380	2,087,325	2,300,224

Trade receivables are unsecured, non-interest bearing and are generally on 30 to 60 days terms (2025: 30 to 60 days).

The subsidiary has an insurance contract under which it can make a claim for compensation in respect of a fire incident that took place in February 2024 that creates a right for the subsidiary to assert a claim at the reporting date and the claim is not disputed by the insurer.

As at 31 March 2025, the compensation receivable includes an Industry All Risk ("IAR") claim amounting to $1,243,460, relating to costs incurred for the replacement, reinstatement, and repair of switchboards and cable wires damaged by the fire. This amount has been recorded as "Other income" in the statement of comprehensive income, as the related expenditure has been capitalized under "Assets Under Construction".

The remaining compensation receivable of $5,007,130 pertains to Business Interruption ("BI") claim, representing incremental costs incurred due to the fire incident, which resulted in the suspension of operations at the laundry plant in Cluster A5. This amount has been offset against "Material/production costs" in the statement of comprehensive income.

As at 31 March 2026, the compensation receivable of $2,641,278 consist of IAR claim and BI claim amounting to $692,457 and $1,948,821 respectively. The loss adjuster responded to the IAR claim and proposed a revised claim amount of $692,457, which is lower than the previously recognised amount of $1,243,460. Management has disputed this assessment, however, pending further resolution, the estimated compensation receivable has been revised to $692,457. Consequently, the disputed amount of $551,003 has been recognised as "Other loss" in the statement of comprehensive income.

9. Trade and other receivables

The loss adjuster responded to the BI claim and proposed a settlement amount of $1,948,821. While management has disputed this assessment, pending further resolution, the estimated compensation receivable has been revised accordingly. The subsidiary has also incurred additional incremental costs of $682,416 during the financial year, 2026, which have been recognised as compensation receivables and offset against "Material/ production costs" in the statement of comprehensive income. As a result, the total claim increased from $5,007,130 to $5,689,546. Consequently, the disputed amount of $3,740,725 between the total compensation receivable of $5,689,546 and the proposed settlement amount has been recognised within "Material/production costs" in the statement of comprehensive income.

As at the reporting date, the total disputed amount of $4,291,728 remains subject to ongoing negotiations with the insurer. Further details are disclosed in Note 29(a).

Receivables that were past due but not impaired

The Group and the Corporation had trade receivables amounting to $360,707 (2025: $359,011) and $173,875 (2025: $105,151) that were past due at the reporting date but not impaired. These receivables were unsecured and the analysis of their aging at the reporting date was as follows:

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Trade receivables past due but not impaired:				
Lesser than 30 days	282,387	333,807	147,261	86,233
31 to 60 days	41,975	24,360	26,614	18,396
More than 60 days	468	844	-	522
More than 90 days	35,877	-	-	-
	360,707	359,011	173,875	105,151

Expected credit losses (ECL)

There are no allowance for expected credit loss of trade receivables computed based on lifetime ECL.

Trade and other receivables are denominated in Singapore dollars.

10. Government grant

(a) Operating grants receivables/received in advance

	Group and Corporation
	$
At 1 April 2024	(9,415,686)
Grants received in respect of the previous financial year	(1,547,106)
Grants received in respect of the current financial year	(24,526,663)
Government grant received, net	(26,073,769)
Grant receivables	476,675
Government grants recognised as income in the statement of comprehensive income	23,636,443
Transferred from deferred capital grant (Note 10(b))	719,447
At 31 March 2025	(10,656,890)
Grants received in respect of the previous financial year	(510,344)
Grants received in respect of the current financial year	(25,645,742)
Government grant received, net	(26,156,086)
Grant receivables	1,766,730
Government grants recognised as income in the statement of comprehensive income	27,862,423
Transferred to deferred capital grant (Note 10(b))	3,444,881
At 31 March 2026	(3,738,942)
Comprises:	
At 31 March 2025	
Operating grants receivables	476,675
Grants received in advance	(11,133,565)
	(10,656,890)
At 31 March 2026	
Operating grants receivables	1,766,730
Grants received in advance	(5,505,672)
	(3,738,942)

