



AUTOMOBILE ASSOCIATION
OF SINGAPORE

MOTORING FOR GOOD

A Year of Purposeful Drives, Protection, and Possibility



Annual Report
2025

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VISION

To be the partner in motoring and to excel as the leader in quality vehicle recovery and motoring services in Singapore.

MISSION

To represent our Members' interest and satisfy their needs for value and peace of mind.

To be the voice of motorists and serve as a bridge between the motoring public and relevant agencies.

To excel in our products, services and people.

VALUE

We seek to provide value to our Members to achieve total customer satisfaction.

UNITED

We foster a united workplace that encourages teamwork and dedication to advance our common business objectives.

ADVANCED

We seek to be advanced, advocating continuous improvement and innovation.

ETHICAL

We believe in acting with integrity by practising the highest ethical standards and honouring our commitments.

LOYAL

We believe in building loyal and trusted relationships.

PRESIDENT'S MESSAGE

“ Year 2025 marked another important year for AA Singapore as we continued to strengthen our role as a trusted mobility partner and advocate for road safety and community. We made steady progress in enhancing Member experiences, expanding our services, and deepening our engagement with the wider community. As we look back on the past year, I am pleased to share the key milestones and achievements that have shaped our collective efforts and progress.”



Strengthening Our Member Community

Our efforts to deepen Member engagement have evolved beyond traditional motoring services. We curated a diverse range of experiences that brought Members together through shared interests, lifestyle activities, and community interactions. These initiatives foster a stronger sense of belonging while responding to the changing expectations of our membership base. In addition to our own initiatives, we worked closely with partners to co-create meaningful engagement opportunities. Through collaborations, we hosted events offering Members the opportunity to experience the unique excitement of digital motorsports in an accessible and engaging setting. We also brought our community together with partners such as our Friends of Classic for a special National Day 60km Drive in celebration of SG60, reinforcing the simple yet enduring connection between mobility and shared experiences.

As the year progressed, we expanded our lifestyle-oriented programmes, including our lively AA Christmas Pop-Up Fair, which filled our Centre with festive cheer, bringing together Members, local vendors, and the wider community.

PRESIDENT'S MESSAGE

Complementing these engagement efforts, we continued to enhance the overall value of membership through our growing network of 239 privilege partners. It provides Members with a wide range of lifestyle, dining, and mobility-related benefits, ensuring that value extends beyond events into everyday experiences.



Enhancing Services for Our Members' Evolving Needs

We are also heartened by the continued trust our Members place in us. As demand for our core services remains strong, we have worked to ensure that our support remains reliable, responsive, and accessible when it matters most. At the same time, we have expanded our capabilities to better support evolving needs, from cross-border travel to enhanced insurance offerings so that our Members can journey with greater confidence and peace of mind.



We're working with a partner to extend our services into West Malaysia to provide greater assurance during cross-border journeys.

In addition, we introduced VEP Application Services for new policyholders, while making it available to the public. These enhancements make your journeys smoother and reaffirm our commitment as your trusted mobility partner.

We also continued to grow our AA Approved Workshop Scheme, providing Members with greater access to reliable access automotive partners across Singapore.

Our Commitment to Sustainable Mobility

In support of Singapore's transition to cleaner transportation, we partnered with Keppel Volt to operate two fast EV chargers at AA Centre, contributing to the nation's expanding electric vehicle ecosystem while enhancing convenience for our Members and the public.

Beyond infrastructure, we play an active role in promoting more sustainable driving behaviours through our eco-driving training programmes. These courses equip Members and drivers with practical techniques to improve fuel efficiency, reduce emissions, and adopt more environmentally responsible driving habits.

As the mobility landscape continues to evolve, we remain committed to supporting the transition towards cleaner, more efficient, and sustainable transport solutions for our Members and the wider community.



PRESIDENT'S MESSAGE

Enhancing Travel Experiences

Our partnership with Europcar continued to deliver great value, with over 9,000 outbound bookings recorded across key destinations, reflecting sustained demand for trusted overseas mobility solutions.



Our Autoventure team also delivered unforgettable experiences through curated drive trips, including the Fly-Drive Round Iceland Expedition, a 15-day journey across diverse landscapes with a convoy of 16 vehicles.

To cater to evolving travel preferences, we also introduced shorter fly-drive itineraries across destinations such as Japan, Taiwan, South Korea and Southeast Asia. Along with our new "Free & Easy Japan" service for independent travellers seeking greater flexibility and personalisation in their travel experiences.

Championing Road Safety

Road Safety remains close to our hearts. This year, we actively contributed to national efforts through the annual Singapore Road Safety Month, participating in public events, safety demonstrations, and community programmes. We also co-organised the Singapore Road Safety Awards & Seminar and continued our work engaging young road users through activities such as the Singapore Traffic Games to help nurture safe road habits from an early age.

In support of broader public education efforts, we also participated in the Land Transport Authority Bus Safety

Roadshow, promoting safe commuting habits and raising awareness of road safety around public buses. The event was graced by Guest-of-Honour, Senior Minister of State for Ministry of Foreign Affairs & Ministry of Home Affairs, Ms Sim Ann.

Beyond public engagement, we worked closely with the Federation Internationale de l'Automobile (FIA) to advance the adoption of global frameworks such as the FIA Road Safety Index. Through these efforts, we supported organisations in strengthening their road safety practices and governance, while promoting a more structured and measurable approach to managing road risk.

In 2025, a significant milestone was achieved when AETOS Security Management attained the highest rating of Level 3 under the Index. This achievement marks a first in Singapore and Asia, reflecting the growing commitment of organisations to elevate road safety standards. It also signifies the role that industry collaboration and global frameworks can play in driving meaningful progress.

In addition, we deepened collaboration with fellow FIA motoring clubs to advance road safety through greater regional exchange and alignment. In 2025, we hosted delegations from AA Macau and the Land Rover Club of Hong Kong at the AA Centre, where we exchanged insights on road safety practices, cross border travels and explored opportunities for closer cooperation.



PRESIDENT'S MESSAGE

Celebrating SG60 Together

The SG60 milestone provided a significant platform for the Association to engage our stakeholders and reaffirm our commitment to community impact. During the year, we organised the Overseas Safe Driving Forum and brought together international partners, experts, and mobility leaders to exchange insights on emerging road safety topics and strengthen cross-border driving.

We were honoured to have Senior Minister Mr Lee Hsien Loong as the Guest-of-Honour at our SG60 – AAS Charity Fundraising Dinner. The event brought together donors, partners, and community leaders in a shared effort to uplift vulnerable groups. With the event costs borne by the Association, every dollar raised goes towards directly to our six beneficiaries, namely Aces Care HelpLife, Allkin Singapore, APSN, Autism Resource Centre, Singapore Road Safety Council and Thye Hua Kuan Moral Charities.

A key highlight at the event was the launch of the School Road Safety Playbook, witnessed by Senior Minister Lee. Developed in partnership with the Singapore Road Safety Council, Ministry of Education, Singapore Traffic Police and the Land Transport Authority, the Playbook serves as a unified resource that brings together best practices in a consistent and accessible way. It addresses a gap in road safety education by providing a comprehensive toolkit to support educators and stakeholders in fostering safe road behaviours.



Building a Digitally Future Ready AA Singapore

As we prepare for the future, we have taken deliberate steps to strengthen the Association's digital foundations. One of our major milestones was the implementation of Business Central, a significant upgrade to our CRM infrastructure enabling greater operational efficiency, improved data integration, and more responsive service delivery to our Members.

Beyond systems, our focus is to build a digital ready organisation, one that is agile, data-driven and capable of anticipating Member needs in an increasingly connected environment. We are progressively enhancing our digital capabilities to deliver more seamless, personalised and accessible experiences across our services and platforms. We have also invested in developing digital competencies among our staff and committee members. Through targeted training initiatives, introducing workshops on Generative AI and digital productivity tools, we are equipping our staff and leadership with skills and confidence and embrace more effective, forward-looking ways of working.

These efforts position AA Singapore to keep pace with change and proactively shape how we deliver value in the years ahead, to remain relevant, resilient and ready to serve our Members in a rapidly evolving mobility landscape.

Looking Ahead

As we move into the new financial year, we remain committed to strengthening Member value, advancing strategic partnerships, and delivering solutions that support safer, smarter, and more sustainable mobility. As the mobility landscape continues to evolve, we will ensure that AA Singapore remains both relevant and resilient, guided by the trust of our Members and the strength of our partnerships.

I would like to express my sincere appreciation to our General Committee, AA Members, and Management staff for your continuous support, and we look forward to the continued opportunity to serve and represent the motoring needs of our Members.

Thank you.

Mr Bernard Tay
President

GENERAL COMMITTEE



BERNARD TAY
President



LOW BENG TIN
Deputy President



WONG SIEW HONG
Secretary



RANKIN B. YEO
Treasurer

GENERAL COMMITTEE



ALVIN PHUA
Committee Member



EDWIN TAN
Committee Member



TAY BOON KENG
Committee Member



DARRYL WEE
Committee Member



DAVID WONG
Committee Member



THOMAS YEOH
Committee Member



KOH ING CHIN
Committee Member



TAN HUN TWANG
Committee Member

RESOURCE PANEL



DIANA NG



ONG CHEE BENG



DAMIAN TAY



WOO YEW LOK

Adapting and Innovating for the Future

For Members

In 2025, we remained focused on strengthening Member value, expanding opportunities for engagement, and enhancing the support systems that serve our membership community. Throughout the year, we delivered 16 Member-centric activities, including workshops and networking sessions designed to deepen engagement, foster knowledge-sharing, and support the evolving needs of our Members.

Highlights included a Miniature Painting Workshop, where participants explored their creativity through a calming and focused activity suitable for all ages, and a Terrarium Making Workshop, which introduced Members to the fundamentals of

building and maintaining their own personalised ecosystems. Through guided sessions on plant selection, design techniques, and basic horticulture, participants created unique terrariums to bring home.

We also organised the AA Christmas Pop-Up Fair held in November, which featured curated selection of vendors offering handcrafted gifts, festive treats, and seasonal products. More than a celebratory event, the fair fostered community spirit and provided Members and guests with an opportunity to connect in a warm, festive setting.

Strategic collaborations also enhanced the diversity of our offerings. In partnership with the Sim Racing Association of Singapore,

we hosted interactive sessions at AA Centre, where Members experienced racing simulator rigs in an accessible and engaging environment, introducing them to the growing appeal of digital motorsports.

In collaboration with the Friends of Classic Club, we supported the National Day 60km Drive in celebration of SG60. This heritage-themed drive offered participants a unique way to experience Singapore's landmarks, blending motoring enthusiasm with national pride.

Beyond engagement initiatives, the Association also strengthened its core services to better support Members throughout their mobility journey.



YEAR IN REVIEW

Expanding Services to Support Evolving Member Needs

AAS Insurance Agency has seen an increase of 53% in motor insurance policy sign-ups in 2025 compared to 2024, marking one of the stronger year-on-year increases in recent years for AAS-IA. This significant growth reflects rising Member confidence in our enhanced insurance offerings and the value of our expanded support services. Beyond strengthening our portfolio, this surge also contributes to greater operational stability, increased revenue potential, and a larger community of Policyholders who can benefit from our upgraded services.

To better support evolving needs, we're continuously working with a partner to ensure support and

protection into West Malaysia for cross-border travel.

To assist our policyholders for a smooth cross-border travel, we have also introduced VEP Application Services for new motor insurance policyholders, while making the service available to the broader public. These enhancements not only streamline cross-border travel experience, also strengthens our role as a trusted mobility partner.

In 2025, the Association supported Members through our dedicated Roadside Assistance and Call Centre operations. Our mechanics and tow crew responded to more roadside assistance requests, representing a 5.12% increase from the previous year. 96.6% were successfully restarted on site, reflecting the

technical expertise and dedication of our operation teams.

The Association expanded our network of trusted automotive service partners under the AA Approved Workshop Scheme, accrediting workshops that met stringent standards in service quality, technical competency, and customer care. This growing network enhances Members' access to reliable motoring services island wide while reinforcing AA's quality assurance framework.

Supporting Sustainable Mobility

To support Singapore's transition towards cleaner mobility solutions, AA Singapore continues to contribute to the adoption of electric vehicles. In partnership with Keppel Volt, we are currently operating two fast EV chargers at the AA Centre, supporting the expansion of the nation's EV charging infrastructure while providing convenient charging access for Members and the public. The collaboration enhances our presence in the electromobility landscape and our commitment towards enabling sustainable motoring solutions through strategic partnerships and infrastructural investments.



Enhancing Mobility Experiences for Members

Our partnership with Europcar continued delivering strong value among Members and public traveling abroad. In the 2025, a total of 9,465 outbound booking reservations were made across key destinations such as Australia, Malaysia, Italy, Great Britain, and Germany, representing a 6% increase from 2024. This steady growth reflects the continued demand for trusted and convenient overseas self-drive travel solutions.



AA Singapore gained further momentum in 2025. Over the year, the team successfully conducted 10 drive trips, providing curated and memorable travel experiences for over 300 participants across a variety of destinations. One of the key significant milestones was the launch of the Fly-Drive Round Iceland Expedition, a 15-Day journey involving a convoy of 16 vehicles and over 30 participants. This expedition marked one of Autoventure's most logistically complex and geographically unique expeditions to date.

