MERCY RELIEF LIMITED

Company Registration Number: 200306035Z

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2025

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DIRECTORS' STATEMENT
For the financial year ended 31 December 2025

1 OPINION OF THE DIRECTORS

In the opinion of the directors,

(i) the financial statements of Mercy Relief Limited (the "Company") are drawn up in accordance with the provisions of the Companies Act 1967 ("Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") so as to give a true and fair view of the financial position of the Company as at 31 December 2025, and of the financial performance, changes in funds and cash flows of the Company for the financial year then ended;

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

(iii) the accounting and other records required to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, the Charities Act and Regulations;

(iv) the use of the donation moneys are in accordance with the objectives of the Company as required under Regulation 11 of the Charities (Institutions of A Public Character) Regulations;

(v) the fund-raising appeals conducted by the Company during the financial year ended 31 December 2025 have been carried out in accordance with Regulation 6 (Duty to maintain accounting records) of the Charities (Fund-raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012; and

(vi) the Company has complied with the 30/70 requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of A Public Character) Regulations.

2 DIRECTORS

The Directors of the Company as at date of this statement are:

Alwi Bin Abdul Hafiz	
Chan U-Jyn Kevin	(Appointed on 11 November 2025)
Koh Yee Ling	
Lam Wy-Ning	
Mejar Singh Gill	
Mohamad Saiful Bin Saroni	
Mohd Azhar Bin Khalid	(Appointed on 11 November 2025)
Muhammad Hafiz Bin Noorahman	(Appointed on 11 November 2025)
Nalini Naidu	
Ng Siew Hoong	
Satwant Singh S/O Sarban Singh	
Suhaimi Bin Rafdi	
Tan Eng Han Fredie	(Appointed on 11 November 2025)
Thali Koattiath Udairam	(Appointed on 11 November 2025)
Wan Rizal Bin Wan Zakariah	
Yim Heng Boon	(Appointed on 11 November 2025)

3 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

The Company is limited by guarantee and has no share capital. None of the directors holding office at the end of the financial year had an interest in the share capital of the Company that is required to be reported pursuant to Section 201(6)(g) of the Companies Act.

4 SHARE OPTIONS

As the Company is limited by guarantee and does not have a share capital, matters relating to the issue of shares or share options are not applicable.

5 AUDITOR

V.P. Kumaran & Co. has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors

DocuSigned by:
Satwant Singh
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SATWANT SINGH S/O SARBAN SINGH
Director

DocuSigned by:
0C8BD142F06F4BA...

MOHAMAD SAIFUL BIN SARONI
Director

Date: 21 July 2026

V.P. KUMARAN & CO.
CHARTERED ACCOUNTANTS OF SINGAPORE

111 NORTH BRIDGE ROAD
#23-05 PENINSULA PLAZA
SINGAPORE 179098
TEL: 6883 0021 (2 Lines)
FAX: 6339 6517
EMAIL: auditadmin@vpkco.com

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MERCY RELIEF LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Mercy Relief Limited (the "Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of financial activities, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standard in Singapore (the "CAS") so as to give a true and fair view of the financial position of the Company as at 31 December 2025 and of the financial performance, changes in funds and cash flows of the Company for the financial year then ended.

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 Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Company for the financial year ended 31 December 2024 were audited by another firm of auditors who expressed an unmodified opinion on those statements on 8 May 2025.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

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

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

V.P. KUMARAN & CO.
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Responsibilities of the Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act, the Charities Act and Regulations and the CAS, 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, the Management is responsible for assessing the Company's'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 the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgment 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the 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 Company'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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

V.P. KUMARAN & CO.
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Report on Other Legal and Regulatory Requirements

In our opinion,

(a) the accounting and other records required to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act and Regulations enacted under the Charities Act and Regulations; and

(b) the fund-raising appeals held during the financial year ended 31 December 2025 have been carried out in accordance with Regulation 6 of the Charities (Fund-raising Appeals for Local and Foreign Charitable Purposes) Regulations 2012 and Regulation 6 of the Societies Regulations issued under the Societies Act.

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

(a) the Company has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of A Public Character) Regulations; and

(b) the Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of A Public Character) Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Mari Jane Tiburcio with PA no. 01780.

Signed by:
V.P. Kumaran & Co
F4252A3B0BC8416...

V.P. KUMARAN & CO.
Public Accountants and
Chartered Accountants

Singapore

Date: 21 July 2026

MERCY RELIEF LIMITED
Company Registration No.: 200306035Z
(Registered under the Charities Act 1994, Singapore)

STATEMENT OF FINANCIAL ACTIVITIES
For the financial year ended 31 December 2025

2025	**Note**	**Unrestricted Fund** $	**Restricted Funds** $	**Total** $
INCOME				
Income from generated funds				
- Voluntary income		179,920	1,938,019	2,117,939
- Activities for generating funds		21,152	-	21,152
Other income		76,246	-	76,246
	5	277,318	1,938,019	2,215,337
EXPENDITURE				
Cost of generated funds		6,176	11,661	17,837
Costs of charitable activities		531,754	803,384	1,335,138
Governance and administrative costs		101,428	3,300	104,728
Total expenditure before reallocation	5	639,358	818,345	1,457,703
Allocation of HQ expenses		(161,854)	161,854	-
Total expenditure after reallocation		477,504	980,199	1,457,703
NET SURPLUS/(DEFICIT)		(200,186)	957,820	757,634

2024		**Unrestricted Fund** $	**Restricted Funds** $	**Total** $
INCOME				
Income from generated funds				
- Voluntary income		679,649	796,527	1,476,176
- Activities for generating funds		29,392	-	29,392
Other income		119,981	-	119,981
	5	829,022	796,527	1,625,549
EXPENDITURE				
Cost of generated funds		13,471	-	13,471
Costs of charitable activities		386,240	330,708	716,948
Governance and administrative costs		102,505	2,991	105,496
Total expenditure before reallocation	5	502,216	333,699	835,915
Allocation of HQ expenses		(69,709)	69,709	-
Total expenditure after reallocation		432,507	403,408	835,915
NET SURPLUS		396,515	393,119	789,634

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

MERCY RELIEF LIMITED
Company Registration No.: 200306035Z
(Registered under the Charities Act 1994, Singapore)