10. Government grant

(b) Capital grants receivables/deferred capital grant

	Group and Corporation
	$
At 1 April 2024	(200,598)
Grants received in respect of the previous financial year	(438,734)
Grants received in respect of the current financial year	(266,430)
Government grant received, net	(705,164)
Grant receivables	266,430
Amortisation*	228,769
Transferred to operating grant (Note 10(a))	(719,447)
At 31 March 2025	(1,130,010)
Grants received in respect of the previous financial year	-
Grants received in respect of the current financial year	(576,730)
Government grant received, net	(576,730)
Grant receivables	576,730
Amortisation*	730,941
Transferred from operating grant (Note 10(a))	(3,444,881)
At 31 March 2026	(3,843,950)
Comprises:	
At 31 March 2025	
Capital grants receivables	266,430
Deferred capital grant	(1,396,440)
	(1,130,010)
At 31 March 2026	
Capital grants receivables	576,730
Deferred capital grant	(4,420,680)
	(3,843,950)

*Amortisation includes Nil (2025: $77,504) related to capital grants for low-value asset.

11. Cash and cash equivalents

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Cash maintained with AGD	23,815,617	30,643,959	23,815,617	30,643,959
Cash at bank	39,600,753	12,378,412	-	-
Short-term deposits	-	3,000,000	-	-
Total cash and cash equivalents	63,416,370	46,022,371	23,815,617	30,643,959
Less: short-term deposits	-	(3,000,000)	-	-
Cash and bank balances as stated in cash flow statement	63,416,370	43,022,371	23,815,617	30,643,959

Cash maintained with the Accountant-General's Department ("AGD") are centrally managed under the Centralised Liquidity Management Framework based on the directive set out in the Accountant-General's Circular No. 4/2009. These are short-term deposits earning interest ranging from 1.47% to 2.80% (2025: 2.91% to 3.54%) per annum.

In the previous financial year, the short-term deposits are placed with a financial institution for a 6 to 12 months tenure and bear interest at 2.85% to 3.45% per annum.

Cash and cash equivalents are denominated in Singapore Dollars.

12. Capital account

	Group and Corporation			
	2026		2025	
	Number of shares	Amount	Number of shares	Amount
		$		$
Value of assets taken over from former Prison Industries	-	1,443,262	-	1,443,262
Capital grants from Singapore Government	-	218,000	-	218,000
Capital injection from Ministry of Finance	1,000	1,000	1,000	1,000
At end of year	1,000	1,662,262	1,000	1,662,262

12. Capital account

The Corporation's share capital comprises fully paid-up 1,000 ordinary shares. The shares represent the capital injections by the Ministry of Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act 1959, in its capacity as a shareholder under the debt-equity framework for statutory boards implemented with effect from 1 September 2004. Under this framework, capital projects will be partially funded by the Ministry of Finance as equity injection and remaining through general funds of the Corporation.

Dividends

The Ministry of Finance is entitled to receive dividends annually, computed based on the cost of equity applied to the Corporation's equity base and it is capped at the statutory board's annual accounting surplus.

13. Term loan

	Group and Corporation	
	2026	2025
	$	$
Current	480,674	470,863
Non-current	3,045,552	3,519,902
	3,526,226	3,990,765

The term loan is secured by a legal mortgage over the Group's and Corporation's leasehold building with a net carrying value of $5,299,175 (2025: $5,872,059). The bank borrowings bear interest rate at 3.3% (2025: 6.5%) per annum.

13. Term loan

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

		Non-cash changes			
	1 April 2025	Cash flows	Accretion of interests	Other	31 March 2026
	$	$	$	$	$
Group and Corporation					
Liabilities					
- current	470,863	(621,491)	156,952	474,350	480,674
- non-current	3,519,902	-	-	(474,350)	3,045,552
	3,990,765	(621,491)	156,952	-	3,526,226

		Non-cash changes			
	1 April 2024	Cash flows	Accretion of interests	Other	31 March 2025
	$	$	$	$	$
Group and Corporation					
Liabilities					
- current	441,308	(716,456)	275,148	470,863	470,863
- non-current	3,990,765	-	-	(470,863)	3,519,902
	4,432,073	(716,456)	275,148	-	3,990,765

Term loan is denominated in Singapore Dollars.