To cater to evolving travel preferences of our Members, the team introduced shorter Fly-Drive itineraries across Japan, Taiwan, South Korea, and Southeast Asia. These itineraries provide greater flexibility and allow

Members who prefer shorter travel experiences to participate more easily.

In addition, the Autoventure team introduced its new "Free & Easy Japan" service, supporting independent travellers seeking personalised and flexible motoring experiences. Through customised route planning, accommodation recommendations, and logistical coordination, Members can enjoy the expertise of a tour operator while retaining the freedom to travel at their own pace.

Advancing Road Safety Awareness

AA Singapore played an active role in advancing national road safety and community education initiatives. Our participation in key public events allowed us to broaden our outreach, engage diverse audiences, and supported Singapore's ongoing efforts to promote safer and responsible behaviour among road users.

As a member of the Organising Committee for Singapore Road Safety Month (SRSM), we contributed to the nationwide campaign launched on 30 May 2025 at the Suntec City Exhibition Hall. The initiative was jointly organised by the Singapore Police Force, Singapore Road Safety

Council, Land Transport Authority, Ministry of Education, People's Association, and the Automobile Association of Singapore.

Through interactive booths, safety demonstrations, and community engagement activities at the SRSM Road Safety Carnival, we raised awareness of safe road habits, and strengthen collaboration with industry and government partners to foster a safer mobility environment for all road users.

In addition, AA Singapore co-organised the Singapore Road Safety Awards & Seminar 2025, which recognises organisations and individuals for their commitment to improving road safety standards while providing a platform for dialogue on emerging road safety issues. The Association also participated in the Singapore Traffic Games, an annual inter-school initiative that educates primary school students on safe road behaviour through practical learning activities where participants take on the roles of pedestrians, cyclists, and drivers. The programme continues to play an important role in instilling road safety awareness among young road users from an early age.

Beyond these initiatives and programmes, AA Singapore also participated in the LTA Bus Safety Roadshow, which promotes safe travelling habits onboard public buses and safe driving, riding habits around public buses.



YEAR IN REVIEW

In addition to public education efforts, AA Singapore also delivered specialist training programmed that strengthened technical competencies and enhanced road-safety culture among key industry stakeholders, equipping officers with essential technical knowledge and competencies to better assess vehicular compliance and safety.

AA Singapore also promotes the FIA Road Safety Index, a global framework developed by the Fédération Internationale de l'Automobile (FIA) to help organisations measure, manage, and improve their road safety performance. As the national mobility partner supporting the adoption of this framework, AA Singapore works with organisations to raise awareness of the Index and encourage its implementation as part of broader corporate road safety management practices.

In September 2025, AETOS Security Management Pte Ltd achieved Level 3, the highest rating under the FIA Road Safety Index. AETOS became not only the first company in Singapore to attain this distinction, but also the first in Asia to be recognised under the programme. This milestone highlights the growing adoption of the Index and reflects AA Singapore's role in advancing international road safety standards within the region.

SG60

AA Singapore was honoured to celebrate alongside Singapore during the SG60 Celebrations, marking the country's 60th year of independence. As a part of this milestone year, we hosted events that brought together industry partners, international motoring organisation and the wider community.

The Overseas Safe Driving Forum 2025, held on 6 September 2025 at the Sands Expo & Convention Centre, was organised as part of our continuing efforts to promote safer

journeys both locally and abroad. The half-day forum provided an invaluable platform for exchanging ideas, forging partnerships and showcasing innovative approaches to road safety.

The event brought together road safety enthusiasts and industry experts, featuring speakers from the FIA Foundation, affiliated FIA motoring clubs: Real Automóvil Club de España, Royal Automobile Association of Thailand, Royal Japan Automobile Federation, as well as the Malaysian Institute of Road Safety Research as well as sharing from our General Committee Member and AA Resource Panel Member.

The Forum addressed an extensive range of current and emerging topics in road safety. Key sessions explored

the value of understanding local mobility patterns and road culture, the importance of enhancing road safety around schools, and the benefits of enjoying Japan's seasonal beauty and scenery through responsible driving. Other presentations focused on preparing for safer driving in Thailand, adopting mindful driving solutions and knowing one's limits on the road, tackling distracted and fatigue driving, and gaining an orthopaedic surgeon's perspective on the impact of road crashes.

On the same evening, AA Singapore organised the SG60 - AAS Charity Fundraising Dinner at the Sands Expo and Convention Centre. The event brought together more than 400 distinguished guests, including donors, overseas delegates, community leaders and charities. The



fundraising dinner was a collective commitment to supporting vulnerable communities and advancing road safety while fostering deeper ties with international partners. The occasion was graced by Guest-of-Honour Senior Minister Lee Hsien Loong.

The AAS Charity Fundraising Dinner also highlighted the strong spirit of giving within the community. Through generous contributions from the donors, the Association raised a quarter of a million dollars. AA Singapore bore all costs of organising the event, ensuring that 100% of the proceeds raised were donated directly to these six beneficiaries, namely Aces Care Helpline, Allkin Singapore, APSN, Autism Resource Centre, Singapore Road Safety Council and Thye Hua Kuan Moral Charities.

The evening also marked the official launch of the School Road Safety Playbook, developed by AA Singapore, in collaboration with the Singapore Road Safety Council, Ministry of Education, Traffic Police, and Land Transport Authority.

Developed under the FIA Global Action Grant Project, the Playbook addresses a critical gap in road safety education by providing a unified and structured resource for schools. It was distributed to all primary schools in Singapore and equips educators with age-appropriate lesson plans, visual guides, and practical safety tips to help young students develop safe road habits from an early age.

By strengthening awareness among young road users, the initiative supports a long-term culture of safety and reinforces Singapore's commitment to protecting vulnerable road users.

Digital Transformation and Systems Modification

One of the key milestones in 2025 was the successful launch of Business

Central, a pivotal step in improving the Association's CRM infrastructure, allowing team to work more efficiently and respond to Members' needs quickly. With the upgrade in place, the Association will have a stronger digital foundation to support future digital enhancements to provide our Members a seamless experience.

By investing in scalable technology, integrated workflows, and improved data governance, we are positioning AAS to meet the evolving expectations of our Members, support long term organisational growth, and ensure we remain a trusted and efficient mobility partner in an increasingly digital landscape.

To complement these system enhancements, the Association also invested in strengthening internal digital competencies through equipping staff and General Committee Members with the skills needed to adopt emerging technologies. During the year, digital training workshops were conducted to introduce participants to Generative AI tools and digital productivity solutions, providing practical exposure to AI platforms.

These sessions helped participants understand how AI can support content creation, automate routine tasks, and improve decision-making across daily work processes. The training also enhanced staff confidence in using digital tools more effectively, supporting the Association's broader efforts to build a more digitally capable and future-ready workforce.

Looking Ahead

As we reflect on the achievements of 2025, AA Singapore continues to adapt with the changing mobility landscape. From expanding Member engagement initiatives and strengthening service delivery, to advancing road safety advocacy and accelerating digital transformation,

the Association has made meaningful progress in reinforcing its role as a trusted mobility partner.

Looking ahead, we remain committed to building on this momentum. By continuing to invest in technology, partnerships, service innovation, and community engagement, AA Singapore will be well positioned to meet the evolving expectations of our Members while supporting safer, smarter, and more sustainable mobility for Singapore and the wider region.

SG60

SG60 Celebrations, marking the country's 60th year of independence.

DIGITAL TRANSFORMATION

One of the key milestones in 2025 was the successful launch of Business Central.

MINUTES OF THE ANNUAL GENERAL MEETING

Minutes of the Annual General Meeting (AGM) of Members of the Automobile Association of Singapore held at Fort Canning Lodge (YWCA), 6 Fort Canning Road, Level 2 Sophia Cooke Ballroom, Singapore 179494 on Wednesday, 28 May 2025 at 6:30 pm.

Present:

Bernard Tay, Chairman and President
Rankin B. Yeo
Tay Boon Keng
David Wong
Alvin Phua
Wong Siew Hong
Thomas Yeoh
Edwin Tan

Absent with apologies: -

S Chandra Mohan
Chia Ho Choon
Low Beng Tin
Darryl Wee

In accordance with Clause 12c of the Constitution, the quorum for an AGM should be 35.

Mr Roma Luo, the representative from the auditors, Messrs Lo Hock Ling & Co. confirmed that at the close of registration at 6:30 pm, the total number of members present was 51. As there was a quorum, the President called the Meeting to order.

1. President's Address

The President reminded members not to take recording of the AGM proceedings, which is a closed-door meeting and the Association will take audio recording and photographs for record purposes.

2024 had been a steady year for AA Singapore and the Association remained dedicated to serving its Members with care and commitment. And with the continuing trust and support, it drove the Association to move with confidence with inspiring innovative ideas, growth and better services for all Members.

Through the support of over 20 partners, the AA Bazaar was held in 2024, providing a vibrant space where networking, collaboration, and fostering deeper connections can grow within our community.

In 2024, PetCare Insurance was introduced as a flexible plan covering up to 80% of vet bills, including perks for wellness compensation, and third-party liability. Our plan now comes with Ultipaw and Pawsh with higher limits, ensuring our Members' pets receive the best protection.

To support the cycling movement in Singapore, AA Singapore hosted a Virtual Cycling Challenge that brought our Cycling Interest Group and the wider public together. It was exciting to see our Members getting active while supporting sustainable transport.

Right at the heart of our Association, at AA Centre, we launched our 2KC workshop, fully equipped to provide our Members with service and repairs. From pre-trip vehicle inspections to premium car detailing services in partnership with Halo Collective, this new facility enhances the car care experience for our Members.

As we observed a growing interest among our Members for travelling, the first year of operating our newly acquired Europcar Singapore Franchise was met with great enthusiasm from our Members. Through this strategic partnership, we were able to offer our Members special and exclusive rates on car rentals, enhancing convenience and affordability for all their travels. This service has proven to be immensely valuable for our members, resulting in nearly 9,000 reservations made. Top destinations include Australia, Malaysia, the United Kingdom, Germany, and Italy, highlighting the diverse travel interests within our Members base.

In 2024, we received a total of over 20,000 Roadside Assistance requests from AA Singapore Members, with improved response time and successful vehicle restarts. In 2025, we will be launching a promotion for our new service, providing hybrid car owners a detailed health check and revitalisation on their batteries, restoring optimal performance on the road.

We are also pleased to share a new enhancement to our Roadside Assistance services. Autoswift Recovery has worked with a service provider to include towing coverage in West Malaysia for our Members. This means Members heading across the border can drive with greater confidence, knowing AA Singapore is always supporting you.

AUTOVENTURE 2024 was a fulfilling year for the AUTOVENTURE team where we created unforgettable and exciting experiences for our Members. We enhanced our offerings and strengthened position leading the road trips. In March, the AUTOVENTURE team embarked on a 14-day driving trip to South Korea. With our ongoing partnership with Hyundai Motors, our Members were given the exclusive opportunity to engage with the next generation of automotive innovation from Hyundai Motors. With this eco-friendly Electric Vehicle, the group drove across the beautiful landscape and immersed themselves in the enriching culture that South Korea had to offer. The AV team also embarked on the 58-Day AA AUTOVENTURE Expedition Drive to Tibet, Everest Base Camp, Xinjiang & Beijing, driving up north from Singapore through Malaysia,

MINUTES OF THE ANNUAL GENERAL MEETING

Thailand, and Laos. This rich exploration of Southeast Asia, where each country offered its own unique charm, made the journey to the world's highest peak an unforgettable experience.

Our road safety efforts remained a key focus. We launched impactful campaigns addressing reckless driving, pedestrian awareness and safe speed limits. We also co-organised Singapore Road Safety Month, the Singapore Road Safety Awards and hosted the FIA Road Safety Index Dinner, fostering industry-wide dialogue on integrating safety into sustainability practices.

We co-organised the Singapore Traffic Games with Singapore Road Safety Council (SRSC) and Singapore Police Force (SPF), and continued nurturing the next generation of road users. Over 300 students learned valuable traffic skills through interactive activities and a new educational video.

And through AAS Academy, we extended our road safety expertise beyond Singapore, conducting eco and safe driving courses in Vietnam with Michelin, and running crash prevention courses in Vietnam with Michelin.

We also launched a campaign supported by Fédération Internationale de l'Automobile (FIA) "Drive in The Moment" with a survey conducted by Nanyang Polytechnic to help drivers of all experience levels become more aware of distractions and take heightened steps toward safer habits.

As we expand our services, we remain committed to keeping our operations secure. In response to evolving cyber threats, we have invested in regular cybersecurity training, reinforced our digital systems, and developed a clear operations training roadmap to ensure our team stays ahead of potential risks.

To broaden our market reach and strengthen our presence within the industry, collaboration has played an important role in tapping into new markets and enhancing our offerings. In 2024, we focused on streamlining the travel experience for our valued Members and Association. We formed strategic partnerships with several key tourism organisations, such as Tourism Authority of Thailand, Jeju Tourism Organisation, Korea Tourism Organisation, and National Association of Travel Agents Singapore (NATAS), to offer exclusive experiences and benefits to our Members. Our collaborations extended beyond the travel sector, as we also teamed up with leading automobile brands to engage with our Members, such as participating in High Life 4x4 Custom Car Showcase, Skoda Club Singapore for their 5th Anniversary Celebration, and Sim Racing Association of Singapore's Open House at AA Centre for Members. Additionally, to connect and engage

with the next generation of consumers, we opened our doors to the tertiary education community. With our tailored membership offerings designed to meet the specific needs of younger individuals, Youth and Social Membership, we strategically expanded our outreach and accelerated membership growth within the Association. With the strong network of partners we have built, we have confidence that our expanded reach positions us in a strategic direction to attract future collaborations.

