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## **TOP EDUCATION GROUP LTD**

### **澳洲成峰高教集團有限公司**

*(Registered in New South Wales, Australia with limited liability)*

*(ACN 098 139 176)*

**(Stock code: 1752)**

## **ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2024**

### **FINANCIAL HIGHLIGHTS**

- Group's revenue increased by approximately 8.2% to approximately AUD\$29.0 million.
- Gross profit was approximately AUD\$12.8 million, rose by approximately 8.2%.
- Profit for the year was approximately AUD\$1.9 million, a growth of approximately 75.6%.
- Proposed final dividend is HK0.2 cents (2023: HK0.1 cents) per ordinary share, subject to approval by the shareholders in the forthcoming AGM.

The Board is pleased to announce the audited consolidated annual results of the Group for the year ended 30 June 2024 together with the comparative figures for the corresponding period in 2023 as set out below:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 30 June 2024

	<i>Notes</i>	<b>2024</b> <i>AUD\$'000</i>	2023 <i>AUD\$'000</i>
REVENUE	4	<b>29,041</b>	26,848
Cost of sales		<u>(16,284)</u>	<u>(15,056)</u>
Gross profit		<b>12,757</b>	11,792
Interest income		<b>1,962</b>	513
Other income and gains	4	<b>144</b>	314
Administrative expenses		<b>(8,338)</b>	(7,291)
Advertising and marketing expenses		<b>(3,086)</b>	(2,752)
Finance costs	6	<b>(725)</b>	(786)
PROFIT BEFORE TAX	5	<b>2,714</b>	1,790
Income tax expense	7	<u>(804)</u>	<u>(702)</u>
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><b>1,910</b></u>	<u>1,088</u>
Profit Attributable to:			
Owners of the Company		<b>1,917</b>	1,113
Non-controlling interests		<u>(7)</u>	<u>(25)</u>
		<u><b>1,910</b></u>	<u>1,088</u>
EARNINGS PER SHARE FOR PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Basic earnings per share (AUD cents)	9	<u><b>0.080</b></u>	<u>0.046</u>
Diluted earnings per share (AUD cents)	9	<u><b>0.075</b></u>	<u>0.044</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION***30 June 2024*

	<i>Notes</i>	<b>2024</b> <i>AUD\$'000</i>	<b>2023</b> <i>AUD\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	<i>10</i>	<b>8,407</b>	8,891
Intangible assets		<b>7,781</b>	9,492
Right-of-use assets	<i>11</i>	<b>11,123</b>	10,539
Prepayments and deposits		<b>1,188</b>	1,188
Goodwill	<i>12</i>	<b>1,533</b>	1,533
Deferred tax assets		<b>193</b>	–
Total non-current assets		<b>30,225</b>	31,643
<b>CURRENT ASSETS</b>			
Trade receivables	<i>13</i>	<b>197</b>	344
Prepayments, other receivables and other assets		<b>2,886</b>	2,520
Cash and cash equivalents		<b>44,072</b>	41,732
Total current assets		<b>47,155</b>	44,596
<b>CURRENT LIABILITIES</b>			
Trade payables	<i>11</i>	<b>2,655</b>	2,615
Other payables and accruals		<b>4,279</b>	3,290
Lease liabilities		<b>2,562</b>	2,128
Contract liabilities		<b>4,246</b>	5,982
Tax payable		<b>685</b>	355
Total current liabilities		<b>14,427</b>	14,370
NET CURRENT ASSETS		<b>32,728</b>	30,226
TOTAL ASSETS LESS CURRENT LIABILITIES		<b>62,953</b>	61,869
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	<i>11</i>	<b>12,518</b>	12,412
Deferred tax liability		–	193
Other payables and accruals		<b>317</b>	339
Total non-current liabilities		<b>12,835</b>	12,944
Net assets		<b>50,118</b>	48,925
<b>EQUITY</b>			
Share capital		<b>36,547</b>	36,414
Treasury shares		<b>(2,236)</b>	(2,236)
Reserves		<b>15,405</b>	14,338
Non-controlling interests		<b>402</b>	409
Total equity		<b>50,118</b>	48,925

## 1. CORPORATE AND GROUP INFORMATION

The consolidated financial statements of Top Education Group Ltd (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 30 September 2024.

The Company is a limited liability company, incorporated on 2 October 2001 and domiciled in Australia. The registered office of the Company is located at Suite 1, Biomedical Building, 1 Central Avenue, Eveleigh, New South Wales 2015, Sydney, Australia. The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 11 May 2018.

The Group is principally engaged in providing private higher education services and English language courses in Australia. Further information on the nature of the operations and principal activities of the Group is provided in the section headed “Report of the Directors” of the Group’s annual report for the year ended 30 June 2024. Information on other related party relationships of the Group is provided in note 28 to the financial statements of the Group’s annual report for the year ended 30 June 2024.

### Information about subsidiaries

Particulars of the Company’s principal subsidiaries are as follows:

Name	Place of incorporation/ registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Top Education Consulting (Beijing) Limited*	PRC/ Mainland China	Hong Kong dollars (“ <b>HK\$</b> ”) 3,000,000	100	–	Provision of education consulting services
Top Education Development Pty Ltd	Australia	Australian dollars (“ <b>AUD\$</b> ”) AUD\$100	100	–	Provision of and investments in education services
Scots English College Pty Ltd	Australia	AUD\$550,000	85	–	Provision of English Language courses
ANIMC Pty Ltd	Australia	AUD\$1,000	100	–	Provision of education and training services

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

## 2. MATERIAL ACCOUNTING POLICIES

### 2.1. Basis of Preparation

These consolidated financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

These consolidated financial statements also comply with the International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (the “**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the share-based payments, which have been measured at fair value. These consolidated financial statements are presented AUD\$ and all values are rounded to the nearest thousand (“**AUD\$’000**”), except when otherwise indicated.