14. Lease liabilities

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Current	270,022	854,970	255,117	729,679
Non-current	1,010,280	1,254,256	983,040	1,238,156
	1,280,302	2,109,226	1,238,157	1,967,835

The lease liabilities are secured by the Group's and the Corporation's title to right-of-use assets (Note 5).

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

14. Lease liabilities

		Non-cash changes				
	1 April 2025	Cash flows	Addition during the year	Accretion of interests	Other	31 March 2026
	$	$	$	$	$	$
Group						
Liabilities						
Lease liabilities						
- current	854,970	(946,368)	28,303	89,141	243,976	270,022
- non-current	1,254,256	-	-	-	(243,976)	1,010,280
	2,109,226	(946,368)	28,303	89,141	-	1,280,302

		Non-cash changes				
	1 April 2024	Cash flows	Addition during the year	Accretion of interests	Other	31 March 2025
	$	$	$	$	$	$
Group						
Liabilities						
Lease liabilities						
- current	1,578,963	(1,764,264)	-	207,246	833,025	854,970
- non-current	2,087,281	-	-	-	(833,025)	1,254,256
	3,666,244	(1,764,264)	-	207,246	-	2,109,226

		Non-cash changes				
	1 April 2025	Cash flows	Addition during the year	Accretion of interests	Other	31 March 2026
	$	$	$	$	$	$
Corporation						
Liabilities						
Lease liabilities						
- current	729,679	(803,851)	-	74,173	255,116	255,117
- non-current	1,238,156	-	-	-	(255,116)	983,040
	1,967,835	(803,851)	-	74,173	-	1,238,157

		Non-cash changes				
	1 April 2024	Cash flows	Addition during the year	Accretion of interests	Other	31 March 2025
	$	$	$	$	$	$
Corporation						
Liabilities						
Lease liabilities						
- current	698,344	(803,852)	-	105,508	729,679	729,679
- non-current	1,967,835	-	-	-	(729,679)	1,238,156
	2,666,179	(803,852)	-	105,508	-	1,967,835

15. Contract liability

	Group	
	2026	2025
	$	$
Contract liability	3,826,655	3,679,487

Contract liability relates to the subsidiary's obligation to provide halfway house services to Singapore Prison Service ("SPS") for which the subsidiary has received advance payments from SPS. Contract liabilities are recognised as revenue over the period the services are provided.

16. Trade and other payables

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Trade payables				
- Third parties	3,746,593	4,811,448	264,206	914,086
- Subsidiary	-	-	-	5,285
Accrued food and business solutions cost	291,607	206,646	-	-
Accrued laundry costs	237,130	381,693	-	-
Accrued bonuses, manpower and related cost	5,164,345	2,441,388	1,760,741	1,723,105
Accrued utilities	78,024	47,913	-	-
Accrued expenses	2,858,656	2,372,370	2,418,977	2,283,482
Profit sharing	607,340	-	-	-
Other payable	103,376	109,338	59,515	63,860
GST payable	721,836	517,641	54,924	273,533
	13,808,907	10,888,437	4,558,363	5,263,351

Trade payables are non-interest bearing and are normally settled on 30 to 90 days terms (2025: 30 to 90 days).

Trade and other payables are denominated in Singapore Dollars.

17. Provisions

The provision for linen loss pertains to the compensation for lost or damaged linen.

In the financial year ended 31 March 2024, a fire incident occurred in one of the laundry plants which disrupted its operations. Subcontractor fees and additional manpower costs were incurred to fulfil the performance obligations as set out in the contracts entered with customers. As at 31 March 2024, management recognised a provision for onerous contracts amounting to $3,874,000, determined based on the estimated aggregate incremental costs to fulfil these contracts up to the expiry of these term contracts due to the business disruption.

In the previous financial year ended 31 March 2025, the provision for onerous contracts was utilised by $3,140,114 to offset costs incurred. The remaining excess provision of $733,886 was reversed to profit or loss.