As part of our continuous commitment to strengthen and support the education sector, we have further strengthened our partnerships with the Institute of Technical Education (ITE) by supporting outstanding graduates from Nitec in Automotive Technology with Automobile Association of Singapore Book Prizes Award. Additionally, the ITE College West Token Scheme & Book Prizes initiative, which provides meal tokens for students from underprivileged families, remains a vital part of our effort to alleviate the financial burdens of these students and ensure they have access to nutritious meals during their studies.

In 2025, we are proud to be part of Singapore's SG60 celebrations. It is a national milestone which we share deeply, having journeyed alongside this nation for generations. There will be a fundraising dinner to mark this occasion with the Association covering the event costs so that every dollar collected from the attendees goes directly to the supported charities. In the same spirit, AA Singapore will be organising an Overseas Safe Driving Forum in partnership with like-minded organisations.

The President took the opportunity to extend his sincere gratitude to Dr S Chandra Mohan, a GC member since 1991 for his selfless dedications and contributions to the Association for 34 remarkable years. Dr Mohan will be stepping down from the GC. His decades of dedicated service and steadfast commitment have been instrumental to the growth and progress of the Association.

The President also announced that Mr Chia Ho Choon will also be stepping down from the GC, having served for 16 years since 2009. Mr Chia has made a lasting impact through his valuable insights and consistent support.

The President thanked both Dr Mohan and Mr Chia for their outstanding contributions and unwavering dedication to the Association. The President also thanked his fellow GC Members, Resource Panel Members, AA Management and staffs for their unwavering support and tireless service in shaping the direction of the Association. Behind every initiative, every event, and every new idea, there has been a united team effort. The President is grateful for the wisdom, collaboration and shared vision that each of the team has brought to the table.

MINUTES OF THE ANNUAL GENERAL MEETING

2. To confirm the Minutes of the Annual General Meeting held on 29 May 2024

There were no comments received and the Minutes were confirmed as proposed by Koh Ing Chin and seconded by Cheong Seng Wah.

3. To receive and, if approved, adopt the Annual Report and Audited Financial Statements for the year ended 31 December 2024

The Annual Report and Audited Financial Statements were put before the meeting for discussion.

As there were no comments received, the Annual Report and Audited Financial Statements were approved as proposed by Cheong Seng Wah and seconded by Diana Ng.

4. To elect six members to the Committee for the ensuing term

The President informed that under the Association's Constitution, the term of office of 6 committee members had expired and we need to elect 6 members to the General Committee.

He also informed that the auditors, Messrs Lo Hock Ling & Co. had duly verified and confirmed the nominations received.

Mr Roma Luo, the representative from the auditors, reported that 6 nominations were received at 5:00 pm on 16 May 2025, being the time and date set for nominations to be closed.

5. To appoint auditors for the ensuing year

The President continued the meeting with the re-appointment of auditors for the ensuing year.

The President informed that the present auditors, Messrs Lo Hock Ling & Co. had indicated their willingness to be re-appointed for the ensuing year.

The motion to re-elect Messrs Lo Hock Ling & Co. as auditors was then proposed by Professor Tay Boon Keng and seconded by Cheong Seng Wah.

As there were no objections, Messrs Lo Hock Ling & Co. was re-appointed auditors for the ensuing year.

6. To transact any other business of which notice in writing has been received by the Chief Executive Officer by 5:00 pm on Wednesday, 21 May 2025

The President informed that as at the cut-off date on Wednesday, 21 May 2025 at 5.00pm, there was no letter received.

As there was no other business to be discussed, the President formally declared the Meeting closed at 6:46 pm.

Lastly, to the AA Members, the President thanked them for their trust and engagement and for growing together with the Association. The President acknowledged that the road ahead is full of possibilities and expressed his anticipation for celebrating another successful year for AA Singapore.

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1. **INSTRUMENT OF SETTING UP THE ASSOCIATION**
Constitution of Automobile Association of Singapore
2. **UNIQUE ENTITY NUMBER OF THE ASSOCIATION**
S61SS0040C
3. **REGISTERED ADDRESS**
2 Kung Chong Road, #06-01 AA Centre, Singapore 159140
4. **GENERAL COMMITTEE**

<u>Name</u>	<u>Designation</u>
Mr. Bernard Tay	President
Mr. Low Beng Tin	Deputy President
Mr. Wong Siew Hong	Secretary
Mr. Rankin B. Yeo	Treasurer
Mr. Alvin Phua	Committee Member
Dr. Edwin Tan	Committee Member
Prof. Tay Boon Keng	Committee Member
Mr. Darryl Wee	Committee Member
Mr. David Wong	Committee Member
Mr. Thomas Yeoh	Committee Member
Mr. Koh Ing Chin	Committee Member
Mr. Tan Hun Twang	Committee Member
5. **MEMBERSHIP SUB-COMMITTEE**
Mr. Alvin Phua
Dr. Edwin Tan
Dr. Woo Yew Lok
Mr. Bernard Tay (Ex-Officio)
6. **AUDIT SUB-COMMITTEE**
Mr. Alvin Phua
Mr. Koh Ing Chin
Dr. Woo Yew Lok
Mr. Bernard Tay (Ex-Officio)
7. **FINANCE AND INVESTMENT SUB-COMMITTEE**
Mr. Rankin B. Yeo
Mr. Thomas Yeoh
Mr. Koh Ing Chin
Mr. Bernard Tay (Ex-Officio)
8. **HUMAN RESOURCE AND REMUNERATION SUB-COMMITTEE**
Mr. Low Beng Tin
Mr. Rankin B. Yeo
Ms. Diana Ng Lay Hoon
Mr. Bernard Tay (Ex-Officio)
9. **KUNG CHONG REDEVELOPMENT SUB-COMMITTEE**
Mr. David Wong
Mr. Low Beng Tin
Mr. Wong Siew Hong
Mr. Rankin B. Yeo
Mr. Alvin Phua
Mr. Bernard Tay (Ex-Officio)
10. **JACKPOT SUB-COMMITTEE**
Mr. Rankin B. Yeo
Mr. Thomas Yeoh
Ms. Diana Ng Lay Hoon
Mr. Bernard Tay (Ex-Officio)
11. **DIGITAL REVIEW SUB-COMMITTEE**
Mr. Darryl Wee
Mr. Alvin Phua
Mr. Damian Tay
Mr. Ong Chee Beng
Mr. Bernard Tay (Ex-Officio)
12. **NOMINATION SUB-COMMITTEE**
Mr. Low Beng Tin
Mr. Alvin Phua
Dr. Edwin Tan
13. **CONSTITUTION REVIEW SUB-COMMITTEE**
Mr. Wong Siew Hong
Mr. Thomas Yeoh
Mr. Bernard Tay (Ex-Officio)
14. **PRINCIPAL BANKERS**
DBS Bank Limited
Oversea-Chinese Banking Corporation Limited
United Overseas Bank Limited
Standard Chartered Bank (Singapore) Limited
Bank of Singapore Limited
Maybank Singapore Limited
15. **AUDITORS**
Lo Hock Ling & Co.
Chartered Accountants Singapore

STATEMENT BY THE GENERAL COMMITTEE

In our opinion, the accompanying financial statements of Automobile Association of Singapore (the "Association") and its subsidiary companies (collectively the "Group") set out on pages 23 to 65 are drawn up so as to give a true and fair view of the financial position of the Group and of the Association as at 31 December 2025 and the financial performance and changes in funds of the Group and the Association and cash flows of the Group for the financial year covered by the financial statements.

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

On behalf of the General Committee

Bernard Tay Ah Kong
President

Singapore, 22 April 2026

Rankin B. Yeo
Treasurer

INDEPENDENT AUDITOR'S REPORT

To the members of Automobile Association of Singapore (Incorporated in the Republic of Singapore)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Automobile Association of Singapore (the "Association") and its subsidiary companies (collectively the "Group") set out on pages 23 to 65, which comprise the statements of financial position (balance sheets) of the Group and of the Association as at 31 December 2025, the statements of comprehensive income and statements of changes in funds of the Group and of the Association, and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in funds of the Association are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Association as at 31 December 2025 and of the consolidated financial performance, consolidated changes in funds and consolidated cash flows of the Group, and of the financial performance and changes in funds of the Association for the year 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 Authority 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 Corporate Information, the Statement by the General Committee and other sections of the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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 General Committee for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The General Committee's responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

To the members of Automobile Association of Singapore (Incorporated in the Republic of Singapore)

Continued

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 entities 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 the General Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT

To the members of Automobile Association of Singapore (Incorporated in the Republic of Singapore)

Continued

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the regulations enacted under the Act and the provisions of the Singapore Companies Act 1967 to be kept by the Association and by the subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept.

During the course of our audit, nothing came to our notice that caused us to believe that, in all material respects,

- (i) any profits from the private lotteries were accrued to any individuals; or
- (ii) any commission either in money or money's-worth, including by way of free tickets or chances, was paid in respect of the sales of tickets or chances.

The engagement partner on the audit resulting in this independent auditor's report is Mr Luo Zhi Zhong Roma.

Singapore, 22 April 2026

LO HOCK LING & CO.
PUBLIC ACCOUNTANTS AND
CHARTERED ACCOUNTANTS SINGAPORE

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 2025

	Notes	Group		Association	
		2025 \$	2024 \$	2025 \$	2024 \$
INCOME					
Membership subscriptions and entrance fees		1,732,080	1,902,550	1,732,080	1,902,550
Vehicle recovery and towing services		367,417	386,328	15,535	15,384
Fruit machine net takings	3	1,654,633	1,408,989	1,654,633	1,408,989
Income from other services	4	5,474,080	5,239,122	4,609,646	4,392,786
Interest income	5	821,416	992,155	1,109,945	1,156,941
Lease income (net)	6	1,289,514	1,134,623	-	-
Income from workshop services and related sale of goods	7	2,693,343	2,334,347	-	-
Other income	8	295,760	400,065	1,347,286	1,496,860
Total income		14,328,243	13,798,179	10,469,125	10,373,510
LESS EXPENDITURE					
Direct costs for workshop income and related sale of goods		1,382,662	1,131,994	-	-
Depreciation expense	9	2,798,341	2,885,074	529,106	548,090
Amortisation of intangible assets	15	100,636	101,745	91,808	88,655
Employee benefits expense	10	6,665,899	6,341,353	3,385,457	3,381,479
Membership promotion, publicity and meetings		833,535	792,298	848,535	792,298
Finance costs	28	38,755	53,762	17,294	36,296
Other expenses	11	4,370,759	4,108,627	4,493,420	4,686,427
Total expenditure		16,190,587	15,414,853	9,365,620	9,533,245
(Deficit)/surplus before tax		(1,862,344)	(1,616,674)	1,103,505	840,265
Income tax expense	12	(118,837)	(118,467)	(107,785)	(109,480)
(Deficit)/surplus for the year		(1,981,181)	(1,735,141)	995,720	730,785
OTHER COMPREHENSIVE INCOME					
Items that may be reclassified subsequently to profit or loss:					
Net fair value losses reclassified to profit or loss upon early redemption of bonds by issuers	23	46,000	179,500	46,000	179,500
Fair value gains on financial assets at FVOCI, recognised in other comprehensive income	23	171,608	286,035	185,833	286,035
Other comprehensive income for the year, net of tax		217,608	465,535	231,833	465,535
Total comprehensive (loss)/income for the year		(1,763,573)	(1,269,606)	1,227,553	1,196,320

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

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 2025

Notes	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
<u>(Deficit)/surplus attributable to:</u>				
- Members of the Association	(1,981,181)	(1,732,604)	995,720	730,785
- Non-controlling interests	-	(2,537)	-	-
	<u>(1,981,181)</u>	<u>(1,735,141)</u>	<u>995,720</u>	<u>730,785</u>
Total comprehensive (loss)/income attributable to:				
- Members of the Association	(1,763,573)	(1,267,069)	1,227,553	1,196,320
- Non-controlling interests	-	(2,537)	-	-
	<u>(1,763,573)</u>	<u>(1,269,606)</u>	<u>1,227,553</u>	<u>1,196,320</u>