STATEMENT OF FINANCIAL POSITION
As at 31 December 2025

	Note	2025 $	2024 $
ASSETS			
Current assets			
Cash and cash equivalents	9	4,486,295	3,842,483
Fixed deposits	10	1,741,541	1,715,774
Receivables	11	355,980	181,624
Total current assets		6,583,816	5,739,881
Non-current assets			
Plant and equipment	12	1,076	2,568
Intangible asset	13	24,640	31,680
Total non-current assets		25,716	34,248
Total assets		6,609,532	5,774,129
LIABILITIES AND FUNDS			
LIABILITIES			
Current liabilities			
Payables	14	78,879	12,290
Deferred income	15	32,332	21,152
Total current liabilities		111,211	33,442
Total liabilities		111,211	33,442

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION (Continued)
As at 31 December 2025

	Note	2025 $	2024 $
LIABILITIES AND FUNDS (Continued)			
FUNDS			
Unrestricted funds	16		
General fund		2,840,782	3,040,968
Designated funds		-	-
Total unrestricted funds		2,840,782	3,040,968
Restricted funds	16		
Designated country/disaster			
Hope for Gaza		1,036,546	506,255
General Relief Fund		772,250	499,626
Sulawesi Earthquake		433,131	433,131
Nepal Earthquake		278,446	278,446
Lombok Earthquake		199,647	199,647
Pakistan-India Floods 2025 Response Fund		175,974	-
Myanmar Earthquake Relief 2025		135,464	-
Sunda Strait Tsunami		116,217	141,794
Cianjur Earthquake 2022 Relief		73,869	73,829
Sri Lanka Cyclone Ditwah Flood Relief 2025		69,664	-
Pakistan Flood 2022		60,235	60,235
Sumatra Floods 2025 Response		34,687	-
Turkey Earthquake Relief 2023		31,084	87,574
Philippines Preparedness and Response Operation Fund		28,480	-
Kerala Floods Relief		21,920	21,920
Morocco Earthquake 2023 Relief Aid		11,355	11,355
Typhoon Rai Relief		-	10,262
Bangladesh Flood Relief 2024		-	38,372
Myanmar Typhoon Yagi 2024		-	-
Country funds			
Country Fund - Myanmar		129,085	131,172
Country Fund - Indonesia		28,781	115,881
Country Fund - Bangladesh		9,967	9,967
Country Fund - Laos		4,281	4,281
Country Fund - Philippines		-	13,357
Country Fund - India		-	5,681
Country Fund - Vietnam		-	50,478
Other restricted funds			
Typhoon Hagibis		6,456	6,456
Total restricted funds		3,657,539	2,699,719
Total funds		6,498,321	5,740,687
Total liabilities and funds		6,609,532	5,774,129

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

MERCY RELIEF LIMITED
Company Registration No.: 200306035Z
(Registered under the Charities Act 1994, Singapore)

STATEMENT OF CHANGES IN FUNDS
For the financial year ended 31 December 2025

2025	**Unrestricted fund**	**Restricted fund**	**Total**
	$	$	$
At the beginning of financial year	3,040,968	2,699,719	5,740,687
Net surplus/(deficit) for the financial year	(200,186)	957,820	757,634
At the end of financial year	2,840,782	3,657,539	6,498,321

2024	**Unrestricted fund**	**Restricted fund**	**Total**
	$	$	$
At the beginning of financial year	2,644,453	2,306,600	4,951,053
Net surplus for the financial year	396,515	393,119	789,634
At the end of financial year	3,040,968	2,699,719	5,740,687

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Surplus before income tax		757,634	789,634
Adjustments for:			
Interest income	5	(72,172)	(110,170)
Depreciation of plant and equipment	12	2,041	5,158
Amortisation of intangible asset	13	7,040	3,520
Total adjustments to profit or loss		(63,091)	(101,492)
Operating cash flows before changes in working capital		694,543	688,142
Changes in working capital			
Increase in receivables		(186,528)	(87,842)
Increase/(decrease) in payables		66,586	(83,795)
Increase in deferred income		11,180	19,957
Total changes in working capital		(108,762)	(151,680)
Cash flows from operations, representing net cash flows from operating activities		585,781	536,461
Cash flows from investing activities			
Placement of fixed deposits		(1,741,541)	(1,715,774)
Maturity of fixed deposits		1,715,774	1,676,499
Interest received from fixed deposits		84,347	113,760
Purchase of intangible asset	13	-	(35,200)
Purchase of plant and equipment	12	(549)	-
Net cash flows from investing activities		58,031	39,285
Net increase in cash and cash equivalents		643,812	575,746
Cash and cash equivalents at the beginning of financial year		3,842,483	3,266,737
Cash and cash equivalents at the end of financial year	9	4,486,295	3,842,483

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

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

1 COMPANY INFORMATION

Mercy Relief Limited (the "Company") is registered and domiciled in Singapore. Its registered office and principal place of operation is located at Block 160, Lorong 1 Toa Payoh, #01-1568, Toa Payoh Green, Singapore 310160.

The Company is a company limited by guarantee without a share capital. The Company was registered under the Charities Act 1994 (the "Charities Act") since 19 December 2003. The Company has been accorded the Institutions of A Public Character ("IPC") status and the current license runs from 1 December 2024 to 30 November 2026.

The principal activities of the Company are those of providing humanitarian aid programmes, collaborate with other organisations involved in humanitarian aid and to raise funds for distribution to the needy and humanitarian aid projects.

Every member, except Associate and Honorary members, of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustments of the rights of the contributories among themselves, such amount as may be required not exceeding Singapore Dollars One Thousand (S$1,000) only. The Company has total 16 members (2024: 11 members) as at 31 December 2025.

The financial statements of the Company for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Directors as at the date of the Statement by the Directors.

2 MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with the provisions of the Charities Act and Charities Accounting Standard (“CAS”). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (“SGD” or “$”) which is the Company’s functional currency.

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

2.2 Income recognition

Income comprises the fair value of the consideration received or receivable in the ordinary course of the Company’s activities.

Income is recognised as follows:

Donations

Donations are recognised in the statement of financial activities upon receipt. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.2 Income recognition (Continued)

Income is recognised as follows: (Continued)

Fund raising

Income from special events is recognised on completion of event.

Other income

Other income is recognised when received.

2.3 Government grants

Government grants are recognised as income in the financial statements over the periods necessary to match them with the related costs, which they are intended to compensate, on a systematic basis. Government grants related to assets after recognition will then be reduced over the useful life of the asset in line with its depreciation.