Movements in provision for linen loss were as follows:

	Group		
	Provision for linen loss	Provision for onerous contracts	Total
	$	$	$
At 1 April 2024	61,723	3,874,000	3,935,723
Provision made recognised to profit or loss	147,300	-	147,300
Provision reversal recognised to profit or loss	-	(733,886)	(733,886)
Provision for onerous contracts utilised	-	(3,140,114)	(3,140,114)
Utilisation of provision	(136,779)	-	(136,779)
At 31 March 2025	72,244	-	72,244
Provision made recognised to profit or loss	147,300	-	147,300
Provision reversal recognised to profit or loss	(72,244)	-	(72,244)
Utilisation of provision	(129,333)	-	(129,333)
At 31 March 2026	17,967	-	17,967

18. Net assets of the Yellow Ribbon Fund

The Corporation established the Yellow Ribbon Fund (the "Fund") in 2004 as one of the Community Action for the Rehabilitation of Ex-offenders ("CARE") Network's key initiative. The project seeks to engage the community in accepting ex-offenders and their families, giving them a second chance at life and to inspire a ripple effect of concerted community action to support ex-offenders and their families.

The Fund administers funding for the development and implementation of reintegration programmes for inmates and ex-offenders as well as family support programmes to strengthen family ties of inmates and ex-offenders.

Proceeds from the various fund-raising activities will go towards funding a variety of rehabilitation and reintegration programmes as well as family support programmes which are in line with the vision of CARE Network.

The Yellow Ribbon Fund was granted Institute of Public Character ("IPC") status since August 2004. Its Charity Registration Number is 01808.

	2026	2025
	$	$
Income		
Donation income	500,393	858,908
Events income	780,454	181,467
Grants and bursaries (net)	31,751	489,923
	1,312,598	1,530,298
Less: General expenditure		
Fund raising expenses	129,872	-
General and miscellaneous expenses	96,369	201,906
Manpower costs	587,460	766,659
	813,701	968,565
Operating surplus for the year	498,897	561,733
Add/(less): Other income/(expenditure)		
Disbursement of funds	(455,091)	(775,192)
Interest income	148,945	213,002
	(306,146)	(562,190)
Surplus/(deficit) for the year	192,751	(457)

18. Net assets of the Yellow Ribbon Fund

The Statement of Financial Position of the Fund is as follows:

	2026	2025
	$	$
Current assets		
Other receivables	67,807	129,230
Cash and bank balances	1,212,199	8,880,308
	1,280,006	9,009,538
Current liabilities		
Other payables	221,472	252,423
Net assets	1,058,534	8,757,115

During the financial year ended 31 March 2026, the Fund transferred an aggregate amount of $7,891,332 to Yellow Ribbon Cares Limited, a newly established entity intended to consolidate the operations of Yellow Ribbon Fund, Industrial and Services Co-operative Society Limited, and NeuGen Fund. The transfers were made as part of preparatory activities in anticipation of the proposed merger of the entities.

The Fund has consolidated with Industrial and Services Co-operative Society Limited and NeuGen Fund to form a unified entity, Yellow Ribbon Cares Limited, a registered charity with Institution of a Public Character status. The merger took effect from 1 April 2026. Upon completion of the merger:

- the activities, assets and liabilities of the Fund will be transferred to Yellow Ribbon Care Limited; and
- the Fund will cease operations

As at the date of approval of these financial statements, the merger has been completed with the deregistration process of the Fund in progress.

19. Operating income

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Halfway house management fee				
- At a point in time	-	20,311	-	20,311
- Over time	15,217,058	9,885,984	-	-
	15,217,058	9,906,295	-	20,311
Leasing income				
- At a point in time	1,944,041	1,502,056	1,944,041	1,502,056
- Over time	519,660	491,377	1,839,669	1,849,437
	2,463,701	1,993,433	3,783,710	3,351,493
Rendering service at a point in time				
Laundry services	26,208,816	18,704,597	-	-
Food and business solutions	44,577,996	35,788,369	-	-
	88,467,571	66,392,694	3,783,710	3,371,804

20. Other income

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Interest income:				
- Bank deposit	613,767	921,158	480,805	800,453
- Investment held at amortised cost	-	28,891	-	-
Insurance claim	-	1,243,460	-	-
Others	159,950	194,961	11,198	6,153
	773,717	2,388,470	492,003	806,606