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

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Notes	Group		Association	
		2025 \$	2024 \$	2025 \$	2024 \$
ASSETS					
Non-Current Assets					
Property, plant and equipment	13	23,628,940	24,744,614	625,704	398,618
Investment properties	14	41,707,898	42,138,250	-	-
Intangible assets	15	230,951	381,478	218,997	269,985
Right-of-use assets	16	1,316,930	1,547,491	907,163	1,071,529
Investments	17	13,409,901	11,955,020	8,411,626	11,955,020
Investments in subsidiary companies	18	-	-	6,000,002	6,000,002
Amount due from subsidiary companies	19	-	-	58,155,018	58,155,018
		<u>80,294,620</u>	<u>80,766,853</u>	<u>74,318,510</u>	<u>77,850,172</u>
Current Assets					
Investments	17	5,827,427	1,993,200	5,827,427	1,993,200
Inventories	20	278,091	337,114	35,944	43,022
Trade and other receivables	21	3,398,423	2,827,192	1,954,299	1,622,802
Amount due from subsidiary companies	19	-	-	3,337,422	3,117,796
Cash and cash equivalents	22	16,450,722	22,573,110	6,680,459	7,271,478
		<u>25,954,663</u>	<u>27,730,616</u>	<u>17,835,551</u>	<u>14,048,298</u>
Total Assets		<u>106,249,283</u>	<u>108,497,469</u>	<u>92,154,061</u>	<u>91,898,470</u>
TOTAL FUNDS, RESERVES AND LIABILITIES					
FUNDS AND RESERVES					
Accumulated funds		98,360,788	100,479,969	81,361,729	80,504,009
Fair value reserve	23	(133,847)	(351,455)	(119,622)	(351,455)
Fruit machine replacement reserve	24	1,063,606	925,606	1,063,606	925,606
Total Funds and Reserves		<u>99,290,547</u>	<u>101,054,120</u>	<u>82,305,713</u>	<u>81,078,160</u>
LIABILITIES					
Non-Current Liabilities					
Subscriptions received in advance	25	763,099	822,188	763,099	822,188
Deferred tax liabilities	26	3,000	3,000	-	-
Trade and other payables	27	276,419	276,419	276,419	276,419
Lease liabilities	28	486,399	461,712	326,996	209,494
Amount due to subsidiary companies	19	-	-	1,588,174	1,588,174
		<u>1,528,917</u>	<u>1,563,319</u>	<u>2,954,688</u>	<u>2,896,275</u>

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

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Notes	Group		Association	
		2025 \$	2024 \$	2025 \$	2024 \$
<u>Current Liabilities</u>					
Subscriptions received in advance	25	903,007	1,090,184	903,007	1,090,184
Trade and other payables	27	3,568,822	3,558,566	1,907,862	1,983,910
Lease liabilities	28	822,860	1,091,651	561,157	854,866
Amount due to subsidiary companies	19	-	-	3,399,634	3,865,075
Current tax liabilities		135,130	139,629	122,000	130,000
		<u>5,429,819</u>	<u>5,880,030</u>	<u>6,893,660</u>	<u>7,924,035</u>
Total Liabilities		6,958,736	7,443,349	9,848,348	10,820,310
Total Funds, Reserves and Liabilities		<u>106,249,283</u>	<u>108,497,469</u>	<u>92,154,061</u>	<u>91,898,470</u>

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

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS

For the year ended December 2025

Group	Notes	Accumulated funds \$	Fair value reserve \$	Fruit machine replacement reserve \$	Total funds and reserves attributable to members of the Association \$	Non-controlling interests \$	Total funds and reserves \$
Balance as at 1 January 2024		102,466,132	(816,990)	750,606	102,399,748	90,644	102,490,392
Deficit for the year		(1,732,604)	-	-	(1,732,604)	(2,537)	(1,735,141)
Other comprehensive income for the year	23	-	465,535	-	465,535	-	465,535
Total comprehensive (loss)/ income for the year		(1,732,604)	465,535	-	(1,267,069)	(2,537)	(1,269,606)
Transactions with owners, recognised directly in total funds and reserves							
Transfer to fruit machine replacement reserve, net of reserve utilised	24	(175,000)	-	175,000	-	-	-
Acquisition of non-controlling interests		(78,559)	-	-	(78,559)	(88,107)	(166,666)
		(253,559)	-	175,000	(78,559)	(88,107)	(166,666)
Balance as at 31 December 2024		100,479,969	(351,455)	925,606	101,054,120	-	101,054,120
Deficit for the year		(1,981,181)	-	-	(1,981,181)	-	(1,981,181)
Other comprehensive income for the year	23	-	217,608	-	217,608	-	217,608
Total comprehensive (loss)/ income for the year		(1,981,181)	217,608	-	(1,763,573)	-	(1,763,573)
Transactions with owners, recognised directly in total funds and reserves							
Transfer to fruit machine replacement reserve, net of reserve utilised	24	(138,000)	-	138,000	-	-	-
		(138,000)	-	138,000	-	-	-
Balance as at 31 December 2025		98,360,788	(133,847)	1,063,606	99,290,547	-	99,290,547

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

STATEMENT OF CHANGES IN FUNDS

For the year ended December 2025

<u>Association</u>	Notes	Accumulated funds \$	Fair value reserve \$	Fruit machine replacement reserve \$	Total funds and reserves \$
Balance as at 1 January 2024		79,948,224	(816,990)	750,606	79,881,840
Surplus for the year		730,785	-	-	730,785
Other comprehensive income for the year	23	-	465,535	-	465,535
Total comprehensive income for the year		730,785	465,535	-	1,196,320
Transactions with owners, recognised directly in total funds and reserves					
Transfer to fruit machine replacement reserve, net of reserve utilised	24	(175,000)	-	175,000	-
		(175,000)	-	175,000	-
Balance as at 31 December 2024		80,504,009	(351,455)	925,606	81,078,160
Surplus for the year		995,720	-	-	995,720
Other comprehensive income for the year	23	-	231,833	-	231,833
Total comprehensive income for the year		995,720	231,833	-	1,227,553
Transactions with owners, recognised directly in total funds and reserves					
Transfer to fruit machine replacement reserve, net of reserve utilised	24	(138,000)	-	138,000	-
		(138,000)	-	138,000	-
Balance as at 31 December 2025		81,361,729	(119,622)	1,063,606	82,305,713

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 2025

	Notes	Group	
		2025 \$	2024 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>			
Deficit before tax		(1,862,344)	(1,616,674)
Adjustments for:			
Allowance for expected credit losses - trade	21	-	12,011
Depreciation expense		3,380,277	3,493,121
Amortisation of intangible assets	15	100,636	101,745
Interest income	5	(821,416)	(992,155)
Interest expenses	28	56,010	90,332
Goodwill written off	11	91,811	-
Loss on early redemption of bonds by issuers	11	-	179,500
Loss on disposal of bond	11	46,000	-
Loss/(gain) on disposal of property, plant and equipment		47,698	(698)
Loss/(gain) on disposal of right-of-use assets		6,625	(993)
Operating surplus before working capital changes		1,045,297	1,266,189
Decrease/(increase) in inventories		59,023	(32,972)
Increase in receivables		(568,743)	(403,922)
Increase/(decrease) in payables		10,257	(81,616)
Decrease in subscriptions received in advance		(246,266)	(69,415)
Cash generated from operations		299,568	678,264
Income tax refunded		-	2,194
Income tax paid		(123,336)	(160,670)
Net cash from operating activities		176,232	519,788
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>			
Decrease/(increase) in fixed deposits pledged with banks and/or with maturities over 3 months		9,874,111	(3,396,906)
Interest received		818,927	1,030,720
Acquisition of non-controlling interests		-	(166,666)
Additions to intangible assets	15	(41,920)	(73,480)
Additions to property, plant and equipment	13	(683,957)	(581,731)
Proceeds from capital grant for property, plant and equipment	13	-	30,000
Proceeds from disposal of investments		2,000,000	8,728,000
Proceeds from disposal of property, plant and equipment		-	54,208
Purchase of bonds		(7,117,500)	(6,694,360)
Purchase of investment property	14	-	(74,100)
Net cash from/(used in) investing activities		4,849,661	(1,144,315)
<u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>			
Repayment of principal portion of lease liabilities	28	(1,218,160)	(1,186,827)
Payment of interest on lease liabilities	28	(56,010)	(90,332)
Net cash used in financing activities		(1,274,170)	(1,277,159)
Net increase/(decrease) in cash and cash equivalents		3,751,723	(1,901,686)
Cash and cash equivalents at beginning of the year		9,059,192	10,960,878
Cash and cash equivalents at end of the year	22	12,810,915	9,059,192

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

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

1. GENERAL INFORMATION

Automobile Association of Singapore (the "Association") is registered in the Republic of Singapore under the Societies Act 1966. Its registered office is located at 2 Kung Chong Road, #06-01 AA Centre, Singapore 159140.

The principal activities of the Association are to provide members with information, assistance, recreation and other facilities and advice on matters pertaining to motoring.

The principal activities of the subsidiary companies are detailed in note 18 to the financial statements.

During the financial year, the Association did not conduct any fund-raising appeal as defined in the Societies Regulations issued under the Societies Act.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of Preparation

The financial statements are presented in Singapore dollars ("S\$"), which is also the functional currency of the Association.

These financial statements are prepared in accordance with the historical cost convention except as disclosed in the accounting policies below, and comply with Financial Reporting Standards in Singapore ("FRSs"), including related Interpretations promulgated by the Accounting Standards Committee, as required by the Companies Act 1967.

During the financial year, the Group has adopted all the new and amended FRSs which are relevant to the Group and are effective for the current financial year. The adoption of these standards did not have material effect on the financial performance or position of the Group.

2.2 Critical Accounting Estimates and Judgments

Estimates and assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

(A) *Key Sources of Estimation Uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) *Depreciation of Property, Plant and Equipment, Investment Property, and Right-of-Use Assets/ Amortisation of Intangible Assets*

The costs of property, plant and equipment, investment property, intangible assets and right-of-use assets are depreciated/amortised on a straight-line basis over their estimated useful lives. Management's estimates of the useful lives of these property, plant and equipment, investment property, intangible assets and right-of-use assets are disclosed in notes 2.9, 2.10, 2.11 and 2.18 to the financial statements respectively. Changes in the expected usage and technological developments could impact the economic useful lives and the residual values of these assets. Therefore, future depreciation/amortisation charges could be revised. The carrying amounts of property, plant and equipment, investment property, intangible assets and right-of-use assets and their respective depreciation/ amortisation charge for the year are disclosed in notes 13, 14, 15 and 16 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.2 Critical Accounting Estimates and Judgments (continued)

(A) *Key Sources of Estimation Uncertainty (continued)*

(ii) *Leases*

Incremental Borrowing Rate

The Group cannot readily determine the interest rate implicit in the lease. Therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group 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. Determining the IBR 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 estimates the IBR using observable inputs (such as prevailing prime lending rates) when available and is required to make certain entity-specific estimates.

Estimation of Lease Term

When determining the lease term of a lease contract, management considers all relevant factors that create an economic incentive for the Group to exercise an extension option, including any expected changes in circumstances since the commencement date that is within its control and affects its ability to exercise or not to exercise an option to extend. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

(B) *Critical Judgments Made in Applying Accounting Policies*

In the process of applying the Group's accounting policies, there are no significant items in the financial statements which require the exercise of critical judgement on the part of the management.

2.3 FRSs issued but not yet effective

The following are the mandatory standards that have been published and are relevant for the Group's accounting periods beginning on or after 1 January 2026 and which the Group has not early adopted.

FRS 118 - Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027)

FRS 118 *Presentation and Disclosure in Financial Statements* introduces new requirements for presentation within the statement of comprehensive income, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of comprehensive income into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with FRS 118.

2.4 Revenue Recognition

Revenue is measured based on the 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 parties.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 Revenue Recognition (continued)

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

(i) Subscriptions and Fees Income

Membership subscriptions received are recognised as revenue when they fall due over the period covered by the subscriptions.

Subscriptions received in advance

- Life membership subscriptions received in advance are recognised as income on a straight line basis over a period of 30 years.
- Ordinary, Family and Corporate membership subscriptions received in advance are recognised as income in the year in which the subscriptions fall due.

Entrance fees received are recognised as revenue at the point when applicants are admitted as members of the Association.

(ii) Fruit Machine Takings

Fruit machine takings are recognised as revenue upon receipt.

(iii) Service Income

Revenue from rendering of motoring-related and membership services is recognised when services have been performed and performance obligations have been fulfilled.

(iv) Interest Income

Interest on fixed deposits and bonds are recognised in profit or loss on a time proportion basis, using the effective interest method.

(v) Lease Income

Lease income from operating lease is recognised on a straight line basis over the lease period.

(vi) Sale of Goods

Revenue from sale of goods is recognised at a point in time upon delivery of the goods and acceptance by the customer and the Group's performance obligations have been fulfilled.

(vii) Commission income

Commission income is recognised when the performance obligation is satisfied which is upon the notification from the principal on conclusion of a sale.

2.5 Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and the conditions attached to the grant will be complied with. Grants related to income are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.6 Employee Benefits

(i) *Defined Contribution Plans*

The Group makes contributions to the state provident fund (Central Provident Fund). Such contributions are recognised as compensation expenses in the same period as the employment that gave rise to the contributions.

(ii) *Short Term Compensated Absences*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for employee entitlements to annual leave as a result of services rendered by employees up to the balance sheet date.

2.7 Income Taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised outside profit or loss (either in other comprehensive income or directly to accumulated fund), in which case, it is recognised in other comprehensive income or directly to accumulated funds accordingly.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax is provided on all taxable temporary differences arising on investments in subsidiary companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is charged or credited to other comprehensive income or directly in accumulated funds if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income or directly to accumulated funds.

2.8 Financial Assets

A. *Classification*

Financial assets are classified into the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVPL").

The basis of classification depends on the Group's business model and the contractual cash flow characteristics of the financial assets.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.8 Financial Assets (continued)

B. *At initial recognition*

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, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not have a significant financing component are measured at their transaction price at initial recognition.

C. *At subsequent measurement*

There are three prescribed subsequent measurement categories - at amortised cost, FVOCI and FVPL, depending on the Group's business model for managing the financial assets and the cash flow characteristics of the assets.