2.4 Expenditure recognition

All expenditure is accounted for on accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

Cost of generating funds

Cost of generating funds comprises all directly attributable costs incurred in the generating voluntary income and fundraising activities. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

Cost of charitable activities

Cost of charitable activities comprises all directly attributable costs incurred in the pursuit of the charitable objects of the Company. Those costs, where not wholly attributable, are apportioned between the categories of charitable expenditure. The total costs of each category of charitable expenditure therefore include an apportionment of support costs, where possible.

Governance and administrative costs

Governance costs include the cost of governance arrangement, which related to the general running of the Company, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

Allocation of costs

Where appropriate, expenditure, which is specifically identifiable to each cost classification, is allocated directly to the type of costs incurred. Where apportionment between each costs classification is necessary, the following apportionment bases are applied:

- Usage;
- Headcount i.e. on the number of people employed within an activity;
- Floor area occupied by an activity; and
- On time incurred basis.

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.5 Plant and equipment

Measurement

All plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of plant and equipment initially recognised includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.

Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment are not revalued and are not required to be assessed for impairment under CAS.

Depreciation

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

	Useful lives
Computer and office equipment	3 to 5 years
Furniture and fittings	5 years
Renovation	5 years shorter of years or premise's lease term

The residual values estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in the statement of financial activities in the financial year in which the changes arise.

Fully depreciated assets still in use are retained in the financial statements.

Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repairs and maintenance expenses in the statement of financial activities during the financial year in which it is incurred.

Disposal

On disposal of an item of plant and equipment, the difference between the net disposals proceeds and its carrying amount is taken to the statement of financial activities.

2.6 Intangible assets

Acquired computer software licences

Acquired computer software licences are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.6 Intangible assets (Continued)

Acquired computer software licences (Continued)

Computer software licences are subsequently carried at cost less accumulated amortisation. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 5 years.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each reporting date. The effects of any revision are recognised in the statement of financial activities when the changes arise.

Intangible assets are not required to be assessed for impairment under the CAS.

2.7 Financial assets

Recognition and measurement

Receivables, excluding prepayments, are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

Receivables in financial assets are subsequently measured at cost less accumulated impairment losses.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

An allowance for impairment of other receivables is recognised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the statement of financial activities within "Governance and administrative costs".

Subsequently, if the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss will be reversed. The reversal will not result in any carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of reversal is recognised in the statement of financial activities.

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.8 Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits with financial institutions, which are subject to an insignificant risk of changes in value.

Fixed deposits that have short maturities of three months or less from the date of acquisition are reported as cash and cash equivalents. All other fixed deposits are reported separately in the statement of financial position.

2.9 Financial liabilities

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in the statement of financial activities. Financial liabilities includes “Payables” in the statement of financial position.

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

Financial liabilities is derecognised when the obligations under the liability is discharged or cancelled or expire. When existing financial liabilities are replaced by another from the same lender on substantially different terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of financial activities.

2.10 Payables

Payables excluding accruals, are recognised at their transaction price, excluding transaction cost, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Accruals are recognised at the best estimate of the amount payable.

2.11 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

2.12 Funds

Restricted fund balances are restricted by outside sources and may only be utilised in accordance with the purposes for which they are established. Designated funds are earmarked for specific purposes and are largely made up of funds allocated at the discretion of the Board of Directors. These designated funds are treated as restricted funds as they contain funds restricted by outside sources.

The Board of Directors retains full control over the use of unrestricted funds for any of the Company’s purposes.

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

2.13 Operating leases as lessee

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of financial activities on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Rental on operating lease is charged to the statement of financial activities.

2.14 Employee compensation

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund (“CPF”), on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The Company’s contribution to defined contribution plans are recognised as employee compensation expense when they are due.

Employee leave entitlement

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

3 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company’s financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

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

3.2 Key sources of estimation uncertainty

Management is of the opinion that there are no key sources of estimation uncertainty at the end of the financial year that has a significant effect on the amounts of assets and liabilities within the next financial year.

4 SIGNIFICANT RELATED PARTY TRANSACTIONS

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

(a) During the current and previous financial year, there were no transactions which took place with related parties.

(b) Compensation of key management personnel

	2025	**2024**
	$	$
Salaries and other short-term employee benefits	132,600	132,600
Employer's contributions to CPF	16,830	13,514
	149,430	146,114
Number of key management personnel remuneration band $100,000 to $150,000	1	1

Key management personnel is the Executive Director, having the final authority and is overall responsible for policy making and determination of all activities.

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5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES

Statement of financial activities on restricted and unrestricted funds.

2025	Unrestricted fund $	Restricted funds $	Total $
INCOME			
Income from generated funds			
Voluntary income			
General donations			
- Non-tax deductible	96,124	751,110	847,234
- Tax deductible	83,796	1,186,909	1,270,705
	179,920	**1,938,019**	**2,117,939**
Activities for generating funds			
NCSS Grants	**21,152**	**-**	**21,152**
Other income			
Interest income	72,172	-	72,172
Others	4,074	-	4,074
	76,246	**-**	**76,246**
Total income	**277,318**	**1,938,019**	**2,215,337**
EXPENDITURE			
Cost of generated funds			
Publicity and promotions	403	-	403
Fund-raising expenses	5,773	11,661	17,434
	6,176	**11,661**	**17,837**
Costs of charitable activities			
Amortisation of intangible assets	5,632	-	5,632
Bank charges	-	-	-
Board expenses	685	-	685
Depreciation of plant and equipment	1,633	-	1,633
Employee benefits expense	287,609	-	287,609
Insurance	6,207	-	6,207
Membership and subscriptions	3,911	-	3,911
Office rental	25,637	-	25,637
Office supplies	3,030	-	3,030
Partnership and collaborations	3,297	-	3,297
Printing and photocopying	286	-	286
Professional fees	13,274	-	13,274
Relief missions	161,854	803,384	965,238
Repairs and maintenance	2,320	-	2,320
Telecom and IT charges	8,239	-	8,239
Transport and travelling	313	-	313
Utilities	7,827	-	7,827
	531,754	**803,384**	**1,335,138**

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

Statement of financial activities on restricted and unrestricted funds (Continued)