21. Finance costs

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Interest expense on:				
- Bank borrowings (Note 13)	156,952	275,148	156,952	275,148
- Lease liabilities (Note 14)	89,141	207,246	74,173	105,508
	246,093	482,394	231,125	380,656

22. General office expenses

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Insurance costs	399,015	357,772	27,508	30,332
IT-related costs	6,718,461	4,716,132	6,243,464	4,418,810
Property tax	86,200	86,200	86,200	86,200
Telecommunications	78,639	116,764	78,639	116,764
Others	261,265	295,362	14,829	19,110
	7,543,580	5,572,230	6,450,640	4,671,216

23. Manpower costs

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Key management personnel				
Salaries and related costs	3,327,180	3,068,350	2,710,775	2,325,024
CPF	216,304	215,607	170,370	166,554
	3,543,484	3,283,957	2,881,145	2,491,578
Staff				
Salaries and related costs	27,881,432	24,042,840	10,488,302	9,945,634
CPF	4,017,606	3,514,074	1,711,645	1,655,695
	31,899,038	27,556,914	12,199,947	11,601,329
Total employee benefits expense	35,442,522	30,840,871	15,081,092	14,092,907

24. Other loss

	The Group	
	2026	2025
	$	$
Reversal of insurance claim	551,003	-

25. Other expenses

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Board fees	201,113	199,876	133,613	132,642
Goods and services tax expensed off	1,534,813	979,843	1,534,813	979,843
Professional and other services	1,561,865	1,389,213	1,443,430	1,221,936
Staff welfare and development	944,557	1,014,376	669,620	793,435
Others	1,978,039	1,333,820	992,471	739,033
	6,220,387	4,917,128	4,773,947	3,866,889

26. Income tax expense

The major components of income tax expense recognised in surplus or deficit for the years ended 31 March 2026 and 2025 were:

	Group	
	2026	2025
	$	$
Current income tax:		
- Current year	2,688,756	1,588,804
- Under provision in respect of prior years	124,978	82,962
	2,813,734	1,671,766
Deferred income tax:		
- Origination and reversal of temporary difference	50,549	184,398
- (Over)/Under provision in respect of prior years	(326,755)	37,942
	(276,206)	222,340
Income tax expense recognised in surplus or deficit	2,537,528	1,894,106

26. Income tax expense

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting surplus multiplied by the applicable corporate tax rate for the financial years ended 31 March 2026 and 2025 were as follows:

	Group	
	2026	2025
	$	$
Surplus before tax	16,544,846	11,099,081
Income tax rate using the statutory tax rate of 17% (2025: 17%)	2,812,624	1,886,844
Tax effects of:		
Non-deductible expenses	63,293	65,764
Income not subject to taxation	(340)	(211,783)
Tax exemptions	(17,425)	(17,425)
Double tax relief on donations	(106,327)	(57,375)
(Over)/Under provision in respect of prior years	(201,777)	120,905
Others	(12,520)	107,176
Income tax expense recognised in surplus or deficit	2,537,528	1,894,106

Deferred tax liabilities

The movement in deferred tax liabilities during the year is as follows:

	At 1 April 2024	Recognised in profit or loss	At 31 March 2025	Recognised in profit or loss	At 31 March 2026
	$	$	$	$	$
Difference in depreciation for tax purposes	1,559,362	222,340	1,781,702	(276,206)	1,505,496

27. Leases

The Group and the Corporation as a lessee

The Group and the Corporation leases contract for leasehold land, office premises and plant and machinery. The Group and the Corporation's obligations under these leases are secured by the lessor's title to the leased assets. The Group and the Corporation is restricted from assigning and subleasing the leased assets.

The Group and the Corporation also has certain leases of IT equipment with low value. The Group and the Corporation applies the 'lease of low-value assets' recognition exemptions for these leases.

(a) Carrying amounts of right-of-use assets

The carrying amount of right-of-use assets under leasing arrangements are disclosed in Note 5.

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year are disclosed in Note 14 and the maturity analysis of lease liabilities is disclosed in Note 31 under liquidity risk.