The Group's financial assets are categorised as follows:

(i) *Financial assets, at amortised cost*

These comprise trade and other receivables, amounts owing by subsidiary companies and cash and cash equivalents and investments in Singapore Treasury bills, measured at amortised cost subsequent to initial recognition, as these represent contractual cash flows which are solely payments of principal and interest. A gain or loss on a financial asset that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

(ii) *Financial assets, at FVOCI*

These comprise quoted commercial bonds held to collect contractual cash flows (that are solely payments of principal and interest) and for sale. Movements in fair values of investments classified as FVOCI are presented as "fair value gains and losses" in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method which are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

D. *Impairment of financial assets*

The Group assesses on forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost, and recognises a loss allowance accordingly.

At each reporting date, the debt instruments are assessed to determine whether there is significant increase in credit risk on the debt instruments since initial recognition. If there is a significant increase in credit risk since initial recognition, lifetime expected credit losses will be calculated and recognised in the loss allowance. If credit risk on the debt instrument has not increased significantly since initial recognition, the loss allowance is measured based on 12-month expected credit losses. Adjustments to the loss allowance are recognised in profit or loss as an impairment gain or loss.

For trade receivables, the Group applies the simplified approach permitted by FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.9 Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Any estimated costs of dismantling and removing the property, plant and equipment and reinstating the site to its original condition (reinstatement costs) are capitalised as part of the cost of the property, plant and equipment.

Depreciation is calculated on the straight line basis so as to write off the cost, less the residual value, of the assets over their estimated useful lives. The estimated useful lives are as follows:

Motor vehicles and equipment	4 - 10 years
Tow trucks and accessories	5 - 10 years
Furniture, fittings, plant and equipment and office equipment	1 - 5 years
Fruit machines	4 years
Renovations	3 - 10 years

Leasehold property is depreciated on the straight-line basis over the remaining lease period which expires in 2054. Leasehold property under construction is not depreciated as the asset is not available for use.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed and adjusted as appropriate, at each financial year end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, and shall be included in profit or loss when the item is derecognised.

2.10 Investment Property

Investment property, which is held on a long-term basis for investment potential and lease income, is stated at cost less accumulated depreciation and impairment loss, recognised in accordance with note 2.17 to the financial statements.

Freehold land is not depreciated. The costs of the buildings are depreciated on the straight-line basis so as to write off the cost of the asset over the estimated useful lives as follows:

Freehold property	25 years
Leasehold property	remaining useful life of 46 years

The residual value and useful life of investment property are reviewed and adjusted as appropriate, at each balance sheet date.

The costs of major renovations and improvements are capitalised as additions and the carrying amount of the replaced components are written off to profit or loss. The costs of maintenance, repairs and minor improvements are charged to profit or loss when incurred.

Upon the disposal of the investment property, the difference between the estimated net disposal proceeds and the carrying amount of the asset is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.11 Intangible Assets

Intangible assets are measured initially at cost. After initial recognition, they are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite useful lives are amortised over their estimated useful lives when the assets are available for use. In addition, they are subject to annual impairment testing. Intangible assets are written off when, in the opinion of the management, no further future economic benefits are expected to arise.

Costs relating to computer software and mobile application acquired, which are not an integral part of the related hardware, are capitalised and amortised on a straight-line basis over their estimated useful lives. The estimated useful lives are as follows:

Computer software	5 years
Mobile application	5 years

2.12 Investments in Subsidiary Companies

(i) Subsidiary and Basis of Consolidation

Investments in subsidiary companies are held on a long-term basis and stated in the Association's balance sheet at cost less impairment loss, if any.

Subsidiaries are investees over which the Group has control. The Group controls an investee when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date on which control is transferred to the Group, and continue to be consolidated until the date that such control ceases.

The consolidated financial statements comprise the financial statements of the Association and its subsidiary companies made up to the balance sheet date. The financial statements of the subsidiary companies are prepared for the same reporting date as the Association. Consistent accounting policies are applied for like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Non-controlling interests are that part of the net results of operations and net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the Association. They are shown separately in the consolidated statement of comprehensive income, statement of changes in funds and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.12 Investments in Subsidiary Companies (continued)

(ii) *Acquisitions (continued)*

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill.

Any excess of the Group's interests in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised in profit or loss on the date of acquisition.

(iii) *Disposals*

When a change in the Group's ownership interests in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary, including any goodwill, are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

(iv) *Transactions with Non-Controlling Interests*

Changes in the Association's ownership interests in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with fund owners of the Association. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their respective interests in the subsidiary. Any difference between the change in the carrying amounts of the non-controlling interests and the fair value of the consideration paid or received is recognised within total funds attributable to members of the Association.

2.13 Inventories

Inventories, consisting of car products and accessories, travel adaptors and travel bags, are stated at the lower of cost and net realisable value after adequate allowance has been made for deteriorated, damaged, obsolete or slow-moving inventories. Cost is determined on the first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Trade and Other Receivables

Trade and other receivables that do not have a significant financing component are measured at their transaction price at initial recognition, and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses, as explained in note 2.8 (D) to the financial statements.

2.15 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at bank and bank deposits which are subject to insignificant risks of changes in value. For the purpose of the statement of cash flows, fixed deposits pledged with banks and/or deposits with maturities more than 3 months are excluded from cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.16 Financial Liabilities

Financial liabilities include trade and other payables, payables to related parties and lease liabilities. Financial liabilities are recognised on the balance sheet when the Group becomes a party to the contractual provisions of the financial instrument.

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

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method, except for financial liabilities at fair value through profit or loss, including derivatives, which are measured at fair value. Financial liabilities with a short duration are not discounted.

A financial liability is derecognised when the contractual obligation is discharged or cancelled or expires. For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

2.17 Impairment of Non-Financial Assets

The carrying amounts of the Group's non-financial assets subject to impairment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's fair value less cost of disposal and its value in use. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

An impairment loss on a non-revalued asset is recognised in profit or loss. An impairment loss on a revalued asset is recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. An impairment loss (except for impairment loss on goodwill) is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

2.18 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.

(a) As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.18 Leases (continued)

(a) As lessee (continued)

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.

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 2.17 to the financial statements.

The Group's right-of-use assets are presented in note 16 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.

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 to reflect 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 or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are presented in note 28 to the financial statements.

Short-term leases and leases of low-value assets

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

(b) As lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Lease income arising from operating leases on the Group's investment property is accounted for on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as lease income. Contingent rents are recognised as revenue in the period in which they are earned.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

2.20 Financial Guarantee Contracts

Financial guarantee contracts are financial instruments issued by a financial institution on behalf of the Group that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

2.21 Related Parties

A related party is defined as follows:

- (A) A person or a close member of that person's family is related to the Association if that person:
 - (i) Has control or joint control over the Association;
 - (ii) Has significant influence over the Association; or
 - (iii) Is a member of the key management personnel of the Association.
- (B) An entity is related to the Association if any of the following conditions applies:
 - (i) The entity and the Association are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Association or an entity related to the Association. If the Association is itself such a plan, the sponsoring employers are also related to the Association.
 - (vi) The entity is controlled or jointly controlled by a person identified in (A).
 - (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Association.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

3. FRUIT MACHINE NET TAKINGS

	Group and Association	
	2025	2024
	\$	\$
<u>Income</u>		
Fruit machine gross collections and related income	21,648,872	21,136,033
Lease income	34,387	33,813
	<u>21,683,259</u>	<u>21,169,846</u>
<u>Less: Expenditure</u>		
Depreciation of property, plant and equipment [note 13(c)]	130,562	158,797
Depreciation of right-of-use assets [note 16(c)]	451,374	449,250
Fruit machine operating expenses	19,397,612	19,116,240
Interest on lease liabilities (note 28)	17,255	36,570
Loss on disposal of property, plant and equipment	31,823	-
	<u>20,028,626</u>	<u>19,760,857</u>
	<u>1,654,633</u>	<u>1,408,989</u>

4. INCOME FROM OTHER SERVICES

	Group		Association	
	2025	2024	2025	2024
	\$	\$	\$	\$
Insurance commission income	434,186	432,387	-	-
Consignment sales commission income	255,251	264,465	255,547	264,465
Europcar commission income	118,859	101,116	-	-
Technical service income	192,936	76,168	-	-
Service income from training	76,810	193,139	-	-
International driving permit fees	3,983,079	3,641,958	3,983,079	3,641,958
International driving permit postage fee	99,702	79,994	99,702	79,994
Event income	167,799	256,784	167,199	256,784
Income from sales of accessories	21,044	19,500	21,044	19,500
Agency fees	330	569	330	569
Vehicle evaluation fees	18,110	18,198	18,110	18,198
Scrap cars handling fee	14,464	11,606	14,464	11,606
Miscellaneous income	91,510	143,238	50,171	99,712
	<u>5,474,080</u>	<u>5,239,122</u>	<u>4,609,646</u>	<u>4,392,786</u>

5. INTEREST INCOME

	Group		Association	
	2025	2024	2025	2024
	\$	\$	\$	\$
Interest income from:				
- bank accounts	14,185	39,969	14,185	39,969
- fixed deposits	299,993	378,479	92,838	110,739
- bonds	507,238	497,394	421,372	424,186
- loans to subsidiary companies	-	-	581,550	581,927
- treasury bills	-	76,313	-	120
	<u>821,416</u>	<u>992,155</u>	<u>1,109,945</u>	<u>1,156,941</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

6. LEASE INCOME

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Gross lease income from				
- investment property	1,302,713	1,291,661	-	-
- leasehold properties	269,614	100,878	-	-
	1,572,327	1,392,539	-	-
Less: Property related expenses				
- investment property	(282,813)	(257,916)	-	-
- leasehold properties	-	-	-	-
	(282,813)	(257,916)	-	-
	1,289,514	1,134,623	-	-

7. INCOME FROM WORKSHOP SERVICES AND RELATED SALE OF GOODS

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
<u>Transfer of goods - at point in time</u>				
Sale of goods	1,751,790	1,626,794	-	-
<u>Transfer of services - over time</u>				
Services income	941,553	707,553	-	-
	2,693,343	2,334,347	-	-

8. OTHER INCOME

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Administrative and service income	31,177	34,800	1,305,631	1,385,476
Insurance incentive income	46,797	48,876	-	-
Gain on disposal of property, plant and equipment	-	698	-	22,603
Gain on right-of-use assets written off	-	993	-	-
Other payables written back	4,886	17,236	4,886	17,236
Government grants	79,379	145,893	36,769	71,545
Sundry income	133,521	151,569	-	-
	295,760	400,065	1,347,286	1,496,860

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

9. DEPRECIATION EXPENSE

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Depreciation of				
- Property, plant and equipment [note 13(c)]	1,621,371	1,720,416	88,138	109,128
- Investment properties (note 14)	430,352	426,804	-	-
- Right-of-use assets (note 16)	746,618	737,854	440,968	438,962
	<u>2,798,341</u>	<u>2,885,074</u>	<u>529,106</u>	<u>548,090</u>

10. EMPLOYEE BENEFITS EXPENSE

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Salaries and other related costs	5,936,206	5,749,246	3,028,046	3,074,789
Employer's contributions to Central Provident Fund	658,449	570,204	339,130	297,116
Other benefits	71,244	21,903	18,281	9,574
	<u>6,665,899</u>	<u>6,341,353</u>	<u>3,385,457</u>	<u>3,381,479</u>

11. OTHER EXPENSES

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Audit fees	85,900	85,900	47,800	47,800
Allowance for expected credit losses - trade	-	12,011	-	-
Donations and sponsorships	112,800	113,250	112,800	113,250
Goodwill written off	91,811	-	-	-
Highway magazine	293,056	292,479	293,056	292,479
Maintenance of property, plant and equipment	850,827	843,498	513,739	382,511
Lease expenses on short term lease	-	-	1,384,162	1,384,162
Other administrative and operating expenses	2,676,280	2,382,808	856,793	941,485
Loss on early redemption of bonds by issuers	-	179,500	-	179,500
Loss on disposal of bond	46,000	-	46,000	-
Loss on disposal of property, plant and equipment	15,875	-	-	-
Loss on disposal of right-of-use assets	6,625	-	6,625	-
Towing and vehicle recovery expenses	191,585	199,181	1,232,445	1,345,240
	<u>4,370,759</u>	<u>4,108,627</u>	<u>4,493,420</u>	<u>4,686,427</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

12. INCOME TAX EXPENSE

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Provision for current taxation	135,130	139,629	122,000	130,000
Over-provision of taxation in prior year	(16,293)	(21,162)	(14,215)	(20,520)
	<u>118,837</u>	<u>118,467</u>	<u>107,785</u>	<u>109,480</u>
Reconciliation of income tax expense:				
(Deficit)/surplus before tax	(1,862,344)	(1,616,674)	1,103,505	840,265
Tax at statutory rate of 17% (2024: 17%)	(316,598)	(274,835)	187,596	142,845
Tax effects of:				
Non-taxable income	(1,596,238)	(1,568,470)	(1,591,906)	(1,568,210)
Non-deductible expenses	1,975,759	1,930,344	1,591,675	1,620,921
Statutory stepped income exemption	(49,409)	(44,495)	(17,425)	(17,425)
Income tax at concessionary rate	(5,565)	(5,027)	-	-
Corporate tax rebate	(32,716)	(3,591)	-	-
Deferred tax assets not recognised	381,690	334,707	-	-
Utilisation of deferred tax assets previously not recognised	(155,351)	(125,282)	-	-
Tax incentive	(47,940)	(48,221)	(47,940)	(48,131)
Over-provision of taxation in prior year	(16,293)	(21,162)	(14,215)	(20,520)
Others	(18,502)	(55,501)	-	-
	<u>118,837</u>	<u>118,467</u>	<u>107,785</u>	<u>109,480</u>

As at the balance sheet date, the Group has unutilised tax losses, donations and capital allowances amounting to approximately \$5,129,000 (2024: \$4,103,000), \$500 (2024: \$500) and \$120,000 (2024: \$107,000) respectively, available for set-off against future taxable income, subject to compliance with the Income Tax Act and the approval of the Comptroller of Income Tax.