2025 (Continued)	**Unrestricted fund** $	**Restricted funds** $	**Total** $
EXPENDITURE			
Governance and administrative costs			
Amortisation of intangible assets	1,408	-	1,408
Audit and certification fees	8,500	3,256	11,756
Bank charges	454	-	454
Board expense	171	33	204
Depreciation of plant and equipment	408	-	408
Employee benefits expense	71,902	-	71,902
Insurance	1,552	-	1,552
Office rental	6,409	-	6,409
Office supplies	758	-	758
Membership and subscriptions	978	-	978
Partnership and collaborations	824	-	824
Printing and photocopying	71	-	71
Professional fees	3,319	-	3,319
Repairs and maintenance	580	-	580
Telecom and IT charges	2,060	-	2,060
Transport and travelling	78	-	78
(Gain)/loss in foreign exchange	-	11	11
Utilities	1,956	-	1,956
	101,428	**3,300**	**104,728**
Total expenditure before reallocation	**639,358**	**818,345**	**1,457,703**
Allocation of HQ expenses	**(161,854)**	**161,854**	**-**
Total expenditure after reallocation	**477,504**	**980,199**	**1,457,703**
Net surplus/(deficit)	**(200,186)**	**957,820**	**757,634**

2024	**Unrestricted fund** $	**Restricted funds** $	**Total** $
INCOME			
Income from generated funds			
Voluntary income			
General donations			
- Non-tax deductible	214,462	740,758	955,220
- Tax deductible	465,187	55,769	520,956
	679,649	**796,527**	**1,476,176**
Activities for generating funds			
Asean Youth Volunteer Program	25,381	-	25,381
NCSS grants	4,011	-	4,011
	29,392	**-**	**29,392**
Other income			
Interest income	110,170	-	110,170
Others	9,811	-	9,811
	119,981	**-**	**119,981**
Total income	**829,022**	**796,527**	**1,625,549**

5 DETAILED STATEMENT OF FINANCIAL ACTIVITIES (Continued)

Statement of financial activities on restricted and unrestricted funds (Continued)

2024 (Continued)	**Unrestricted fund** $	**Restricted funds** $	**Total** $
EXPENDITURE			
Cost of generated funds			
Publicity and promotions	5,215	-	5,215
Fund-raising expenses	8,256	-	8,256
	13,471	**-**	**13,471**
Costs of charitable activities			
Amortisation of intangible assets	2,816	-	2,816
Bank charges	6,702	-	6,702
Board expenses	232	-	232
Depreciation of plant and equipment	4,126	-	4,126
Employee benefits expense	265,116	-	265,116
Insurance	4,278	-	4,278
Membership and subscriptions	367	-	367
Office rental	25,637	-	25,637
Office supplies	3,756	-	3,756
Partnership and collaborations	2,646	-	2,646
Printing and photocopying	2,204	-	2,204
Professional fees	19,673	-	19,673
Relief missions	24,362	330,608	354,970
Repairs and maintenance	3,718	-	3,718
Telecom and IT charges	9,758	-	9,758
Transport and travelling	7	100	107
Utilities	10,842	-	10,842
	386,240	**330,708**	**716,948**
Governance and administrative costs			
Amortisation of intangible assets	704	-	704
Audit and certification fees	13,000	2,000	15,000
Bank charges	684	991	1,675
Board expense	58	-	58
Depreciation of plant and equipment	1,032	-	1,032
Employee benefits expense	66,279	-	66,279
Insurance	1,070	-	1,070
Office rental	6,409	-	6,409
Office supplies	940	-	940
Membership and subscriptions	92	-	92
Partnership and collaborations	662	-	662
Printing and photocopying	551	-	551
Professional fees	4,918	-	4,918
Repairs and maintenance	929	-	929
Telecom and IT charges	2,440	-	2,440
Transport and travelling	27	-	27
Utilities	2,710	-	2,710
	102,505	**2,991**	**105,496**
Total expenditure before reallocation	**502,216**	**333,699**	**835,915**
Allocation of HQ expenses	**(69,709)**	**69,709**	-
Total expenditure after reallocation	**432,507**	**403,408**	**835,915**
Net surplus	**396,515**	**393,119**	**789,634**

6 EMPLOYEE BENEFITS EXPENSE

	2025 $	2024 $
Salaries and allowance	313,032	291,275
Employer's CPF contributions	43,038	37,837
Other staff related cost	3,441	2,283
	359,511	331,395

7 INCOME TAX

The Company is a registered charity organisation under the Charities Act and its income is exempted from income tax under Section 13(1) of the Income Tax Act 1947.

8 FUND RAISING RATIO

	2025 $	2024 $
Gross donation from fund-raising events	981,014	716,390
Direct costs of fund-raising	17,434	8,256
Percentage of direct fund-raising expense over gross donations	1.78%	1.15%

9 CASH AND CASH EQUIVALENTS

	2025 $	2024 $
Cash at bank	2,507,659	1,881,305
Fixed deposits	1,977,258	1,961,178
Cash on hand	1,378	-
	4,486,295	3,842,483

Cash at bank is held in non-interest bearing account.

Fixed deposits mature within 1 to 3 month (2024: 1 to 3 month) from the financial year end and earn interest rate ranging to 0.95% to 1.05% (2024: 2.65% to 3.30%) per annum.

For the purpose of the statement of cash flows, cash and cash equivalents are comprised of the balances as shown above.

Cash and cash equivalents are denominated in Singapore Dollar.

10 FIXED DEPOSITS

	2025	2024
	$	$
Fixed deposits	1,741,541	1,715,774

Fixed deposits mature within 3 to 10 month (2024: 3 to 8 month) from the financial year end and earn interest rate ranging to 0.95% to 1.25% (2024: 2.70% to 3.15%) per annum.

Fixed deposits are denominated in Singapore Dollar.

11 RECEIVABLES

	2025	2024
	$	$
Donation receivables	336,453	150,384
Interest receivable on fixed deposits	8,930	21,105
Other receivables	6,372	6,440
Deposits	4,225	3,695
	355,980	181,624
Total receivables	355,980	181,624
Add: Cash and cash equivalents (Note 9)	4,486,295	3,842,483
Fixed deposits (Note 10)	1,741,541	1,715,774
Total financial assets carried at amortised cost	6,583,816	5,739,881

12 PLANT AND EQUIPMENT

	Computer and office equipment	Furniture and fittings	Renovation	Total
	$	$	$	$
Cost				
At 1 January 2024 and 31 December 2024	75,776	32,582	142,310	250,668
Additions	549	-	-	549
At 31 December 2025	76,325	32,582	142,310	251,217
Accumulated depreciation				
At 1 January 2024	68,050	32,582	142,310	242,942
Charge for the financial year	5,158	-	-	5,158
At 31 December 2024	73,208	32,582	142,310	248,100
Charge for the financial year	2,041	-	-	2,041
At 31 December 2025	75,249	32,582	142,310	250,141
Net carrying amount				
At 31 December 2024	2,568	-	-	2,568
At 31 December 2025	1,076	-	-	1,076

13 INTANGIBLE ASSET

	Software
	$
Cost	
At 1 January 2024	-
Additions	35,200
At 31 December 2024 and 31 December 2025	35,200
Accumulated amortisation	
At 1 January 2024	-
Charge for the financial year	3,520
At 31 December 2024	3,520
Charge for the financial year	7,040
At 31 December 2025	10,560
Net carrying amount	
At 31 December 2024	31,680
At 31 December 2025	24,640

14 PAYABLES

	2025	**2024**
	$	$
Accruals	9,388	12,200
Other payables	69,491	90
Total payables, representing total financial liabilities carried at amortised cost	78,879	12,290

Other payables

Other payables are not subject to credit terms, are non-interest bearing, unsecured and are repayable on demand.