## 2.2. Changes in Accounting Policies and Disclosures

The Group has adopted the following applicable revised IFRSs for the first time for the current year's consolidated financial statements.

Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates</i>
Amendments to IAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to IAS 12	<i>International Tax Reform – Pillar Two Model Rules</i>

The nature and the impact of the revised IFRSs that are applicable to the Group are described below:

- (a) Amendments to IAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to IFRS Practice Statement 2 Making Materiality Judgements provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has disclosed the material accounting policy information in note 2 to the financial statements. The amendments did not have any impact on the measurement, recognition or presentation of any items in the Group's financial statements.
- (b) Amendment to IAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. Since the Group's approach and policy align with the amendments, the amendments had no impact on the Group's financial statements.
- (c) Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction narrow the scope of the initial recognition exception in IAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions.

The Group did not apply the initial recognition exception and has recognised a deferred tax asset and a deferred tax liability for temporary differences for transactions related to leases, the amendments had no impact on the Group's financial statements.

Amendments to IAS 12 International Tax Reform – Pillar Two Model Rules introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Cooperation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect. The Group has applied the amendments retrospectively. Since the Group did not fall within the scope of the Pillar Two model rules, the amendments did not have any impact to the Group.

### 3. OPERATING SEGMENT INFORMATION

The Group has identified the Chief Executive Officer (“CEO”) and the Board of Directors as the chief operating decision makers. The Group has only one reporting segment being mainly engaged in provision of private higher education services and English course services in Australia.

During the year, the Group operated within one geographical segment because all of its revenue was generated in Australia. All of the non-current assets of the Group are located in Australia.

The CEO and the Board of Directors as the chief operating decision makers examine the Group’s performance primarily based on the number of students and course fees earned.

No services provided to a single customer contributed 10% or more of the total revenue of the Group during the financial year.

### 4. REVENUE AND OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024 <i>AUD\$’000</i>	2023 <i>AUD\$’000</i>
<b>Revenue from contracts with customers</b>		
Course fee income	26,967	25,044
Other service fee income	2,074	1,804
	<u>29,041</u>	<u>26,848</u>
<b>Revenue from contracts with customers</b>		
<i>(i) Disaggregated revenue information</i>		
<b>Geographical markets</b>		
Australia	<u>29,041</u>	<u>26,848</u>
<b>Timing of revenue recognition</b>		
Course fee income recognised over time	26,967	25,044
Others service fee income recognised over time	2,074	1,804
	<u>29,041</u>	<u>26,848</u>

**(ii) Performance obligations**

*Provision of private higher education services and English course services in Australia*

The performance obligation is satisfied over time as services are rendered. The Group's contracts with students for higher education programs are normally with duration of 0.5 year renewed up to total duration of 1 to 4 years depending on the education programs. The Group's contracts with students for English courses are normally between 8 weeks and 20 weeks depending on the education programs. Tuition fees are determined and paid by the students before the start of each school term.

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2024 and 2023 are as follows:

	<b>2024</b> <i>AUD\$'000</i>	2023 <i>AUD\$'000</i>
Contract liabilities	<b>4,246</b>	5,982

Contract liabilities include short-term advances received to render education services. All the other remaining performance obligations are expected to be recognised within one year.

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

	<b>2024</b> <i>AUD\$'000</i>	2023 <i>AUD\$'000</i>
<b>Other income and gains</b>		
Foreign exchange gains	–	2
Government grants ( <i>Note</i> )	<b>25</b>	166
Others	<b>119</b>	146
	<b>144</b>	314

*Note:* government grants represent the grants which help Australian businesses grow their exports in international markets.

**5. PROFIT BEFORE TAX**

The Group's profit before tax is arrived at after charging:

	<b>2024</b> <i>AUD\$'000</i>	2023 <i>AUD\$'000</i>
Amortisation of intangible assets	<b>2,018</b>	2,247
Depreciation	<b>931</b>	1,022
Amortisation of right-of-use assets	<b>2,053</b>	1,917
Auditors' remuneration	<b>271</b>	262
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Wages, salaries and other employee benefits	<b>8,588</b>	6,665
Share-based payments	<b>225</b>	251
Pension scheme contributions (defined contribution schemes)	<b>834</b>	608
Less: Amount capitalised	<b>(51)</b>	(150)
	<b>9,596</b>	7,374
Impairment allowance for trade receivables	<b>107</b>	16

## 6. FINANCE COST

	2024 <i>AUD\$'000</i>	2023 <i>AUD\$'000</i>
Interest on lease liabilities	<u>725</u>	<u>786</u>
	<u><b>725</b></u>	<u><b>786</b></u>

## 7. INCOME TAX

The Group is subject to income tax on profits arising in or derived from the jurisdiction in which the Group is domiciled and operates. Profits tax has been provided at the Group's statutory tax rate of 25% for the year ended 30 June 2024 and the year ended 30 June 2023 on the estimated assessable profits.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the year.

	2024 <i>AUD\$'000</i>	2023 <i>AUD\$'000</i>
Current – Income tax		
Charge for the year	1,151	1,038
(Overprovision)/Underprovision for current tax of prior periods	39	32
Deferred tax	<u>(386)</u>	<u>(368)</u>
Total tax charge for the year	<u><b>804</b></u>	<u><b>702</b></u>

A reconciliation of the tax expense applicable to profit before tax at the Group's statutory tax rate (statutory tax rate for the jurisdiction in which the Group is domiciled) to the tax charge at the Group's effective tax rate is as follows:

	2024 <i>AUD\$'000</i>	%	2023 <i>AUD\$'000</i>	%
Profit before tax	<u><b>2,714</b></u>		<u><b>1,790</b></u>	
Tax at the Group's statutory tax rate of 25% for 2024 and 2023	<b>679</b>	<b>25</b>	448	25
Income not subject to tax	–	–	–	–
Expenses not deductible for tax	<b>36</b>	<b>1.3</b>	67	3.7
Reduction in opening deferred taxes resulting from reduction in tax rate	<b>(1)</b>	<b>(0.1)</b>	(1)	(0.1)
Others	<b>90</b>	<b>3.3</b>	188	10.5
Non-refundable non-carry forward tax offsets	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Tax charge at the Group's effective rate	<u><b>804</b></u>	<u><b>29.6</b></u>	<u><b>702</b></u>	<u><b>39.2</b></u>