Deferred tax assets amounting to approximately \$892,000 (2024: \$716,000) arising from the above tax losses, donations and capital allowances are not recognised in the accounts due to the uncertainty of future taxable profits being available against which the tax losses, donations and capital allowances can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

13. PROPERTY, PLANT AND EQUIPMENT

(a) <u>Group</u>	Leasehold property \$	Motor vehicles and equipment \$	Tow trucks and accessories \$	Furniture, fittings, plant and equipment and office equipment \$	Fruit machines \$	Renovations \$	Total \$
<u>Cost</u>							
At 1 January 2024	25,350,978	907,568	3,756,615	2,439,118	1,884,056	5,600,663	39,938,998
Additions	105,001	-	301,215	106,965	65,000	3,550	581,731
Disposals/written off	-	(238,674)	(127,258)	(69,756)	(30,800)	-	(466,488)
Proceed from capital grant	-	(10,000)	(20,000)	-	-	-	(30,000)
At 31 December 2024 and 1 January 2025	25,455,979	658,894	3,910,572	2,476,327	1,918,256	5,604,213	40,024,241
Additions	4,650	226,421	180,805	167,481	102,000	2,600	683,957
Disposals/written off	-	(127,000)	(2,002)	(41,122)	(243,752)	-	(413,876)
At 31 December 2025	25,460,629	758,315	4,089,375	2,602,686	1,776,504	5,606,813	40,294,322
<u>Accumulated depreciation</u>							
At 1 January 2024	4,095,921	622,985	2,590,019	2,215,232	1,593,798	2,695,437	13,813,392
Charge for the year	1,232,610	69,482	220,370	210,261	140,942	5,548	1,879,213
Disposals/written off	-	(198,136)	(117,997)	(68,545)	(28,300)	-	(412,978)
At 31 December 2024 and 1 January 2025	5,328,531	494,331	2,692,392	2,356,948	1,706,440	2,700,985	15,279,627
Charge for the year	1,235,113	53,381	246,977	90,856	120,138	5,468	1,751,933
Disposals/written off	-	(111,125)	(2,002)	(41,122)	(211,929)	-	(366,178)
At 31 December 2025	6,563,644	436,587	2,937,367	2,406,682	1,614,649	2,706,453	16,665,382
<u>Carrying amount</u>							
At 31 December 2025	18,896,985	321,728	1,152,008	196,004	161,855	2,900,360	23,628,940
At 31 December 2024	20,127,448	164,563	1,218,180	119,379	211,816	2,903,228	24,744,614

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

13. PROPERTY, PLANT AND EQUIPMENT (continued)

	Motor vehicles and equipment \$	Furniture, fittings and office equipment \$	Fruit machines \$	Renovations \$	Total \$
(b) Association					
<u>Cost</u>					
At 1 January 2024	361,424	1,447,070	1,884,056	2,244,575	5,937,125
Additions	-	54,480	65,000	3,550	123,030
Disposals/written off	(198,049)	(77,254)	(30,800)	-	(306,103)
At 31 December 2024 and 1 January 2025	163,375	1,424,296	1,918,256	2,248,125	5,754,052
Additions	226,421	149,188	102,000	-	477,609
Disposals/written off	-	(41,122)	(243,752)	-	(284,874)
At 31 December 2025	389,796	1,532,362	1,776,504	2,248,125	5,946,787
<u>Accumulated depreciation</u>					
At 1 January 2024	273,268	1,265,860	1,593,798	2,244,575	5,377,501
Charge for the year	19,880	105,328	140,942	1,775	267,925
Disposals/written off	(189,468)	(72,224)	(28,300)	-	(289,992)
At 31 December 2024 and 1 January 2025	103,680	1,298,964	1,706,440	2,246,350	5,355,434
Charge for the year	36,925	59,862	120,138	1,775	218,700
Disposals/written off	-	(41,122)	(211,929)	-	(253,051)
At 31 December 2025	140,605	1,317,704	1,614,649	2,248,125	5,321,083
<u>Carrying amount</u>					
At 31 December 2025	249,191	214,658	161,855	-	625,704
At 31 December 2024	59,695	125,332	211,816	1,775	398,618

(c) Depreciation of property, plant and equipment of the Group and the Association are charged to statements of comprehensive income and presented as follows:

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Fruit machine net takings - Expenditure (note 3)	130,562	158,797	130,562	158,797
Depreciation expense (note 9)	1,621,371	1,720,416	88,138	109,128
	1,751,933	1,879,213	218,700	267,925

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

14. INVESTMENT PROPERTIES

	Leasehold properties \$	Freehold property \$	Renovations \$	Total \$
<u>Group</u>				
<u>Cost</u>				
At 1 January 2024	858,910	44,409,280	361,298	45,629,488
Additions	-	-	74,100	74,100
At 31 December 2024, 1 January 2025 and 31 December 2025	858,910	44,409,280	435,398	45,703,588
<u>Accumulated depreciation</u>				
At 1 January 2024	36,054	2,963,760	138,720	3,138,534
Charge for the year (note 9)	18,675	368,101	40,028	426,804
At 31 December 2024 and 1 January 2025	54,729	3,331,861	178,748	3,565,338
Charge for the year (note 9)	18,675	368,101	43,576	430,352
At 31 December 2025	73,404	3,699,962	222,324	3,995,690
<u>Carrying amount</u>				
At 31 December 2025	785,506	40,709,318	213,074	41,707,898
At 31 December 2024	804,181	41,077,419	256,650	42,138,250

- (a) The fair values of the above investment properties of the Group as at 31 December 2025 are approximately \$49 million (2024: \$49 million). These are determined based on formal valuation performed on 31 December 2025 (2024: formal valuation performed on 31 December 2024) by an independent appraiser, Colliers International Consultancy & Valuation (Singapore) Pte Ltd (2024: Colliers International Consultancy & Valuation (Singapore) Pte Ltd) who holds a recognised and relevant professional qualification. The valuation for both 2025 and 2024 were based on the income approach and cross-checked by direct comparisons with transactions of comparable properties within the vicinity and elsewhere.
- (b) The investment properties are leased to lessees under non-cancellable operating leases.
- (c) Direct operating expenses arising from income generating investment properties amounted to \$306,750 (2024: \$287,673).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

15. INTANGIBLE ASSETS

	Computer software \$	Mobile application \$	Goodwill \$	Total \$
(a) Group				
<u>Cost</u>				
At 1 January 2024	1,452,401	4,642	91,811	1,548,854
Additions	56,980	16,500	-	73,480
At 31 December 2024 and 1 January 2025	1,509,381	21,142	91,811	1,622,334
Additions	40,820	1,100	-	41,920
Written off	-	-	(91,811)	(91,811)
At 31 December 2025	1,550,201	22,242	-	1,572,443
<u>Accumulated amortisation and impairment loss</u>				
At 1 January 2024	1,136,312	2,799	-	1,139,111
Amortisation for the year	98,204	3,541	-	101,745
At 31 December 2024 and 1 January 2025	1,234,516	6,340	-	1,240,856
Amortisation for the year	96,655	3,981	-	100,636
At 31 December 2025	1,331,171	10,321	-	1,341,492
<u>Carrying amount</u>				
At 31 December 2025	219,030	11,921	-	230,951
At 31 December 2024	274,865	14,802	91,811	381,478
(b) Association				
<u>Cost</u>				
At 1 January 2024	1,388,919	-	-	1,388,919
Additions	56,980	-	-	56,980
At 31 December 2024 and 1 January 2025	1,445,899	-	-	1,445,899
Additions	40,820	-	-	40,820
At 31 December 2025	1,486,719	-	-	1,486,719
<u>Accumulated amortisation</u>				
At 1 January 2024	1,087,259	-	-	1,087,259
Amortisation for the year	88,655	-	-	88,655
At 31 December 2024 and 1 January 2025	1,175,914	-	-	1,175,914
Amortisation for the year	91,808	-	-	91,808
At 31 December 2025	1,267,722	-	-	1,267,722
<u>Carrying amount</u>				
At 31 December 2025	218,997	-	-	218,997
At 31 December 2024	269,985	-	-	269,985

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

16. RIGHT-OF-USE ASSETS

	Properties \$	Equipment \$	Total \$
(a) Group			
<u>Cost</u>			
At 1 January 2024	2,707,907	25,009	2,732,916
Additions	585,574	-	585,574
Disposals/written off	(455,714)	-	(455,714)
At 31 December 2024 and 1 January 2025	2,837,767	25,009	2,862,776
Additions	942,129	31,927	974,056
Disposals/written off	(1,207,321)	(25,009)	(1,232,330)
At 31 December 2025	2,572,575	31,927	2,604,502
<u>Accumulated depreciation</u>			
At 1 January 2024	557,594	8,797	566,391
Charge for the year	1,182,103	5,001	1,187,104
Disposals/written off	(438,210)	-	(438,210)
At 31 December 2024 and 1 January 2025	1,301,487	13,798	1,315,285
Charge for the year	1,192,875	5,117	1,197,992
Disposals/written off	(1,207,320)	(18,385)	(1,225,705)
At 31 December 2025	1,287,042	530	1,287,572
<u>Carrying amount</u>			
At 31 December 2025	1,285,533	31,397	1,316,930
At 31 December 2024	1,536,280	11,211	1,547,491
	Properties \$	Equipment \$	Total \$
(b) Association			
<u>Cost</u>			
At 1 January 2024, 31 December 2024 and 1 January 2025	2,498,939	25,009	2,523,948
Additions	702,674	31,927	734,601
Disposal	(981,752)	(25,009)	(1,006,761)
At 31 December 2025	2,219,861	31,927	2,251,788
<u>Accumulated depreciation</u>			
At 1 January 2024	555,410	8,797	564,207
Charge for the year	883,211	5,001	888,212
At 31 December 2024 and 1 January 2025	1,438,621	13,798	1,452,419
Charge for the year	887,225	5,117	892,342
Disposal	(981,751)	(18,385)	(1,000,136)
At 31 December 2025	1,344,095	530	1,344,625
<u>Carrying amount</u>			
At 31 December 2025	875,766	31,397	907,163
At 31 December 2024	1,060,318	11,211	1,071,529

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

16. RIGHT-OF-USE ASSETS (continued)

- (c) The Group and the Association lease properties and equipment over lease periods ranging from 2 to 5 years (2024: 3 to 5 years), with option for extension. Lease agreements do not impose any covenants but leased assets may not be used as security for borrowing purposes.

Depreciation of right-of-use assets is charged to statements of comprehensive income and presented as follows:

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Fruit machine net takings - Expenditure (note 3)	451,374	449,250	451,374	449,250
Depreciation expense (note 9)	746,618	737,854	440,968	438,962
	<u>1,197,992</u>	<u>1,187,104</u>	<u>892,342</u>	<u>888,212</u>

17. INVESTMENTS

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Financial assets at fair value through other comprehensive income				
Quoted investments				
Balance at the beginning of the year	13,948,220	12,360,385	13,948,220	12,360,385
Additions	7,117,500	3,551,800	2,105,000	3,551,800
Disposal	(2,000,000)	-	(2,000,000)	-
Early redemption of bonds by issuers	-	(2,250,000)	-	(2,250,000)
Fair value gains recognised in other comprehensive income (note 23)	171,608	286,035	185,833	286,035
Balance at the end of year (a)	<u>19,237,328</u>	<u>13,948,220</u>	<u>14,239,053</u>	<u>13,948,220</u>
Financial assets at amortised cost:				
Singapore Treasury bills				
Balance at the beginning of the year	-	3,259,127	-	3,259,127
Additions	-	3,142,560	-	3,142,560
Disposal	-	(6,478,000)	-	(6,478,000)
Accrued interests	-	76,313	-	76,313
Balance at the end of year (b)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fair value of Singapore Treasury bills	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments (a) + (b)	<u>19,237,328</u>	<u>13,948,220</u>	<u>14,239,053</u>	<u>13,948,220</u>
Presented as:				
- Current Assets	5,827,427	1,993,200	5,827,427	1,993,200
- Non-current Assets	13,409,901	11,955,020	8,411,626	11,955,020
	<u>19,237,328</u>	<u>13,948,220</u>	<u>14,239,053</u>	<u>13,948,220</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

17. INVESTMENTS (continued)

- (a) The above investments, consisting of fixed income debt instruments with interest yield ranging from 3.25% to 5.30% (2024: 2.85% to 5.30%) and 3.40% to 5.30% (2024: 2.85% to 5.30%) per annum for the Group and Association respectively, are measured at fair values based on quoted market prices as at the balance sheet date. Their maturities are as follows:

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
- Redeemable in 2025	-	1,993,200	-	1,993,200
- Redeemable in 2026	5,827,427	5,782,750	5,827,427	5,782,750
- Redeemable in 2027	2,550,234	2,522,130	2,550,234	2,522,130
- Redeemable in 2030	4,998,275	-	-	-
- Redeemable in 2031	2,085,860	-	2,085,860	-
* - Redeemable in 2033	1,054,335	1,038,000	1,054,335	1,038,000
* - Redeemable in 2034	2,721,197	2,612,140	2,721,197	2,612,140
	<u>19,237,328</u>	<u>13,948,220</u>	<u>14,239,053</u>	<u>13,948,220</u>

- * Included in these bonds are an aggregate carrying amount of \$1,590,959 (2024: \$1,563,000) maturing between March 2033 and March 2034 (2024: March 2033 and March 2034), yield interest at 5.30% (2024: 5.30%) per annum. These investments are acquired by the Association on behalf of certain subsidiary companies, and the interest arising from these bonds are due and payable to the relevant subsidiary companies [note 19(c)].