Payables are denominated in Singapore Dollar.

15 DEFERRED INCOME

In 2024, the Company received a grant of $21,152 from National Council of Social Service for the acquisition of software. The grant was fully utilised during the financial year ended 31 December 2025.

During the financial year ended 31 December 2025, the Company received funding from Blackbaud and Sony Music for a specific humanitarian project. The implementation of the project has been deferred to the financial year ending 31 December 2026, pending revisions to the project scope and confirmation with the donors. As at 31 December 2025, the funds remain unutilised.

Deferred income is denominated in Singapore Dollar.

16 FUNDS

Funds comprise of unrestricted and restricted funds.

(a) Unrestricted - general fund

The fund represents accumulated surplus and is for the purpose of meeting operating expenses incurred by the Company. This fund is expendable at the discretion of the directors in furtherance of the Company's objects and purposes.

(b) Restricted funds

The Company receives donations from the public in response to international public appeals for relief efforts in disaster and crisis-stricken countries. The funds received are retained in the Company and are disbursed to the national societies of affected countries for specific relief cause and development work specified in the public appeal.

(c) Country funds

The Country funds are allocated to future relief and development projects within the specified geographical scope. Currently, the following country funds are set up: India, Vietnam, Philippines, Indonesia, Myanmar and Bangladesh.

At the reporting date, the balances of Country Funds comprise of:

Country Fund - Myanmar	129,085	131,172
Country Fund - Indonesia	28,781	115,881
Country Fund - Bangladesh	9,967	9,967
Country Fund - Laos	4,281	4,281
Country Fund - Philippines	-	13,357
Country Fund - India	-	5,681
Country Fund - Vietnam	-	50,478
	172,114	330,817

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16 FUNDS (Continued)

Movement of the restricted funds during the financial year are as follows:

2025	At the beginning of financial year	Collections	Relief mission	Other expenditure	Transfer of funds	At the end of financial year
	$	$	$	$	$	$
Designated country/disaster						
General Relief Fund	499,626	275,654	-	(3,030)	-	772,250
Nepal Earthquake Relief	278,446	-	-	-	-	278,446
Lombok Earthquake Relief	199,647	-	-	-	-	199,647
Sulawesi Earthquake Relief	433,131	-	-	-	-	433,131
Sunda Strait Tsunami Relief	141,794	-	(22,011)	(3,566)	-	116,217
Kerala Floods Relief	21,920	-	-	-	-	21,920
Typhoon Rai Relief	10,262	-	(19,152)	(4,468)	13,358	-
Pakistan Flood 2022	60,235	-	-	-	-	60,235
Cianjur Earthquake Relief 2023	73,829	40	-	-	-	73,869
Morocco Earthquake 2023 Relief Aid	11,355	-	-	-	-	11,355
Turkey Earthquake Relief 2023	87,574	-	(49,942)	(6,548)	-	31,084
Hope for Gaza	506,255	1,071,440	(484,127)	(57,021)	-	1,036,546
Bangladesh Flood Relief 2024	38,372	-	(28,835)	(9,537)	-	-
Sumatra Floods 2025 Response	-	27,303	(71,716)	(8,000)	87,100	34,687
Pakistan-India Floods 2025 Response Fund	-	232,848	(51,805)	(10,750)	5,681	175,974
Sri Lanka Cyclone Ditwah Flood Relief (2025)	-	85,000	(14,336)	(1,000)	-	69,664
Myanmar Earthquake Relief 2025	-	185,735	(38,224)	(12,047)	-	135,464
Philippines Preparedness and Response Operations Fund	-	60,000	(26,055)	(5,465)	-	28,480
Vietnam Typhoon Yagi 2024	-	-	(37,910)	(12,568)	50,478	-
Myanmar Typhoon Yagi 2024	-	-	(2,086)	-	2,086	-
Country funds						
Country Fund - Bangladesh	9,967	-	-	-	-	9,967
Country Fund – India	5,681	-	-	-	(5,681)	-
Country Fund - Indonesia	115,881	-	-	-	(87,100)	28,781
Country Fund - Laos	4,281	-	-	-	-	4,281
Country Fund - Myanmar	131,172	-	-	-	(2,087)	129,085
Country Fund - Philippines	13,357	-	-	-	(13,357)	-
Country Fund - Vietnam	50,478	-	-	-	(50,478)	-
Other restricted funds	6,456	-	-	-	-	6,456
	2,699,719	1,938,019	(846,199)	(134,000)	-	3,657,539

MERCY RELIEF LIMITED
Company Registration No.: 200306035Z
(Registered under the Charities Act 1994, Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2025

16 FUNDS (Continued)

Movement of the restricted funds during the financial year are as follows:

2024	At the beginning of financial year $	Collections $	Relief mission $	Other expenditure $	Transfer of funds $	At the end of financial year $
Designated country/disaster						
General Relief Fund	765,714	-	-	(69,810)	(196,278)	499,626
Nepal Earthquake Relief	278,446	-	-	-	-	278,446
Aceh Earthquake Relief	106,165	-	-	-	(106,165)	-
Lombok Earthquake Relief	188,936	14,517	(3,766)	(40)	-	199,647
Sulawesi Earthquake Relief	416,599	16,532	-	-	-	433,131
Sunda Strait Tsunami Relief	130,122	13,376	(1,704)	-	-	141,794
Kerala Floods Relief	14,699	7,221	-	-	-	21,920
Myanmar Conflicts and Flood	58,490	-	-	-	(58,490)	-
Typhoon Rai Relief	9,909	353	-	-	-	10,262
Pakistan Flood 2022	30,235	-	-	-	30,000	60,235
Cianjur Earthquake Relief 2023	94,998	3,007	(24,101)	(74)	-	73,830
Morocco Earthquake 2023 Relief Aid	11,355		-	-	-	11,355
Turkey Earthquake Relief 2023	87,574	-	-	-	-	87,574
Hope for Gaza	89,327	716,440	(297,636)	(1,876)	-	506,255
Bangladesh Flood Relief 2024	-	20,907	(1,969)	-	19,434	38,372
Country funds						
Country Fund - Bangladesh	-	-	-	-	9,967	9,967
Country Fund – India	-	-	-	-	5,681	5,681
Country Fund - Indonesia	-	1,332	-	-	114,549	115,881
Country Fund - Laos	-	-	-	-	4,281	4,281
Country Fund - Myanmar	-	-	-	-	131,172	131,172
Country Fund - Philippines	-	2,843	(1,432)	(1,000)	12,946	13,357
Country Fund - Vietnam	-	-	-	-	50,478	50,478
Other restricted funds	24,031	-	-	-	(17,575)	6,456
	2,306,600	796,527	(330,608)	(72,800)	-	2,699,719