## 8. DIVIDENDS

	2024 <i>AUD\$'000</i>	2023 <i>AUD\$'000</i>
Interim – HK 0.1 cents (2023: nil) per ordinary share	473	–
Final – Nil (2023: HK 0.1 cents) per ordinary share	<u>468</u>	<u>–</u>
	<u><u>941</u></u>	<u><u>–</u></u>

During the year ended 30 June 2024, a final dividend of HK0.1 cents per ordinary share in respect of the year ended 30 June 2023 and an interim dividends of HK0.1 cents ordinary share in respect of the period ended 31 December 2023 were declared and paid to the owners of the Company.

Subsequent to the end of the reporting period, a final dividend of HK0.2 cents in respect of the year ended 30 June 2024 (2023: HK0.1 cent) per ordinary share has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

## 9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the earnings for the year attributable to owners of the Company of AUD\$1,968,000 (2023: AUD\$1,113,000) and the weighted average number of ordinary shares of 2,396,612,000 (2023: 2,394,512,000) on issue during the year.

The calculation of the diluted earnings or loss per share amount is based on the profit or loss for the year attributable to owners of the Company. The weighted average number of shares used in the calculation is the number of shares on issue during the year, as used in the basic earnings per share calculation, and the weighted average number of shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential shares into shares during the year.

The calculations of basic and diluted loss or earnings per share are based on:

	2024 <i>AUD\$'000</i>	2023 <i>AUD\$'000</i>
<b>Earnings</b>		
Profit attributable to owners of the Company	<u><u>1,917</u></u>	<u><u>1,113</u></u>

	Number of shares	
	2024	2023
	Ordinary shares '000	Ordinary shares '000
<b>Shares</b>		
Weighted average number of shares in issue used in the basic earnings per share calculation	2,396,612	2,394,512
Effect of dilution – weighted average number of shares:		
Performance rights and share options	150,882	140,890
	<u>2,547,494</u>	<u>2,535,402</u>

## 10. PROPERTY, PLANT AND EQUIPMENT

	Teacher reference books <i>AUD\$'000</i>	Plant and equipment <i>AUD\$'000</i>	Classroom and office equipment <i>AUD\$'000</i>	Total <i>AUD\$'000</i>
<b>30 June 2024</b>				
At 30 June 2023 and 1 July 2023:				
Cost	352	3,201	10,172	13,725
Accumulated depreciation	(324)	(1,644)	(2,866)	(4,834)
Net carrying amount	<u>28</u>	<u>1,557</u>	<u>7,306</u>	<u>8,891</u>
At 1 July 2023, net of accumulated depreciation	28	1,557	7,306	8,891
Additions	17	284	146	447
Depreciation provided during the year	(23)	(210)	(698)	(931)
At 30 June 2024, net of accumulated depreciation	<u>22</u>	<u>1,631</u>	<u>6,754</u>	<u>8,407</u>
At 30 June 2024:				
Cost	369	3,312	10,320	14,001
Accumulated depreciation	(347)	(1,681)	(3,566)	(5,594)
Net carrying amount	<u>22</u>	<u>1,631</u>	<u>6,754</u>	<u>8,407</u>

	Teacher reference books <i>AUD\$'000</i>	Plant and equipment <i>AUD\$'000</i>	Classroom and office equipment <i>AUD\$'000</i>	Total <i>AUD\$'000</i>
<b>30 June 2023</b>				
At 30 June 2022 and 1 July 2022:				
Cost	345	3,136	10,157	13,638
Accumulated depreciation	(297)	(1,390)	(2,127)	(3,814)
Net carrying amount	<u>48</u>	<u>1,746</u>	<u>8,030</u>	<u>9,824</u>
At 1 July 2022, net of accumulated depreciation	48	1,746	8,030	9,824
Additions	8	65	16	89
Depreciation provided during the year	(28)	(254)	(740)	(1,022)
At 30 June 2023, net of accumulated depreciation	<u>28</u>	<u>1,557</u>	<u>7,306</u>	<u>8,891</u>
At 30 June 2023:				
Cost	352	3,201	10,172	13,725
Accumulated depreciation	(324)	(1,644)	(2,866)	(4,834)
Net carrying amount	<u>28</u>	<u>1,557</u>	<u>7,306</u>	<u>8,891</u>

## 11. LEASES

### The Group as a lessee

The Group has lease contracts for items of office and buildings used in its operation. Leases of buildings generally have lease terms between 1 and 10 years.

#### (a) *Right-of-use assets*

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

<b>Right-of-use assets</b>	<b>Office premises</b> <i>AUD\$'000</i>	<b>Total</b> <i>AUD\$'000</i>
As at 1 July 2022	12,456	12,456
Amortisation charge	(1,917)	(1,917)
As at 30 June 2023 and 1 July 2023	<u>10,539</u>	<u>10,539</u>
Additions	<b>2,637</b>	<b>2,637</b>
Amortisation charge	<b>(2,053)</b>	<b>(2,053)</b>
As at 30 June 2024	<u><b>11,123</b></u>	<u><b>11,123</b></u>

**(b) Lease liabilities**

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

	Lease liabilities	
	2024 AUD\$'000	2023 AUD\$'000
Carrying amount at 1 July	14,540	16,235
New leases	2,637	–
Accretion of interest recognised during the year	725	786
Payments	(2,822)	(2,481)
	<hr/>	<hr/>
Carrying amount at 30 June	<b>15,080</b>	<b>14,540</b>
	<hr/> <hr/>	<hr/> <hr/>
Analysed into:		
Current portion	2,562	2,128
Non-current portion	12,518	12,412
	<hr/> <hr/>	<hr/> <hr/>

The maturity analysis of lease liabilities is disclosed in note 31 to the financial statements of the Group's annual report for the year ended 30 June 2024.