- (b) Investments in treasury bills are initially recognised at cost and subsequently measured at amortised cost. The fair values are determined using the current bid prices. In 2024, these investments had the maturity period of six months in March 2024 to September 2024. These investments earned interest at rates ranging from 3.34% to 3.65% per annum.

18. INVESTMENTS IN SUBSIDIARY COMPANIES

	Association	
	2025 \$	2024 \$
(a) Unquoted shares, at cost	<u>6,000,002</u>	<u>6,000,002</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

18. INVESTMENTS IN SUBSIDIARY COMPANIES (continued)

(b) The subsidiary companies of the Association are as follows:

Name of subsidiary companies	Principal activities	Country of incorporation/ Principal place of business	Percentage of ownership interests		Cost of investments	
			2025 %	2024 %	2025 \$	2024 \$
AAS @ 2KC Pte. Ltd.	Provision of vehicle recovery and towing services	Singapore	100	100	4,500,000	4,500,000
AAS Insurance Agency Pte. Ltd.	General insurance agents	Singapore	100	100	500,000	500,000
AAS Investment Holdings Pte. Ltd.	Investment holding	Singapore	100	100	1,000,000	1,000,000
AAS @ 217 East Coast Road Pte. Ltd.	Investment in properties	Singapore	100	100	2	2
					6,000,002	6,000,002

Name of subsidiary companies	Principal activities	Country of incorporation/ Principal place of business	Percentage of ownership interests	
			2025 %	2024 %
<u>Held by AAS Investment Holdings Pte. Ltd. ("AASIH")</u>				
AAS Academy Pte. Ltd.	Provision of professional and vocational training for drivers	Singapore	100	100
Autoswift Recovery Pte. Ltd.	Provision of vehicle recovery and towing services and provide private cars rental and leasing service	Singapore	100	100
AAS @ Midview Pte. Ltd.	Holding of investments to derive investment income	Singapore	100	100
BCC Automotive Pte. Ltd.	Workshop services for repair and maintenance for motor vehicles	Singapore	100	100
Four Wheels Auto Pte. Ltd.	Renting and leasing of private cars and commercial cars without operator	Singapore	100	100

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

19. AMOUNT DUE FROM/TO SUBSIDIARY COMPANIES

	Association	
	2025 \$	2024 \$
<u>Due from subsidiary companies</u>		
After 12 months - non-trade (a)	58,155,018	58,155,018
Within 12 months		
- trade	183,823	3,574
- non-trade (b)	3,153,599	3,114,222
	3,337,422	3,117,796
	<u>61,492,440</u>	<u>61,272,814</u>
 <u>Due to subsidiary companies</u>		
After 12 months - non-trade (c)	(1,588,174)	(1,588,174)
Within 12 months		
- trade	(1,247,148)	(1,630,484)
- non-trade (d)	(2,152,486)	(2,234,591)
	(3,399,634)	(3,865,075)
	<u>(4,987,808)</u>	<u>(5,453,249)</u>

(a) Non-trade receivables due from subsidiary companies - Non-current

These comprise unsecured loans to subsidiary companies amounting to \$58,155,018 (2024: \$58,155,018) which bear interest at 1.00% (2024: 1.00%) per annum.

These loans are not expected to be called up for repayment within the short term.

(b) Non-trade receivables (net) due from subsidiary companies - Current

Included in these net current receivables are designated funds amounting to \$2,487,697 (2024: \$2,427,097) which a subsidiary company has placed in fixed deposits on behalf of the Association as at the balance sheet date.

These designated fixed deposits, with maturities within 12 months, yield interest at ranging from 1.25% to 1.35% (2024: 3.10% to 3.15%) per annum which are due and payable to the Association upon maturity.

(c) Non-trade payables due to subsidiary companies - Non-current

Included in these non-current payables are designated funds which certain subsidiary companies have placed with the Association for the purpose of investing in commercial bonds on the formers' behalf.

These investments maturing between March 2033 and March 2034 (2024: March 2033 and March 2034), yield interest at 5.30% (2024: 5.30%) per annum which are due and payable to the subsidiary companies upon maturity (note 17).

(d) Non-trade payables (net) due to subsidiary companies - Current

These current non-trade payables due to subsidiary companies are unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

20. INVENTORIES

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Inventories carried at cost	278,091	337,114	35,944	43,022

Inventories consist of car products and accessories, other service products and accessories, travel adaptors and travel bags.

21. TRADE AND OTHER RECEIVABLES

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Trade receivables (a)	883,508	703,497	163,443	163,388
Less: Allowance for expected credit losses				
Balance at beginning of the year	(12,011)	-	-	-
Allowance made during the year	-	(12,011)	-	-
Allowance written off	12,011	-	-	-
Balance at end of the year	-	(12,011)	-	-
	883,508	691,486	163,443	163,388
Accrued receivables	373,140	437,461	300,712	353,785
	1,256,648	1,128,947	464,155	517,173
Non-trade receivables (c)	176,969	203,975	126,914	150,750
Deposits	303,681	368,266	223,085	262,010
Interest receivable	223,734	221,245	150,288	145,313
Prepayments	1,165,472	632,840	989,857	547,556
Recoverable costs (b)	271,919	271,919	-	-
	2,141,775	1,698,245	1,490,144	1,105,629
Total trade and other receivables	3,398,423	2,827,192	1,954,299	1,622,802

(a) Trade receivables are unsecured, non-interest bearing and are generally on 30 days' (2024: 30 days') terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The allowance for expected credit losses ("ECLs") of trade receivables are computed based on lifetime ECLs.

Impairment losses on financial assets recognised in profit or loss during the year are as follows:

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Allowance made	-	12,011	-	-

(b) Recoverable costs amounting to \$271,919 (2024: \$271,919) represent related costs that the Group paid for the redevelopment of its leasehold property.

(c) Non-trade receivables are unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

22. CASH AND CASH EQUIVALENTS

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Fixed deposits	9,484,246	13,563,918	1,940,182	305,789
Cash and bank balances	6,966,476	9,009,192	4,740,277	6,965,689
Cash and cash equivalents (Statements of Financial Position)	16,450,722	22,573,110	6,680,459	7,271,478
Less:				
Fixed deposits with maturities over 3 months				
- Deposits pledged with banks*	(259,625)	(255,789)	(259,625)	(255,789)
- Unpledged deposits	(3,380,182)	(13,258,129)	(1,630,557)	-
	(3,639,807)	(13,513,918)	(1,890,182)	(255,789)
Cash and cash equivalents (Consolidated Statement of Cash Flows)	12,810,915	9,059,192	4,790,277	7,015,689
Fixed deposits with maturities				
- not more than 3 months	5,844,439	50,000	50,000	50,000
- between 3 and 12 months	3,639,807	13,513,918	1,890,182	255,789
	9,484,246	13,563,918	1,940,182	305,789

The fixed deposits of the Group and the Association bear interest at rates ranging from 0.30% to 2.15% (2024: 1.50% to 3.70%) per annum.

* These fixed deposits are pledged with certain banks to secure performance bonds issued in favour of Land Transport Authority in respect of certain service contracts undertaken by the Association and/or its wholly-owned subsidiary.

23. FAIR VALUE RESERVE

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Balance at beginning of the year	(351,455)	(816,990)	(351,455)	(816,990)
Net fair value losses reclassified to profit or loss upon early redemption of bonds by issuers	46,000	179,500	46,000	179,500
Fair value gains on financial assets at FVOCI, recognised in other comprehensive income (note 17)	171,608	286,035	185,833	286,035
	217,608	465,535	231,833	465,535
Balance at end of the year	(133,847)	(351,455)	(119,622)	(351,455)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

24. FRUIT MACHINE REPLACEMENT RESERVE

	Group and Association	
	2025	2024
	\$	\$
Balance at beginning of the year	925,606	750,606
Transfer from accumulated funds	240,000	240,000
Purchase of fruit machines	(102,000)	(65,000)
	138,000	175,000
Balance at end of the year	1,063,606	925,606

25. SUBSCRIPTIONS RECEIVED IN ADVANCE

	Group and Association	
	2025	2024
	\$	\$
Contract liabilities to be recognised as revenue:		
<u>After 12 months</u>		
Life membership subscriptions	75,102	91,592
Ordinary and other membership subscriptions	687,997	730,596
	763,099	822,188
<u>Within 12 months</u>		
Life membership subscriptions	16,490	18,580
Ordinary and other membership subscriptions	886,517	1,071,604
	903,007	1,090,184
Total subscriptions received in advance	1,666,106	1,912,372

Total subscriptions received in advance as at 31 December 2025 represent the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially satisfied) by the Group and the Association as at the financial year end. These will be recognised as revenue by the Group and the Association when the subscriptions fall due over the financial years from 2026 to 2037 (2024: 2025 to 2034).

Subscriptions recognised as revenue of the Group and the Association in 2025 which were included in subscriptions received in advance as at 1 January 2025 (2024: 1 January 2024) amounted to \$1,090,184 (2024: \$1,094,423).

26. DEFERRED TAX LIABILITIES

	Group		Association	
	2025	2024	2025	2024
	\$	\$	\$	\$
On excess of carrying amount over tax written down value of property, plant and equipment:				
Balance at beginning of the year and at end of the year	3,000	3,000	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

27. TRADE AND OTHER PAYABLES

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
<u>Due after 12 months</u>				
Provisions (a)	276,419	276,419	276,419	276,419
	<u>276,419</u>	<u>276,419</u>	<u>276,419</u>	<u>276,419</u>
<u>Due within 12 months</u>				
Trade payables	192,962	192,869	-	-
Accrued operating expenses	2,294,481	2,305,644	1,565,875	1,579,475
Deposits	470,927	507,521	61,766	101,766
Contract liabilities (b)	20,277	15,953	6,015	12,272
Goods and services tax payable	191,318	236,909	91,906	103,284
Non-trade payables	398,857	299,670	182,300	187,113
	<u>3,568,822</u>	<u>3,558,566</u>	<u>1,907,862</u>	<u>1,983,910</u>
Total trade and other payables	<u>3,845,241</u>	<u>3,834,985</u>	<u>2,184,281</u>	<u>2,260,329</u>

Trade and other payables due within 12 months are unsecured, non-interest bearing and are normally settled within 30 to 120 days (2024: 30 to 120 days) or on demand.

- (a) The provision for reinstatement costs represents the estimated costs of dismantling, removing and restoring the related premises at the expiration of the lease periods. The estimated provision was determined based on quotations received from an independent contractor.
- (b) Contract liabilities relate to the Group's obligations to organise events, provide services and lease of office spaces to customers who have made advance service fee payments to the Group. Contract liabilities are recognised as revenue over the period when the services are provided. Revenue recognised in the current year that were included in contract liabilities at the beginning of the year amounted to \$15,953 (2024: \$16,317) and \$12,272 (2024: \$16,317) for the Group and the Association respectively.

28. LEASE LIABILITIES

	Group			
	2025		2024	
	Minimum lease liabilities \$	Present value of lease liabilities \$	Minimum lease liabilities \$	Present value of lease liabilities \$
Lease payments due:				
Within 1 year	861,860	822,860	1,137,204	1,091,651
After 1 year but not later than 5 years	498,021	486,399	472,080	461,712
	<u>1,359,881</u>	<u>1,309,259</u>	<u>1,609,284</u>	<u>1,553,363</u>
Less: Amounts representing interest	(50,622)	-	(55,921)	-
	<u>1,309,259</u>	<u>1,309,259</u>	<u>1,553,363</u>	<u>1,553,363</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

28. LEASE LIABILITIES (continued)

	Association			
	2025		2024	
	Minimum lease liabilities \$	Present value of lease liabilities \$	Minimum lease liabilities \$	Present value of lease liabilities \$
Lease payments due:				
Within 1 year	587,145	561,157	883,830	854,866
After 1 year but not later than 5 years	335,196	326,996	211,080	209,494
	922,341	888,153	1,094,910	1,064,360
Less: Amounts representing interest	(34,188)	-	(30,550)	-
	888,153	888,153	1,064,360	1,064,360

The lease liabilities are computed based on implicit interest rate of 5.00% (2024: 3.77% to 5.00%) per annum.