(c) Amounts recognised in profit or loss

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Depreciation of right-of-use assets (Note 5)	805,696	1,324,266	730,328	730,329
Interest expense on lease liabilities (Note 14)	89,141	207,246	74,173	105,508
Total amount recognised in profit or loss	894,837	1,531,512	804,501	835,837

(a) Total cash outflow

The Group and the Corporation had total cash outflows for leases of $946,368 (2025:$1,764,264) and $803,851 (2025: $803,852).

27. Leases

The Corporation as a lessor

The Corporation has entered into operating leases on its leasehold building (Note 4). These leases are negotiated for terms of three years.

Leasing income from leasehold building is disclosed in Note 19.

The future minimum rental receivable under non-cancellable operating leases contracted for at the reporting period are as follows:

	Corporation	
	2026	2025
	$	$
Not later than one year	1,310,375	332,067
Later than one year but no later than five years	1,637,968	-
	2,948,343	332,067

28. Significant related party transactions

Sale and purchase of goods and services

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

	Corporation	
	2026	2025
	$	$
Rental income	1,320,009	1,358,060
Maintenance of equipment and premises	8,258	-
Other expenses	52,825	-
Sales proceeds received on behalf of subsidiary	1,570,948	30,918,826
Expenses paid on behalf	5,451,902	3,278,345

Compensation of key management personnel

There are no other key management personnel in the Group and the Corporation other than the key management personnel remuneration as disclosed in Note 23.

29. Contingencies

(a) Contingent assets

The Group has submitted insurance claims in respect of a fire incident. Certain portions of the claims, amounting to approximately $4,291,728, remain under dispute with the insurer. The Group has lodged a formal appeal and discussions with the insurer are ongoing as at the reporting date.

As the outcome of the appeal is uncertain, no additional receivable has been recognised in respect of these amounts. However, management is of the view that there is a reasonable possibility of recovery, and accordingly, the amounts are disclosed as a contingent asset.

(b) Contingent liabilities and financial guarantees

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Bank guarantees	552,236	552,236	-	-
Performance guarantees issued for contracts awarded to third parties*	2,931,647	3,034,853	2,931,647	3,034,853
	3,483,883	3,587,089	2,931,647	3,034,853

The Group has arranged for banker's guarantees to be issued by financial institutions in favour of customers in respect of the Group's contractual obligations.

*The Corporation has issued corporate guarantee in favour of third parties on behalf of subsidiary as security for the due performance and observance by the subsidiary of all stipulations, conditions and obligations on their part to be observed or performed under the contract entered by the subsidiary with the third parties.

The financial effects of FRS109 relating to financial guarantee contracts issued by the Group and the Corporation are not material to the financial statements and are therefore not recognised.

The management are of the view that the likelihood of any claims arising from these guarantees is remote and accordingly, no provision has been recognised in the financial statements.

30. Commitments

Capital commitments

The Group had commitments of $3,180,060 (2025: Nil) relating to the purchase of machinery and other equipment.

Leases not yet commenced to which the lessee is committed

The Corporation has lease contracts that have not yet commenced as at 31 March 2026. The future lease payments for these non-cancellable lease contracts are $521,883 within one year and $1,455,778 within five years.

31. Financial risk management

The Group's and the Corporation's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk including interest rate risk.

The Board of Directors reviews and agrees with the policies and procedures for the management of these risks, which are executed by the management team. It is and has been throughout the current and previous financial year, the Group and the Corporation policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group and the Corporation exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's and the Corporation's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group and Corporation. The Group's and the Corporation's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group and the Corporation has adopted a policy of only dealing with creditworthy counterparties. The Group and the Corporation perform ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

31. Financial risk management

The Group and the Corporation consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group and the Corporation 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 could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Group and the Corporation has developed and maintained the Group's and the Corporation's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Group's and the Corporation's own trading records to rate its major customers and other debtors. The Group and the Corporation consider available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group and the Corporation determined that its 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 probable that the debtor will enter bankruptcy or other financial reorganisation

31. Financial risk management

- There is a disappearance of an active market for that financial asset because of financial difficulty

The Group and the Corporation categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Group's and the Corporation's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written-off

Trade receivables

For trade receivables, the Group and the Corporation have applied the simplified approach in SB-FRS 109 to measure the loss allowance at lifetime ECL. The Group and the Corporation determine the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

31. Financial risk management

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations include the relative sensitivity of the Group's performance to developments affecting a particular industry.