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

	2024 AUD\$'000	2023 AUD\$'000
Interest on lease liabilities	725	786
Amortisation charge of right-of-use assets	2,053	1,917
Expense relating to leases of low-value assets	83	78
	<hr/>	<hr/>
	<b>2,861</b>	<b>2,781</b>
	<hr/> <hr/>	<hr/> <hr/>

**(d) The total cash outflow for leases are disclosed in note 26 to the financial statements of the Group's annual report for the year ended 30 June 2024.**

**12. GOODWILL**

	2024 AUD\$'000	2023 AUD\$'000
Cost:		
At 1 July	1,533	1,533
As at 30 June	<hr/> 1,533	<hr/> 1,533
Accumulated impairment:		
At beginning and end of year	<hr/> –	<hr/> –
Net carrying amount:		
At 1 July	1,533	1,533
At 30 June	<hr/> 1,533	<hr/> 1,533
	<hr/> <hr/>	<hr/> <hr/>

## Impairment testing of goodwill

Goodwill acquired through business combination is allocated to the following cash-generating units for impairment testing:

	<b>2024</b> <i>AUD\$'000</i>	2023 <i>AUD\$'000</i>
Scots English College Pty Ltd	<u>1,533</u>	<u>1,533</u>
	<u><b>1,533</b></u>	<u><b>1,533</b></u>

## Cash-generating unit of SCOTS

The recoverable amount of SCOTS cash-generating unit has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a three-year period approved by senior management. The discount rate applied to the cash flow projections is 11% (2023: 11%). The growth rate used to extrapolate the cash flows of SCOTS beyond the three-year period (2023: three-year period) is 1% (2023:1%).

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

**Budgeted sales amounts** – The budgeted sales amounts are based on the historical data and management’s expectation on the future market with consideration of the recently released the Australian Government’s intention to implement caps for new overseas students commencements for higher education from 1 January 2025, the caps are subject to passage of relevant legislation.

**Budgeted gross margins** – The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market development.

**Long term growth rate** – The long term growth rate is based on the historical data and management’s expectation on the future market.

**Discount rate** – The discount rate reflects specific risks relating to the relevant unit, which is determined using the capital asset pricing model with reference to the beta coefficient and debt ratio of certain publicly listed companies conducting business in the industry.

The values assigned to the key assumptions on market development of the cash-generating unit and the discount rate are consistent with external information sources.

### 13. TRADE RECEIVABLES

The Group's students are required to pay tuition fees in advance for upcoming semesters. The outstanding receivables represent amounts related to students who have applied for the delayed payment of tuition fee. There is no fixed term for delayed payments. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and that the Group's trade receivables relate to a large number of students, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aging analysis of the trade receivables as at the end of the reporting period, based on the transaction date is as follows:

	As at 30 June	
	2024	2023
	AUD\$'000	AUD\$'000
Trade receivables	304	360
Allowance for expected credit losses	(107)	(16)
	<u>197</u>	<u>344</u>
	As at 30 June	
	2024	2023
	AUD\$'000	AUD\$'000
within 1 month	–	–
1 to 3 months	197	344
	<u>197</u>	<u>344</u>

The Group applies the simplified approach to provide for the expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. Trade receivables from students are considered to be credit-impaired when the students withdraw from the tuition programs and are assessed individually for lifetime expected credit loss provision.

The Group assessed the expected losses on trade receivables from students grouped based on the ageing of the trade receivables, considering the historical default experience and forward-looking information, as appropriate. The Group uses debtors' ageing to assess the impairment for students because these customers consist of a large number of students with common risk characteristics that are representative of the students' abilities to pay all amounts due in accordance with the contractual terms. AUD\$107,000 was recorded as allowance for impairment loss during the reporting period (2023: AUD\$16,000). Generally, trade receivables are written off when the student withdraw from the tuition programs and are not subject to enforcement activity.

### 14. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the year, based on the payment due date, is as follows:

	2024	2023
	AUD\$'000	AUD\$'000
Over two months	<u>2,655</u>	<u>2,615</u>

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

### 15. EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

Top Education Group Ltd, trading as Australian National Institute of Management and Commerce as well as Top Education Institute, is one of Australia's primary and best-in-class private tertiary education providers. TOP has been nationally registered with the TEQSA and was also approved by TEQSA in May 2018 for Self-Accrediting Authority in the Broad Field of Education in Management and Commerce from AQF levels 5 to 9, which includes bachelor and master's degree courses. In this Broad Field, TOP's Business School provides quality programs at both undergraduate and postgraduate levels. The relevant courses are also accredited by major professional bodies, such as ACCA, CPA Australia and CAANZ.

TOP also founded the first Law School within a private higher education institute when both TEQSA and NSW LPAB officially accredited its Bachelor of Laws that enables its graduates to apply for admission as professional lawyers.

The Group's Information Technology ("IT") School was established in 2022, following the very first Information and Communication Technology course, Master of Data Analytics, accredited by TEQSA for seven years.

The Group can now offer courses in three fields of education – Management and Commerce, Information Technology and Law through three campuses located at Sydney, Hobart and Perth.

### **Operational Updates**

In a year marked by significant challenges, the Group's unwavering resilience and adaptability, coupled with a steadfast commitment to excellence, have been the cornerstone of our operations in both the higher education and ELICOS sectors. This commitment to excellence has enabled us to weather the storm and emerge stronger, earn the trust and confidence of our stakeholders in our leadership.