17 OPERATING LEASE COMMITMENTS

The Company leases office premises and office equipment from non-related parties under the arrangement that, either party by giving 1 month notice in writing without furnishing any reason whatsoever, thus there's no disclosure for operating lease commitments as at the current and previous financial reporting year end.

18 ALLOCATION OF HQ EXPENSES

HQ overhead expenses are charged to respective funds based on full headcount recovery. The headcount recovery is computed based on actual time tracked by all staff for the respective projects at a rate of S$100 per man hour and is separate from the direct administration and fund-raising expenses which is capped at 5% of the donations.

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19 SUPPORT COST ALLOCATION

2025	Charitable activities	Governance and administrative costs	Total support cost	Basis of appointment
	$	$	$	
Amortisation of intangible assets	5,632	1,408	7,040	Headcount
Bank charges	-	454	454	Headcount
Board expenses	685	178	863	Headcount
Depreciation of property, plant and equipment	1,635	408	2,042	Headcount
Employee benefits cost	287,609	71,902	359,511	Headcount
Insurance	6,207	1,552	7,759	Headcount
Membership and subscription	3,911	978	4,889	Headcount
Office rental	25,637	6,409	32,046	Headcount
Office supplies	3,030	758	3,788	Headcount
Partnership and collaboration	3,297	824	4,121	Headcount
Printing and photocopying	286	71	357	Headcount
Professional fees	13,274	3,319	16,593	Headcount
Repairs and maintenance	2,320	580	2,900	Headcount
Telecom and IT charges	8,239	2,060	10,299	Headcount
Transport and travelling	313	78	391	Headcount
Utilities	7,827	1,957	9,784	Headcount
	369,902	**92,935**	**462,837**	

2024	Charitable activities	Governance and administrative costs	Total support cost	Basis of appointment
	$	$	$	
Amortisation of intangible assets	2,816	704	3,520	Headcount
Bank charges	6,702	1,675	8,377	Headcount
Board expenses	232	58	290	Headcount
Depreciation of property, plant and equipment	4,126	1,032	5,158	Headcount
Employee benefits cost	265,116	66,279	331,395	Headcount
Insurance	4,278	1,070	5,348	Headcount
Membership and subscription	367	92	459	Headcount
Office rental	25,637	6,409	32,046	Headcount
Office supplies	3,756	940	4,696	Headcount
Partnership and collaboration	2,646	662	3,308	Headcount
Printing and photocopying	2,204	551	2,755	Headcount
Professional fees	19,673	4,918	24,591	Headcount
Repairs and maintenance	3,718	929	4,647	Headcount
Telecom and IT charges	9,758	2,440	12,198	Headcount
Transport and travelling	107	27	134	Headcount
Utilities	10,842	2,710	13,552	Headcount
	361,978	**90,496**	**452,474**	

20 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk).

The Company reviews and agrees policies and procedures for the management of these risks, which are executed by the Management. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

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

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Society. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Below are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for receivables.

<u>Receivables</u>

The Company's receivables comprise mainly of donation receivables, interest receivable and deposits. These receivables are considered to be low credit risk as these have low risk of default and the counterparty has a strong capacity to meet its contractual cash flow obligation if demanded in the near term.

<u>Excessive risk concentration</u>

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

<u>Exposure to credit risk</u>

The Company places its bank balances and fixed deposits with reputable established financial institutions. Therefore, credit risk on these financial assets are limited because the counterparties are banks with high credit ratings and no history of default.

The carrying amount of these financial assets, as stated in the statement of financial position, represents the Company's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

The Company has no significant concentration of credit risk for the financial years ended 31 December 2025 and 2024.

20 FINANCIAL RISK MANAGEMENT (Continued)

Liquidity risk

Liquidity risk refers to the risk in which the Company will encounter difficulties in meeting short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of the financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the results of its operations.

At the end of the reporting period, the Company has non-derivative financial liabilities which are payables amounting to $111,211 (2024: $33,442) which will mature within 1 year or less.

Market risk

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises from fixed deposits.

The Company periodically reviews its financial instruments and monitors interest rate fluctuations to ensure the exposure to interest rate risk is within an acceptable level.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if the interest rate had been 50 basis points higher/lower with all other variables held constant, the Company's net surplus would have been $18,954 (2023: $18,385) higher/lower arising mainly as a result of a higher/lower interest income on fixed deposits.

21 FAIR VALUE OF ASSETS AND LIABILITIES

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

Assets and liabilities not measured at fair value

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, receivables and payables

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

Fixed deposits

The carrying amount of fixed deposit approximates its fair value as it is subject to interest rate close to market rate of interests for similar arrangements with financial institutions.

The Company has no fair value measurement recognised in the statement of financial position as at 31 December 2025 and 2024.

22 FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities carried at amortised cost were disclosed in Notes 11 and 14 to the financial statements, respectively.

23 MANAGEMENT OF CONFLICT OF INTEREST

During the current and previous financial year, none of the Board members received any remuneration from the Company.

Board and Management members are required to disclose any interest that they may have, whether directly or indirectly, that the Company may enter into or in any organisations that the Company has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Company's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected members may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

24 RESERVE POSITION AND POLICY

At the reporting date, the Company's reserve position for the financial year ended are as follows:

			Increase/(Decrease)	
	2025	**2024**	**2025**	**2024**
	$	$	$	$
Funds				
Unrestricted fund	2,840,782	3,040,968	(200,186)	(28,983)
Restricted funds	3,657,539	2,699,719	957,820	-
	6,498,321	5,740,687	757,634	(28,983)
Total annual expenditure	1,457,703	835,915	621,788	85,694

	Decrease	
	2025	**2024**
	%	%
Funds		
Unrestricted fund	7	1
Restricted funds	-	-

	2025	**2024**
Ratio of general fund to annual operating expenditure	1.95	3.64

The reserve policy is as follows:

The reserve of the Company provides financial stability and the means for the development of the Company's activities. The Board intends to maintain the reserves at a level sufficient for its operating needs. Management reviews the level of reserves regularly for the Company's continuing obligations.