Exposure to credit risk

The Group and the Corporation have significant concentration in credit risk from a government agency. The Group and the Corporation have credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Other receivables

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

Financial guarantee contracts

The Corporation has issued corporate guarantee in favour of third parties on behalf of subsidiary amounting to $2,931,647 (2025: $3,034,853) as security for the due performance and observance by the subsidiary of all stipulations, conditions and obligations on their part to be observed or performed under the Contract entered by the subsidiary with the third parties. These guarantees are subject to the impairment requirements of SB-FRS 109. The Corporation has assessed that its subsidiary has strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

31. Financial risk management

Liquidity risk

Liquidity risk refers to the risk that the Group and the Corporation will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Group's and the Corporation's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Corporation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's and the Corporation's reputation. The Group and the Corporation regularly reviews its liquidity reserves, comprising cash flows from its operations and government grants, to ensure sufficient liquidity is maintained at all times.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Corporation's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

31. Financial risk management

	Carrying amount	Contractual cash flows	One year or less	Two to five years	More than five years
	$	$	$	$	$
Group					
2026					
Financial assets:					
Trade and other receivables (excluding prepayment)	20,803,334	20,803,334	20,803,334	-	-
Operating grants receivables	1,766,730	1,766,730	1,766,730	-	-
Capital grants receivables	576,730	576,730	576,730	-	-
Cash and cash equivalents	63,416,370	63,416,370	63,416,370	-	-
Total undiscounted financial assets	86,563,164	86,563,164	86,563,164	-	-
Financial liabilities:					
Term loan	3,526,226	3,931,379	589,837	2,359,346	982,196
Lease liabilities	1,280,302	1,501,926	310,057	589,237	602,632
Trade and other payables (excluding GST payable)	13,087,071	13,087,071	13,087,071	-	-
Total undiscounted financial liabilities	17,893,599	18,520,376	13,986,965	2,948,583	1,584,828
Total net undiscounted financial assets/(financial liabilities)	68,669,565	68,042,788	72,576,199	(2,948,583)	(1,584,828)
2025					
Financial assets:					
Trade and other receivables (excluding prepayment)	27,123,680	27,123,680	27,123,680	-	-
Operating grants receivables	476,675	476,675	476,675	-	-
Capital grants receivables	266,430	266,430	266,430		
Cash and cash equivalents	46,022,371	46,107,871	46,107,871	-	-
Total undiscounted financial assets	73,889,156	73,974,656	73,974,656	-	-
Financial liabilities:					
Term loan	3,990,765	4,966,894	716,456	2,865,826	1,384,612
Lease liabilities	2,109,226	2,432,677	930,751	754,662	747,264
Trade and other payables (excluding GST payable)	10,370,796	10,370,796	10,370,796	-	-
Total undiscounted financial liabilities	16,470,787	17,770,367	12,018,003	3,620,488	2,131,876
Total net undiscounted financial assets/(financial liabilities)	57,418,369	56,204,289	61,956,653	(3,620,488)	(2,131,876)