### ***Overall performance***

The Group's overall revenue has increased by 8.2%, with earnings contributed by both higher education and SCOTS, together with diversified business segments. The Group has expanded its higher education facilities on its regional campus twice during the year to accommodate the growth in enrolments, which has offset the impact that high living costs have had on student enrolments at the Sydney campus. SCOTS reached its total international student capacity by December 2023, with all enrolled students accommodated in existing teaching premises. However, with ELICOS student enrolments having soared by December 2023 and subsequently putting pressure on the Sydney campus at Eveleigh, a new CBD campus lease for SCOTS commenced on 1 April 2024.

The Group's strategic foresight, which has extended to planned undergraduate and postgraduate courses to address societal needs and align with IMC's mission of providing education in areas of professional service, is a reason for optimism. The new bachelor's degree in Accounting and Data Assurance is accredited by the professional accounting bodies in March 2024.

In June 2024, the Group's commitment to quality assurance was again validated when we received another favourable low-risk review from the regulator. This underscores our dedication to rigorous internal audits, transparent reporting, and continuous improvement initiatives, providing our stakeholders with the reassurance they need in our operations.

Support outside the classroom is essential for providing students with a high-quality experience. During the Reporting Period, the Group's experienced and proactive student services team has focused on students' well-being and mental health initiatives. To ensure students understand of the Group's holistic approach to its education mission, informative newsletters and posters are regularly distributed and displayed around the campus, with notice of access to counselling services when needed. Teaching staff, who may be the first to recognise students having the signs of adverse well-being and mental health, are well trained to refer students to the on-campus assistance facilities. In addition, the Group's student services team offers personal and small group assistance with conversational language and tuition in academic language and study skills, both of which benefit students' well-being and campus experience.

### ***Proactive Response to Government Policy Challenges***

Following the release of a Review of the Australian higher education system led by Professor Mary O'Kane AC, the Australian Government has proposed initiatives that will profoundly affect providers in the public and private higher education sectors. Of particular relevance to the Group is the plan announced in May 2024 to introduce a cap for all providers on the enrolment of international students who hold international student visas. The Group actively responds to this challenge by planning to establish new courses for domestic students, online courses and transnational education initiatives. The Group also appointed Professor Peter Duffy as Deputy President (Education) in February 2024, to provide fresh perspectives on digital transformation in education and invigorated the Group's vision. Collaborative leadership has fostered a culture of innovation and inclusivity.

### ***Artificial Intelligence ("AI") Learning Initiatives***

The Group has embraced AI as an enabler rather than a disruptor. By integrating AI into teaching methodologies, research, and administrative processes, the Group is enhancing student experiences and operational efficiencies.

IMC recognised the impact generative AI would have on higher education when ChatGPT became publicly available in November 2022. A high-level AI policy statement was approved in 2023, and at the same time, the Institute strengthened its academic integrity policies and procedures to set rules for students' use of AI in completing assessment tasks.

The first half of 2024 focused on building the AI knowledge and skills of teaching and professional staff and developing a comprehensive Digital Capability Plan for responsible and ethical use of AI to enhance learning, teaching, research, and operations of the Institute. The core of the Plan is a 5P Framework – Projects, People, Practices, Policy and Promotion, which encompasses the goals in achieving institutional change to capitalise on generative AI while protecting the integrity of awards offered by the Institute.

The Group presented a comprehensive report to the regulator on using AI in teaching, learning, and research and how the integrity of higher education awards can be protected from students' misconduct in using AI tools. The report contains the Group's blueprint for maintaining academic integrity while educating the next generation of business leaders on the responsible and ethical use of rapidly advancing AI technologies.

### ***Corporate and Academic Governance Review***

In early 2024, the Group commissioned an independent review of its corporate and academic governance structures, operations, and outcomes, which resulted in recommendations for improvement. This proactive review of governance has established a solid foundation for compliance with regulations and laws concerning higher education in Australia.



## **Re-registration with TEQSA**

TOP will submit its application to renew registration with TEQSA by 4 March 2025. TOP has received the confirmed evidence table for re-registration from TEQSA based on our low-risk profile for more than five years.

## **Tuition Fee**

Annual tuition fee increases will be capped at 15% and increases over any three-year period will not exceed 30%. The tuition fee increase is determined by the management team subject to market conditions. During the Reporting Period, the tuition fee had remained unchanged compared to the corresponding period in the last financial year.