Reconciliation of changes in liabilities arising from financing activities

Movements in the Group's and the Association's lease liabilities arising from financing cash flows were as follows:

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Lease liabilities as at 1 January	1,553,363	2,173,113	1,064,360	1,925,290
<u>Non-cash movements:</u>				
Add: Capitalisation of new lease liabilities	974,056	585,574	734,601	-
Add: Accretion of interest	56,010	90,332	34,549	72,866
Less: Written off	-	(18,497)	-	-
<u>Cash movements:</u>				
Less: Payment of lease liabilities during the year				
- Principal portion	(1,218,160)	(1,186,827)	(910,808)	(860,930)
- Interest	(56,010)	(90,332)	(34,549)	(72,866)
Lease liabilities as at 31 December	1,309,259	1,553,363	888,153	1,064,360

Interest expenses

Interest expenses for the year are charged to statements of comprehensive income and presented as follows:

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Finance costs on lease liabilities allocated to fruit machine net takings - Expenditure (note 3)	17,255	36,570	17,225	36,570
Finance costs on others	38,755	53,762	17,294	36,296
Total interest expenses	56,010	90,332	34,549	72,866

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

29. RELATED PARTY DISCLOSURES

The Association is governed by the General Committee which is the final authority and has overall responsibility for policy making and determination of all activities. Members of the General Committee are volunteers and receive no monetary remuneration for their contribution, except for reimbursement of out-of-pocket expenses.

The Association has in place a conflict of interests policy in its code of conduct. All members of the General Committee are required to declare their interests yearly.

Significant transactions between the Association and its related parties, not otherwise disclosed in the financial statements, are as follows:

	Association	
	2025	2024
	\$	\$
(a) <u>With subsidiary companies</u>		
Administrative and service income	1,305,631	1,385,476
Interest income	581,550	581,927
Other incomes	769	-
Towing and vehicle recovery expenses	1,283,684	1,408,088
Lease expenses	1,384,162	1,384,162
Other expenses	31,776	9,211

(b) With entities in which certain General Committee members have interests/influence

	Group		Association	
	2025	2024	2025	2024
	\$	\$	\$	\$
Donations and sponsorship expenses	100,000	101,000	100,000	101,000
Lease income	-	52,800	-	-

Related party transactions are based on terms agreed between the parties concerned.

30. KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel compensation are as follows:

	Group and Association	
	2025	2024
	\$	\$
Salaries and other related costs	1,111,507	1,221,893
Employer's contributions to Central Provident Fund	107,404	122,798
Short-term employee benefits	1,218,911	1,344,691

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

31. LEASE COMMITMENTS

(i) Where the Group and the Association are the lessees

The Association leases office premises from its subsidiary company with varying terms, escalation clauses and renewal rights.

As at 31 December 2025, the Association has an operating lease commitment amounting to approximately \$1,384,000 (2024: \$1,384,000) in respect of short-term lease of office premises from its subsidiary company.

(ii) Where the Group and the Association are the lessors

The Group and the Association lease out the investment property and members' lounge, cafeteria and office premises to lessees under non-cancellable operating leases. As at the balance sheet date, lease commitments under non-cancellable operating leases where the Group and the Association are the lessors, are as follows:

	Group		Association	
	2025	2024	2025	2024
	\$	\$	\$	\$
Lease income receivable				
- within 1 year	1,296,154	1,486,478	38,400	29,000
- after 1 year but not later than 5 years	1,018,667	1,050,000	32,000	-
	<u>2,314,821</u>	<u>2,536,478</u>	<u>70,400</u>	<u>29,000</u>

The above operating leases do not provide for contingent rents.

32. CAPITAL COMMITMENT

As at 31 December 2025, the Group has capital commitment amounting to approximately \$182,221 (2024: \$223,000) in respect of contracted expenditure for purchase of intangible assets and lift modernisation works which have not been recognised in the financial statements.

33. FINANCIAL RISK MANAGEMENT

The Group and the Association are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks are credit risk, liquidity risk, interest rate risk and market price risk. The management reviews and agrees on policies for managing each of these risks and they are summarised below:

33.1 Credit risk

Credit risk is the potential risk of financial loss resulting from the failure of customers or other counterparties to settle their financial and contractual obligations to the Group as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

33. FINANCIAL RISK MANAGEMENT (continued)

33.1 Credit risk (continued)

(i) Risk management

The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets, including cash and cash equivalents, the Group mitigates credit risks by transacting with high credit rating counterparties and financial institutions which are regulated.

As at the balance sheet date, there were no significant concentrations of credit risk except for the amounts due from subsidiary companies (note 19). The long term loans amounting to \$58.2 million (2024: \$58.2 million) [note 19(a)], intended to fund the long term capital requirements of the relevant subsidiaries, are considered by the management to be in substance part of the Association's net investment in the said subsidiaries, and are accounted for in accordance with note 2.12. The short-term advances to subsidiary companies are part of the Association's funds management strategy. The Association's management is satisfied that there are sufficient financial assets and other committed credit lines to meet the cash flow needs of the Association.

(ii) Recognition of expected credit losses ("ECLs")

The Group's financial assets that are subject to credit losses where the ECLs model has been applied are trade receivables.

The Group assesses on forward looking basis the ECLs on its trade receivables, and recognises a loss allowance in accordance with FRS 109.

Based on the Group's historical collection trend, all outstanding trade receivables are generally settled within the credit term of 30 days. Trade receivables are assessed on a collective basis to determine whether there are changes in credit risk. If credit risk on the receivables has not increased significantly since initial recognition, the loss allowance is recognised based on 12-month ECLs. Lifetime ECLs are recognised for specific receivables for which credit risk is deemed to have increased significantly.

At the balance sheet date, except for the disclosure in note 21 to the financial statements, there were no significant trade and other receivables that are subject to ECLs.

33.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

33. FINANCIAL RISK MANAGEMENT (continued)

33.2 Liquidity risk (continued)

The table below summarises the maturity profile of the Group's and the Association's financial liabilities at the balance sheet date based on contractual undiscounted payments.

	Within 1 year \$	Between 2 to 5 years \$	Total \$
<u>Group</u>			
<u>2025</u>			
Trade and other payables	3,357,227	-	3,357,227
Lease liabilities	861,860	498,021	1,359,881
	<u>4,219,087</u>	<u>498,021</u>	<u>4,717,108</u>
<u>2024</u>			
Trade and other payables	3,305,704	-	3,305,704
Lease liabilities	1,137,204	472,080	1,609,284
	<u>4,442,908</u>	<u>472,080</u>	<u>4,914,988</u>
<u>Association</u>			
<u>2025</u>			
Trade and other payables	1,809,941	-	1,809,941
Lease liabilities	587,145	335,196	922,341
Amount due to subsidiary companies	3,399,634	1,588,174	4,987,808
	<u>5,796,720</u>	<u>1,923,370</u>	<u>7,720,090</u>
<u>2024</u>			
Trade and other payables	1,868,354	-	1,868,354
Lease liabilities	883,830	211,080	1,094,910
Amount due to subsidiary companies	3,865,075	1,588,174	5,453,249
	<u>6,617,259</u>	<u>1,799,254</u>	<u>8,416,513</u>

33.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group does not have any variable rate interest-bearing financial liabilities. Its only exposure to changes in interest rates relates primarily to interest-bearing bank deposits. The Group monitors movements in interest rates to ensure deposits are placed with financial institutions offering optimal rates of return.

Information relating to the Group's interest rate and terms of maturity of the Group's financial instruments are disclosed in the notes to the financial statements. The Group does not enter into derivatives to hedge its interest rate risk.

The effect of interest rate changes on total funds and surplus is not significant as the Group's and the Association's financial instruments at balance sheet date are either fixed-rate instruments or non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

33. FINANCIAL RISK MANAGEMENT (continued)

33.4 Market price risk

At the balance sheet date, the Group and the Association held quoted commercial bonds as financial assets at fair value through other comprehensive income.

Sensitivity analysis

A 5% (decrease)/increase in the quoted market prices at the balance sheet date would (decrease)/increase fair value reserve by the following amounts:

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Fair value reserve	961,866	697,411	711,953	697,411

Changes in market price do not have any effect on the surplus of the Group and Association.

34. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Fair Value Hierarchy

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

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – valuation techniques using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs)

(b) Fair Value of Non-Financial Assets

The Group does not apply fair value accounting in the measurement of its non-financial assets. The only non-financial assets of the Group for which fair values are required to be disclosed are the investment properties. The basis of valuations of the investment properties, as described in note 14(a), represent recurring fair value measurements under Level 2 of the fair value hierarchy.

(c) Fair Value of Financial Instruments

(i) *Financial instruments Measured at Fair Value*

The only financial assets of the Group measured at fair values are quoted commercial bonds classified as financial assets at FVOCI, as disclosed in note 17. These fair values, based on quoted market prices as at the balance sheet date, are recurring fair value measurements under Level 1 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

34. FAIR VALUE OF ASSETS AND LIABILITIES (continued)

(c) Fair Value of Financial Instruments (continued)

(ii) *Financial Instruments Not Measured at Fair Value*

Cash and cash equivalents, lease liabilities, receivables, investments in Treasury bills and payables classified as current assets and current liabilities are measured at amortised cost. Financial instruments with a short duration are not discounted.

The long term loans to subsidiary companies amounting to \$58.2 million (2024: \$58.2 million), disclosed in note 19(a), which the management regards in substance to be part of the Association's net investment in the subsidiaries, are stated at cost less impairment loss, in accordance with note 2.12.

(d) Transfers Between Levels of Fair Value Hierarchy

During the financial year, there were no assets or liabilities transferred between Level 1 and Level 2 or transfers into or out of Level 3. The Group's policy is to recognise transfers (if any) between levels of fair value hierarchy at the end of the reporting period during which they occur.

(e) Valuation Policies and Procedures

The General Committee oversees the Group's financial reporting and valuation processes and is responsible for setting and documenting the Group's valuation policies and procedures.

35. FINANCIAL INSTRUMENTS BY CATEGORY

The aggregate carrying amounts of financial instruments by category are as follows:

	Group		Association	
	2025 \$	2024 \$	2025 \$	2024 \$
Financial assets at FVOCI	19,237,328	13,948,220	14,239,053	13,948,220
Financial assets at amortised cost	18,683,673	24,767,462	69,137,341	69,619,538
Financial liabilities at amortised cost	4,666,486	4,859,067	7,685,902	8,385,963

36. RESERVES MANAGEMENT

The Group's reserves management objective is to ensure that it maintains strong and healthy capital ratios in order to support its operations and future growth.

The management regularly reviews and manages the Group's reserves to ensure optimal capital structure, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

With the exception of AAS Insurance Agency Pte. Ltd., the other entities in the Group are not subject to externally imposed capital requirements.

Under the General Insurance Agents' Registration Regulations, AAS Insurance Agency Pte. Ltd. is required, at all times, to maintain a minimum paid up share capital of \$25,000.

AAS Insurance Agency Pte. Ltd. had complied with the above-mentioned regulatory capital requirement during the financial year.

There were no changes to the Group's approach to capital management since the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 2025

37. CONTINGENT LIABILITIES

On 15 November 2024, the Group received a letter of demand with regards to the redevelopment of 2 Kung Chong. The legal opinion by the Group's legal representative is that it is not practical at this stage to provide an estimate of any liability/claim likely to be realised. There has been no change in the amount recognised in the liabilities given that there has been no changes to the assumptions used in developing the estimates as at 31 December 2025. Further disclosure of details at this juncture could prejudice the Group's position and accordingly, further information has not been provided.

38. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements of the Association and consolidated financial statements of the Group for the year ended 31 December 2025 were authorised for issue by the General Committee on 22 April 2026.

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Members of Automobile Association of Singapore ('AA') will be held on:

Date : Thursday, 21 May 2026
Time : 6.30pm
Venue : Fort Canning Lodge (YWCA), 6 Fort Canning Road, Level 2, Sophia Cooke Ballroom, Singapore 179494

AGENDA

1. To confirm the Minutes of the Annual General Meeting held on 28 May 2025.
2. To receive and, if approved, adopt the Annual Report and the Audited Financial Statements for the year ended 31 December 2025.
3. To elect six Members to the Committee for the ensuing term.
4. To appoint Lo Hock Ling & Co as the external auditors for the ensuing year.
5. To transact any other business of which notice in writing has been received by the Chairman by 5pm, 15 May 2026.

By Order of the General Committee

Mr Wong Siew Hong
Secretary
29 April 2026

Important Notes:

- a. Members attending the Annual General Meeting must produce their valid membership e-card.
- b. To facilitate discussion, members are requested to notify AA Singapore in writing by 5pm on Friday, 15 May 2026 of any other business they wish to transact at the Meeting.
- c. Members are reminded of Clause 4(e) and Clause 4(f) of the Association's Constitution: "An Ordinary Member of 3 years standing and a Life Member shall be entitled to vote at every General Meeting of the Association." and "Members of less than 3 years standing shall not be eligible to vote at a General Meeting."
- d. Nomination Forms may be downloaded at www.aas.com.sg or collected upon verification of a valid AA membership e-card at • 2 Kung Chong Road, #06-01 AA Centre, Singapore 159140, • 535 Kallang Bahru, #01-08 GB Point, Singapore 339351, or • 4190 Ang Mo Kio Ave 6, #03-03, Singapore 569841, between 10am to 5pm, Mondays to Fridays. Nominations for election to the posts in the Committee must be sent by post or delivered by hand to reach the Chairman of the AGM at 2 Kung Chong Road, #06-01 AA Centre, Singapore 159140, no later than 5pm on Friday, 8 May 2026. All envelopes must be clearly marked "**AA NOMINATIONS**".
- e. Members may download a copy of the 2025 annual report at www.aas.com.sg.

AUTOMOBILE ASSOCIATION OF SINGAPORE

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