31. Financial risk management

	Carrying amount	Contractual cash flows	One year or less	Two to five years	More than five years
	$	$	$	$	$
Corporation					
2026					
Financial assets:					
Trade and other receivables (excluding prepayment)	1,334,603	1,334,603	1,334,603	-	-
Operating grants receivables	1,766,730	1,766,730	1,766,730	-	-
Capital grants receivables	576,730	576,730	576,730	-	-
Cash and cash equivalents	23,815,617	23,815,617	23,815,617	-	-
Total undiscounted financial assets	27,493,680	27,493,680	27,493,680	-	-
Financial liabilities:					
Term loan	3,526,226	3,931,379	589,837	2,359,346	982,196
Lease liabilities	1,238,157	1,485,096	303,937	578,527	602,632
Trade and other payables (excluding GST)	4,503,439	4,503,439	4,503,439	-	-
Total undiscounted financial liabilities	9,267,822	9,919,914	5,397,213	2,937,873	1,584,828
Total net undiscounted financial assets/(financial liabilities)	18,225,858	17,573,766	22,096,467	(2,937,873)	(1,584,828)
2025					
Financial assets:					
Trade and other receivables (excluding prepayment)	1,597,219	1,597,219	1,597,219	-	-
Operating grants receivables	476,675	476,675	476,675	-	-
Capital grants receivables	266,430	266,430	266,430	-	-
Cash and cash equivalents	30,643,959	30,643,959	30,643,959	-	-
Total undiscounted financial assets	32,984,283	32,984,283	32,984,283	-	-
Financial liabilities:					
Term loan	3,990,765	4,966,894	716,456	2,865,826	1,384,612
Lease liabilities	1,967,835	2,288,948	803,852	737,832	747,264
Trade and other payables (excluding GST)	4,989,818	4,989,818	4,989,818	-	-
Total undiscounted financial liabilities	10,948,418	12,245,660	6,510,126	3,603,658	2,131,876
Total net undiscounted financial assets/(financial liabilities)	22,035,865	20,738,623	26,474,157	(3,603,658)	(2,131,876)

31. Financial risk management

Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Corporation's financial instruments will fluctuate because of changes in market interest rate. The Group and the Corporation are minimally exposed to interest rate risk on its term loan with a financial institution and interest-bearing bank deposits. The Group and the Corporation have cash balances placed with reputable banks and financial institutions which generate interest income for the Group and the Corporation. The Group and the Corporation manage its interest rate risks by placing such balances on varying maturities and interest rate terms. Interest rates on the Group's and the Corporation's lease liabilities as disclosed in Note 14 are fixed at the contract date, and thus does not expose the Group and the Corporation to interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

32. Fair values of assets and liabilities

Other receivables, operating grants receivables, cash and cash equivalents and other payables.

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

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

Short-term deposit, term loan and lease liabilities

The carrying amounts of short-term deposit, term loan and lease liabilities approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

33. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	Group		Corporation	
	2026	2025	2026	2025
	$	$	$	$
Financial assets measured at amortised cost				
Trade and other receivables (excluding prepayment) (Note 9)	20,803,334	27,123,680	1,334,603	1,597,219
Operating grants receivables (Note 10(a))	1,766,730	476,675	1,766,730	476,675
Capital grants receivables (Note 10(b))	576,730	266,430	576,730	266,430
Cash and cash equivalents (Note 11)	63,416,370	46,022,371	23,815,617	30,643,959
Total financial assets measured at amortised cost	86,563,164	73,889,156	27,493,680	32,984,283
Financial liabilities measured at amortised cost				
Term loan (Note 13)	3,526,226	3,990,765	3,526,226	3,990,765
Lease liabilities (Note 14)	1,280,302	2,109,226	1,238,157	1,967,835
Trade and other payables (excluding GST) (Note 16)	13,087,071	10,370,796	4,503,439	4,989,818
Total financial liabilities measured at amortised cost	17,893,599	16,470,787	9,267,822	10,948,418

34. Capital management

The Group and the Corporation define "capital" to include capital account and reserves. The Group's and the Corporation's policy is to maintain a strong capital base to safeguard the ability to meet its long-term needs and to maintain creditor and market confidence. The Group and the Corporation are not subject to externally imposed capital requirements and there were no changes to the Group's and the Corporation's approach to capital management during the financial year.

35. Events occurring after the reporting period

Subsequent to the reporting date, on 25 August 2026, the Board approved the proposed divestment of the Group's Laundry business for a total sale consideration of $25.0 million. The proposed transaction includes the disposal of the leasehold building owned by the Corporation, which is currently leased to the subsidiary for the laundry operations and forms part of the overall sale consideration.

In accordance with SB-FRS 10 Events after the Reporting Period, the proposed divestment that arose after the reporting date, is considered a non-adjusting event. Accordingly, no adjustment has been made to the amounts recognised in the financial statements for the financial year ended 31 March 2026.

36. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 March 2026 were authorised for issue by the Corporation on the date of the Statement by the Board.

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