25 RECLASSIFICATIONS

During the financial year, a reclassification was made to the prior year's financial statements.

The items reclassified in the financial statements are as follows:

	As reclassified 2024	As previously reported 2024
	$	$
Statement of cash flows:		
Cash flows from operating activities		
Increase in receivables	(87,842)	(124,860)
Decrease in payables	(83,795)	(63,838)
Increase in deferred income	19,957	-
Cash flows from investing activities		
Placement of fixed deposits	(1,715,774)	-
Maturity of fixed deposits	1,676,499	-

**THE ACCOMPANYING SUPPLEMENTARY NOTES
HAVE BEEN PREPARED FOR MANAGEMENT PURPOSES ONLY AND
DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS**

FUNDS

Restricted funds

General Relief Fund

The General Relief Fund enables the Company to have access to ready funds deployable to provide immediate disaster and humanitarian relief during future emergency responses ahead of receiving fresh pledges or donations.

Donations are received with the understanding that the Company has discretion over the use of the donated funds. Every effort will be made to use the donations received or raised in accordance with the indicated intentions.

Donations to programmes or projects that are oversubscribed or have been substantially completed may be re-directed to existing funds with a similar intent, including the General Relief Fund and relevant Country Funds, subject to the approval of the Board of Directors.

Nepal Earthquake Relief

This fund was set up to respond to affected communities in Nepal following the devastating twin earthquakes of 7.9 and 7.3 magnitude which struck in April 2015 and displaced more than 2.8 million people. Mercy Relief worked with a local NGO partners - Heartbeat NGO, Kopan Monastery, Community Development and Relief Agency Nepal, Rotary Club – Kathmandu West and Rural Reconstruction Nepal (RRN) - to reach out to more than 18,000 people across 7 districts with emergency relief supplies.

In addition, a medical team from Singapore comprising 4 personnel from Changi General Hospital and 2 personnel from Tan Tock Seng Hospital, along with 200kg of medical supplies, were deployed to provide emergency healthcare services and treatment for earthquake survivors.

In May and June of 2021, funds were deployed to provide medical and lab tests for elderly people, protective gear for workers, and oxygen concentrators as part of Mercy Relief's COVID-19 Aid & Assistance programmes. The primary aim of this intervention was to provide access to oxygen for 1,380 critically ill and needy COVID-19 patients at four public hospitals in Kathmandu.

Lombok Earthquake Relief

This fund was set up to provide humanitarian assistance to communities in Lombok, Indonesia. A deadly magnitude-6.9 earthquake struck Lombok on 5 August 2018. killing at least 430 people and injuring more than 1,300 others. Hundreds of thousands of people have been displaced, rendered homeless amid hundreds of powerful aftershocks. More than 67,000 houses and 600 schools are damaged. In response to this disaster, Mercy Relief deployed its disaster response team to the ground in first week August 2018 who worked closely with ground partner, YAKKUM Emergency Unit, to provide water, generator sets, feeding and medical services to over 6,475 people in the North Lombok district.

In 2025, Mercy Relief continued to support communities in Lombok by deploying these funds. The Lombok Education Project delivered the construction of a kindergarten classroom, revitalization of a school multipurpose hall, procurement of school equipment, construction of a WASH unit with pipeline works to restore safe water and sanitation access, and disaster mitigation workshops to strengthen community-level preparedness.

FUNDS (Continued)

Restricted funds (Continued)

Sulawesi Earthquake Relief

This fund was set up to provide humanitarian assistance to communities in Sulawesi, Indonesia. A deadly magnitude-7.4 earthquake struck Sulawesi on 28 September 2018, killing 4,340 people, injuring 4,612 and displacing 223,751 from their homes in Palu city and districts of Donggala, Sigi, and Parigi Moutong. Around 68,451 houses, 327 places of worship, 265 schools, 78 offices, and 362 shops were also damaged in the quake. The earthquake caused a tsunami and major soil liquefaction which contributed to the devastation.

In response to an international appeal, Mercy Relief deployed its disaster response team in first week October 2018 who worked closely with ground partner, YAKKUM Emergency Unit, to provide food packs and water, mobile medical services, shelter kits and generators set to benefit over 5,233 people in Palu city and Sigi district.

Recovery efforts continued through 2022 with ground partner PKPA. Project RISE (October 2020 – March 2022) reached 2,408 beneficiaries through village disaster-preparedness information systems, DRR-integrated village planning, community resilience analysis, and resilient livelihoods development through agriculture and rural-economy modelling.

Sunda Strait Tsunami Relief

This fund was set up to provide humanitarian assistance to communities in the Sunda Strait region. Believed to be triggered by a series of landslide from Krakatoa Volcano, a tsunami struck coastal areas around the Sunda Strait between the islands of Sumatra and Java on 22 December 2018. This disaster has resulted in 437 deaths, 14,059 injuries, 33,719 displaced people and 2,752 houses damaged.

In response to an appeal from our partner, Pusat Kajian dan Perlindungan Anak (PKPA), Mercy Relief deployed its disaster response team to provide water, hygiene kits, food packs, blankets and mattresses to over 1,950 survivors in Pandeglang district.

In 2020, Project BEST (Banten Health and Resilient) delivered WASH improvements at school and community level (handwashing facilities, latrine construction, community-health-worker training, school hygiene committees), school and community DRR (equipment, hazard mapping, preparedness and first-aid training, village-school disaster preparedness teams), and the integration of both WASH and DRR plans into school and village development planning.

Kerala Floods Relief

This fund was set up to provide humanitarian assistance to communities in Kerala, India. From 9 August 2018, severe floods and landslides affected the south Indian state of Kerala, due to unusually high rainfall during the monsoon season. The Kerala flood disaster has claimed 483 lives and affected more than 1.45 million people.

In response to this disaster, Mercy Relief deployed its disaster response team in mid-August 2018 who worked closely with ground partner, Rapid Response, to provide food packs, hygiene kits and well cleaning services to over 1,875 beneficiaries in the district of Ernakulam and Alappuzha. Next phase of mitigation and preparedness efforts are expected to start in mid-2019 in Ernakulam.