<b>Course Name</b>	<b>International</b>		<b>Domestic</b>	
	<b>2024</b> <i>AUD\$</i>	<b>2023</b> <i>AUD\$</i>	<b>2024</b> <i>AUD\$</i>	<b>2023</b> <i>AUD\$</i>
Diploma in Applied Finance and Accounting	<b>21,000</b>	21,000	<b>17,200</b>	17,200
Associate Degree of Applied Finance and Accounting	<b>42,000</b>	42,000	<b>34,400</b>	34,400
Bachelor of Applied Finance and Accounting	<b>63,000</b>	63,000	<b>51,600</b>	51,600
Diploma of Business	<b>21,000</b>	21,000	<b>15,000</b>	15,000
Associate Degree of Business	<b>42,000</b>	42,000	<b>30,000</b>	30,000
Bachelor of International Business	<b>63,000</b>	63,000	<b>45,000</b>	45,000
Bachelor of Accounting and Data Assurance	<b>72,000</b>	–	<b>51,600</b>	–
Graduate Certificate in Accounting	<b>11,960</b>	11,960	<b>8,600</b>	8,600
Graduate Certificate in Business	<b>11,960</b>	11,960	<b>8,600</b>	8,600
Graduate Certificate in Business Management	<b>11,960</b>	11,960	<b>8,600</b>	8,600
Graduate Certificate in Business Analytics	–	–	<b>8,600</b>	8,600
Graduate Certificate in Data Analytics	<b>13,200</b>	13,200	<b>8,600</b>	8,600
Graduate Certificate in Digital Business Technologies	–	–	<b>8,600</b>	8,600
Graduate Certificate in Financial Technology Management	<b>11,960</b>	11,960	<b>8,600</b>	8,600
Graduate Diploma of Accounting	<b>23,920</b>	23,920	<b>17,200</b>	17,200
Graduate Diploma of International Business	<b>23,920</b>	23,920	<b>17,200</b>	17,200
Graduate Diploma of Marketing	<b>23,920</b>	23,920	<b>17,200</b>	17,200
Graduate Diploma of Business Administration	<b>23,000</b>	23,000	<b>17,200</b>	17,200
Graduate Diploma of Data Analytics	<b>26,400</b>	26,400	<b>17,200</b>	17,200
Graduate Diploma of Financial Technology Management	<b>23,920</b>	23,920	<b>17,200</b>	17,200
Master of Accounting Practice	<b>35,880</b>	35,880	<b>25,800</b>	25,800
Master of Professional Accounting	<b>35,880</b>	35,880	<b>25,800</b>	25,800
Master of Professional Accounting Services	<b>47,840</b>	47,840	<b>34,400</b>	34,400
Master of Big Data Auditing	<b>47,840</b>	47,840	<b>34,400</b>	34,400
Master of Business Administration	<b>46,000</b>	46,000	<b>34,400</b>	34,400
Master of Business Administration (12 units)	<b>49,500</b>	–	<b>25,800</b>	–
Master of Business Administration (Business Analytics)	<b>46,000</b>	46,000	<b>34,400</b>	34,400
Master of Business Administration (Digital Business Applications)	<b>46,000</b>	46,000	<b>34,400</b>	34,400
Master of Business Administration (FinTech Management)	<b>46,000</b>	46,000	<b>34,400</b>	34,400
Master of Business Administration (Professional Accounting)	<b>46,000</b>	46,000	<b>34,400</b>	34,400
Master of Accounting Intelligence	<b>47,840</b>	47,840	<b>34,400</b>	34,400
Master of Applied Financial Technology and Blockchain	<b>47,840</b>	47,840	<b>34,400</b>	34,400
Master of Data Analytics	<b>52,800</b>	52,800	<b>34,400</b>	34,400
Master of Taxation (with Data Analysis and Artificial Intelligence)	<b>47,840</b>	47,840	<b>34,400</b>	34,400
Master of International Business	<b>35,880</b>	35,880	<b>25,800</b>	25,800
Master of Marketing	<b>35,880</b>	35,880	<b>25,800</b>	25,800
Bachelor of Laws	<b>96,000</b>	96,000	<b>48,000</b>	48,000

## Outlook

Moving forward, our institution is keenly focused on adapting to evolving regulatory changes, especially those impacting on international student enrolments due to the shifts in government policy.

Following the release of Draft International Education and Skills Strategic Framework in May 2024 and subsequent sector consultation, the Australian Government released the details on their intention to implement the proposed limit (caps) on new international student commencements for higher education as well as vocational education and training sectors on 27 August 2024. Our higher education business will be affected by the caps from 1 January 2025, subject to the passage of Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024.

We endeavour to steer the Group through these challenging times. Our commitment extends to diversifying our program offerings, which include the introduction of innovative courses tailored for domestic students, the enhancement of our online education capabilities, and the exploration of transnational educational opportunities to solidify our presence in the global market.

In parallel, the Group is embracing the transformative power of AI within our operational strategy. AI is not just a technological advancement but a strategic enabler that enhances both the quality of education we offer and our operational efficiencies. Our Digital Capability Plan, anchored by the comprehensive 5P Framework, underscores this commitment. It ensures that we utilise AI in a manner that is both ethically sound and responsible. This proactive approach guarantees that our institution not only stays ahead in terms of technological integration but also leads with innovative educational solutions that are ethically informed and globally recognised.

## FINANCIAL REVIEW

Revenue represents the value of services rendered during the Reporting Period. The Group's revenue increased by approximately 8.2% from approximately AUD\$26.8 million for the year ended 30 June 2023 to approximately AUD\$29.0 million for the year ended 30 June 2024. A breakdown of revenue is shown below:

	<b>2024</b> <i>AUD\$'000</i>	2023 <i>AUD\$'000</i>	Change %
Course fee income	<b>26,967</b>	25,044	+7.7%
Other service fee	<b>2,074</b>	1,804	+15.0%
	<b><u>29,041</u></b>	<u>26,848</u>	<u>+8.2%</u>

The increase in revenue was primarily due to the increase of the Group's student enrolments as compared to the corresponding period in 2023.

Tuition fee contributed over 92.9% of the Group's revenue while other service fee represented approximately 7.1% of the revenue.

## **Cost of Revenue**

Cost of revenue consists primarily of staff costs, depreciation and amortisation, office expenses, consultation, and student related costs.

Cost of revenue increased by approximately AUD\$1.2 million, or 8.2%, from AUD\$15.1 million for the year ended 30 June 2023 to AUD\$16.3 million for the year ended 30 June 2024. This increase in cost of revenue was consistent with the increase in student enrolments, and mainly due to (i) the increase in agent commission and student related expenses, and (ii) the increase in employment expenses.

## **Gross Profit and Gross Profit Margin**

Gross profit increased by 8.2% from AUD\$11.8 million for the year ended 30 June 2023 to AUD\$12.8 million for the year ended 30 June 2024, and gross profit margin remains stable at approximately 43.9% for the years ended 30 June 2024 and 30 June 2023.

## **Interest Income**

Interest income increased by 282.5% from approximately AUD\$0.5 million for the year ended 30 June 2023 to approximately AUD\$2.0 million for the year ended 30 June 2024, which was mainly due to the increase in interest rates on short-term and long-term term deposits.

## **Other Income and Gains**

Other income decreased by 54.1% from approximately AUD\$0.3 million for the year ended 30 June 2023 to approximately AUD\$0.1 million for the year ended 30 June 2024. The decrease primarily resulted from the cessation of government support for the pandemic.

## **Administrative Expenses**

Administrative expenses primarily consist of the salaries and other benefits for general and administrative staff, office-related expenses, depreciation and public company expenses.

Administrative expenses increased by approximately 14.4% from AUD\$7.3 million for the year ended 30 June 2023 to AUD\$8.3 million for the year ended 30 June 2024. This increase is mainly due to (i) the increase in employment expenses, and (ii) the increase in lease related expenses.

## **Advertising and Marketing Expenses**

Advertising and marketing expenses primarily consist of salaries and other benefits for recruitment and marketing staff, advertising expenses and student recruitment expenses.

Advertising and marketing expenses increased by approximately 12.1% from approximately AUD\$2.8 million for the year ended 30 June 2023 to approximately AUD\$3.1 million for the year ended 30 June 2024. The increase was primarily due to the increase in employment related expenses.

## **Finance Costs**

Finance costs represent the interest expense on the lease liabilities.

Finance costs decreased by approximately 7.8% from approximately AUD\$0.8 million for the year ended 30 June 2023 to approximately AUD\$0.7 million for the year ended 30 June 2024.

## **Profit for the Reporting Period**

As a result of the above factors, the net profit for the year of the Group increased by approximately 75.6% from approximately AUD\$1.1 million for the year ended 30 June 2023 to approximately AUD\$1.9 million for the year ended 30 June 2024.

## **Capital Expenditure**

Our capital expenditures for the year ended 30 June 2024 were approximately AUD\$0.8 million, consisted primarily of expenditures on (i) registration and other development, (ii) course development, (iii) plant and equipment, (iv) classroom equipment and office; and (v) teachers reference books.

## **Liquidity, Financial Resources and Gearing Ratio**

As at 30 June 2024, the Group had cash on hand of approximately AUD\$44.1 million (30 June 2023: AUD\$41.7 million) with no bank borrowings (30 June 2023: nil). During the year ended 30 June 2024, the Group financed our working capital requirements and capital expenditures principally through net cash inflows from operating activities.

As at 30 June 2024, the gearing ratio, which is calculated on the basis of total borrowing and total equity of the Group was 0% (30 June 2023: 0%).

## **Foreign Exchange Risk Management**

The functional currency of the Group is AUD. The majority of the Group's revenue and expenditures are denominated in AUD, except that certain expenditures are denominated in HK\$. As at 30 June 2024, certain bank balances and payables were denominated in USD and HKD. The Group did not use any financial instruments for hedging purposes. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure when the need arises.

## **Charges on the Group's Assets**

There were no charges on the Group's assets as at 30 June 2024 and 2023.

## **Contingent Liabilities**

As at 30 June 2024, the Group did not have any other significant contingent liabilities.

## **EVENTS AFTER THE REPORTING PERIOD**

On 27 August 2024, the Australian Government released the details on their intention to implement caps for new overseas student commencements for higher education and vocational education and training sectors. The caps are subject to passage of relevant legislation. If the caps apply from 1 January 2025, there may be some impact on our higher education operations. However, our ELICOS business, which is exempt from the cap, will remain unaffected.

## **DIVIDEND**

The Board recommends the payment of a final dividend of HK0.2 cents per ordinary share for the year ended 30 June 2024 (2023: HK0.1 cents).

Subject to the Shareholders' approval of the recommended distribution at the forthcoming AGM, the final dividend will be paid on or about Tuesday, 17 December 2024 to the Shareholders whose names appear on the register of members of the Company on Monday, 9 December 2024.

## **ANNUAL GENERAL MEETING**

The forthcoming AGM will be held on Friday, 29 November 2024. A notice convening the AGM and all other relevant documents will be published and dispatched to the Shareholders who requested the printed copy.

## **CLOSURE OF REGISTER OF MEMBERS**

For determining the entitlement to attend and vote at the forthcoming AGM to be held on Friday, 29 November 2024, the register of members of the Company will be closed from Tuesday, 26 November 2024 to Friday, 29 November 2024, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Monday, 25 November 2024.

For determining the entitlement to receive the final dividend, the register of members of the Company will be closed by the Company from Thursday, 5 December 2024 to Monday, 9 December 2024, both days inclusive, during which period no transfer of shares of the Company will be registered. All share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Wednesday, 4 December 2024.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## **BORROWINGS**

As at 30 June 2024, the Company had no borrowings (30 June 2023: Nil).

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Constitution of the Company, or under the Corporations Act, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

## SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total number of issued Shares are held by the public as at the date of this announcement.

## USE OF NET PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING

Net proceeds from the Listing (including the over-allotment option and after deducting underwriting fee and relevant expenses) amounted to approximately HK\$171.7 million or AUD\$30 million. As at 30 June 2024, a total amount of approximately HK\$122.3 million out of net proceeds had been used by the Group according to the allocation set out in the announcement dated 27 February 2020.

Purpose	Percentage to total amount	Net proceeds <i>HK\$ (million)</i>	Utilised Amount <i>HK\$ (million)</i>	Unutilised amount <i>HK\$ (million)</i>	Expected timeline for utilising the unutilised amount <sup>(1)</sup>
Acquiring or investing in educational groups/institutions in the PRC and in Australia	41.0%	70.4	21.0	49.4	by the end of 2024
Developing "Intelligent Education", which includes utilising digital education solutions for course contents, infrastructure of campuses and offices, and teaching and learning methods	27.8%	47.8	47.8	-	-
Upgrading TOP's campus	9.4%	16.1	16.1	-	-
Expanding TOP's campus locations	5.5%	9.5	9.5	-	-
Establishing virtual student experience centre	0.6%	1.0	1.0	-	-
Expanding TOP's research and scholarship activities and professional development towards our strategic goal	3.1%	5.3	5.3	-	-
Expanding TOP's marketing activities	4.4%	7.6	7.6	-	-
Working capital and general corporate purposes	8.2%	14.0	14.0	-	-
Total	<u>100.0%</u>	<u>171.7</u>	<u>122.3</u>	<u>49.4</u>	

Note:

- (1) The expected timeline for utilising the remaining amount of proceeds is based on the best estimation made by the Group. It will be subject to change based on the current and future development of market and environment conditions.
- (2) The unutilised proceeds are currently expected to be used by the end of 2024 and the delay in the use of such proceeds is primarily due to additional time required for (i) conducting detailed research and feasibility studies on potential investment targets, and (ii) discussions and negotiations regarding potential cooperative opportunities and commercial uncertainties under current complex, uncertain and volatile international environment.

## **CORPORATE GOVERNANCE PRACTICES**

The Board is committed to maintaining good corporate governance standards.

The Board believes that good corporate governance standards are essential in providing a framework for the Group to safeguard the interests of Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the CG Code contained in Appendix C1 of the Listing Rules as the basis of the Company's corporate governance practices.

The Board is of the view that during the Reporting Period, the Company had complied with applicable code provisions of the CG Code.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code as the code of conduct regarding Directors' securities transactions. Specific enquiry has been made by the Company with all Directors and the Directors have confirmed that they have complied with the Model Code throughout the Reporting Period.

The Company has also adopted the Model Code as the Employees Written Guidelines, to regulate the securities transactions of the relevant employees who are likely to be in possession of unpublished price-sensitive information of the Company. To the best knowledge of the Company, no incident of non-compliance of the Employees Written Guidelines by the relevant employees was noted by the Company.

## **AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION**

The Audit Committee consists of three independent non-executive Directors. The Audit Committee has reviewed the annual results of the Group for the year ended 30 June 2024, including the accounting principles and practices adopted by the Group.

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 30 June 2024 as set out in the preliminary announcement have been agreed by the Group's auditors, Ernst & Young, Recognised Overseas Public Interest Entity Auditor, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Ernst & Young, Recognised Overseas Public Interest Entity Auditor, in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements issued by the International Auditing and Assurance Standards Board and consequently, no assurance has been expressed by Ernst & Young on this preliminary announcement.

## **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This annual results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and on the website of the Company at [www.top.edu.au](http://www.top.edu.au). The annual report of the Company for the year ended 30 June 2024 containing all the information required by the Listing Rules will be dispatched to the Shareholders who requested the printed copy and published on the above websites in due course.

## ACKNOWLEDGEMENT

On behalf of the Board, I would like to express my sincere gratitude to the Company's management and staff members for their dedication and hard work and our Shareholders for their trust and support.

## DEFINITIONS

“ACCA”	Association of Chartered and Certified Accountants
“AGM”	annual general meeting of the Company
“AQF”	the Australian Qualifications Framework, which specifies the standards for educational qualifications in Australia
“AUD\$”	Australian dollars, the lawful currency of Australia
“Audit Committee”	the audit committee of the Board
“Australia”	the Commonwealth of Australia
“award”	a qualification under levels 1 to 10 of the AQF
“Board”	the board of Directors
“Business School”	Australian National Institute of Management and Commerce, (formerly Sydney City School of Business), as the name adopted for the Company's academic division covering higher education courses in the field of Management and Commerce
“CAANZ”	Chartered Accountants Australia and New Zealand
“CG Code”	the Corporate Governance Code contained in Appendix 14 to the Listing Rules
“China” or “PRC”	the People's Republic of China, which, for the purpose of this announcement and for geographical reference only, except where the context requires, does not include Hong Kong, Macau and Taiwan
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “Institutes”, “TOP”, “we”, “us” or “our”	Top Education Group Ltd (ACN 098 139 176) 澳洲成峰高教集團有限公司, a public company registered in New South Wales, Australia with limited liability on 2 October 2001 and trading as Top Education Institute as well as Australian National Institute of Management and Commerce



“Corporations Act”	the Corporations Act 2001 (Cth) of Australia, as amended, supplemented or otherwise modified from time to time, which is the principal legislation regulating companies in Australia
“Council”	the Council of Australian National Institute of Management and Commerce/Top Education Institute
“course”	a program of study that will confer an award upon completion
“CPA Australia”	CPA Australia Ltd
“Director(s)”	the director(s) of the Company
“ELICOS”	English Language Intensive Courses for Overseas Students
“Employee”	<p>(a) any employee (including without limitation any executive Director) of the Company;</p> <p>(b) any non-executive Director (including independent non-executive Directors);</p> <p>(c) any member of the Council; and</p> <p>(d) any consultant of the Company,</p> <p>excluding any employee who is resident in a place where the award of Awarded Shares and/or the vesting of Awarded Shares pursuant to the terms of the Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Committee or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such employee</p>
“Group”	the Company, its subsidiaries and its consolidated affiliated entities from time to time
“higher education”	studies in pursuit of a qualification under levels 5 to 10 of the AQF, including a diploma, advanced diploma, associate degree, bachelor’s degree, graduate certificate, graduate diploma, master degree and doctoral degree
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“IFRS”	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
“Law School”	Sydney City School of Law, as the name adopted for the Company to provide degree courses in law

“Listing”	the listing of our Shares on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“NSW LPAB”	the Legal Profession Admission Board, New South Wales
“Reporting Period”	the period from 1 July 2023 to 30 June 2024
“SCOTS”	Scots English College Pty Ltd, a private education institution established in Australia providing English language courses
“Share(s)”	share(s) in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TEQSA”	the Tertiary Education Quality and Standards Agency in Australia established under the Tertiary Education Quality and Standards Agency Act 2011
“US\$” or “USD”	United States dollars, the lawful currency of the United States

By order of the Board of  
**Top Education Group Ltd**  
**Min Ying**  
*Company Secretary*

Sydney, Australia, 30 September 2024

*As at the date of this announcement, the executive Director is Dr. Rongning Xu, the non-executive Directors are Mr. Amen Kwai Ping Lee, Mr. Yi Dai, Mr. Edward Chiang, Ms. Xing Shi Huang and Mr. Qingquan Yang, and the independent non-executive Directors are Mr. Tianye Wang, Professor Steven Schwartz and Mr. Jonathan Richard O’Dea.*