FUNDS (Continued)

Restricted funds (Continued)

Typhoon Rai Relief

This fund is for humanitarian assistance to victims of Typhoon Rai, also called Odette, in the Philippines. Rai had become a Category 5-equivalent typhoon in the western Pacific Ocean this year and is one of the strongest storms of 2022. By 28 December 2022, 397 people were dead, 83 missing and 1,147 injured.

Mercy Relief conducted 2 Relief Distribution Operations (RDOs) initially and in mid-2022 delivered WASH facility repair and restoration across six villages in five municipalities. Emergency livelihood support through boat-repair kits for 35 fisherfolk, equipment for 59 registered fishing vendors, and enterprise support to six Self-Help Groups (127 members) for rice retailing, gasoline retailing and frozen products. DRR equipment was also provided to two local government units (Pilar and Socorro) to strengthen local response capacity.

Pakistan Flood 2022

This fund was originally set up to provide humanitarian assistance to communities in Pakistan affected by catastrophic monsoon flooding in 2022, which displaced over 8 million people, affected approximately 33 million across the country, damaged or destroyed over 1.7 million homes, and resulted in over 1,700 fatalities.

The fund was subsequently deployed in 2025 to respond to renewed monsoon flooding in Punjab province. Mercy Relief worked closely with ground partners to respond to the situation from September to October 2025, reaching 1,018 flood-affected households (approximately 5,090 individuals) across Jhang, Hafizabad and Kasur districts in Punjab. The project distributed food and hygiene packs to 300 households in Jhang, 300 in Hafizabad and 418 in Kasur, prioritising immediate nutrition and sanitation needs during the critical post-flood recovery window.

Cianjur Earthquake Relief 2023

This fund was set up to provide emergency relief assistance for severely affected families caused by Cianjur Earthquake in 2023. The Company had engaged to obtain assistance to wash Cianjur and pre-schools at Cianjur and early recovery projects.

On 21 November 2023, a Magnitude 5.6 earthquake struck near Cianjur in West Java, Indonesia. The strike-slip earthquake occurred with a focal depth of 11 km (6.8 mi). Between 335 and 635 people died, 7,729 were injured and five remain missing. More than 62,628 homes were damaged across 16 districts in Cianjur Regency and the surrounding region. It is the deadliest earthquake to hit Indonesia since the 2018 Sulawesi earthquake.

FUNDS (Continued)

Restricted funds (Continued)

Morroco Earthquake 2023 Relief Aid

A 6.8 magnitude Earthquake struck Morrocco on 8 September 2023. It was the deadliest earthquake experienced in six decades. An aftershock of 4.9m struck 19 minutes later. The epicenter of the earthquake was at a depth of 18.5km, in the Moroccan High Atlas Mountain range, occurring at about 72 km northeast of Marrakech, also near to Toukbal, the highest peak in North Africa. The earthquake claimed the lives of over 2960, with 5,674 injured. Known for its historical andmarks, Morocco's renown monuments around the city suffered grave damages.

The Company partnered with local ground partners and community leaders to alleviate the immediate needs of the impacted population, stabilize the affected communities and prevent further deterioration of living conditions.

Through funds raised from generous donations from the public and provided immediate support to victims of the earthquake by facilitating the procurement and distribution of food packages potable water which were delivered to stricken communities.

Turkey Earthquake Relief 2023

This fund was set up to provide humanitarian assistance to communities in southern Turkey affected by the magnitude 7.8 and 7.5 earthquakes that struck near the Turkey Syria border on 6 February 2023. The earthquakes resulted in over 50,000 fatalities across Turkey and northern Syria, displaced millions, and damaged or destroyed hundreds of thousands of buildings.

In response to the immediate needs of the affected populations, which included winter clothes, blankets, tents, hot meals, and search and rescue equipment, Mercy Relief (MR) partnered with Hayrat Humanitarian Aid Association (Hayrat Aid) to deliver emergency aid. Mobile kitchens were deployed to provide hot meals, and essential supplies such as food packages, hygiene sets, and coal burners were distributed to those in need.

A relief team comprising Mercy Relief staff and media representatives conducted a ground assessment from 15 – 21 February, distributing relief items and evaluating future assistance needs.

Mercy Relief subsequently worked closely with a local partner Ensar Charity Association (EIYD) in Akcakale, supporting 625 refugees through three integrated components: construction of a 5-container school equipped with 2 toilets, 4 whiteboards and 5 classroom fans; a Refugee Education Programme that enrolled 100 children, employed teachers and supplied stationery and food baskets.

Mercy Relief also implemented a Community Care Programme delivering livelihoods support, including the employment of a refugee family in the school cafeteria and a psychosocial support worker for trauma-sensitive family care.

FUNDS (Continued)

Restricted funds (Continued)

Hope for Gaza

This fund was established in 2023 to support communities affected by the conflict across Gaza, the West Bank, and Palestine refugee camps which resulted in widespread displacement, destruction of critical infrastructure, severe water and food insecurity, and deteriorating shelter, and healthcare conditions.

Mercy Relief worked with international and local humanitarian partners to implement emergency relief programmes and multi-sector humanitarian assistance across affected areas.

In 2025, Mercy Relief expanded its interventions through partnerships with local NGOs to implement recovery and resilience-focused programmes across Gaza and the West Bank. These included food assistance, shelter support, sustainable livelihoods programmes, water access interventions, and refugee camp education support across both emergency relief and early recovery contexts.

Since 2023, Mercy Relief's interventions across Gaza and the West Bank have supported approximately 452,655 beneficiaries through various programmes.

Bangladesh Flood Relief 2024

This fund was set up to provide humanitarian assistance to communities in eastern Bangladesh affected by severe monsoon flooding in August–September 2024, which inundated parts of Feni, Cumilla, Chattogram and Noakhali districts, displaced hundreds of thousands of people and resulted in dozens of fatalities.

In response, Mercy Relief worked with ground partner HEED Bangladesh from November 2024 - January 2025, reaching 2,050 flood-affected families (approximately 12,300 individuals) across the Chowmuhuni, Noakhali Sadar and Subarnachar areas of Noakhali district. Each family pack provided food and hygiene items designed to sustain approximately six household members for seven days, ensuring access to basic nutrition and sanitation during the critical immediate-recovery period.

Hygiene kits and feminine hygiene products were included to help curb the spread of waterborne and infectious diseases, including cholera, typhoid, bacterial infections and urinary tract infections, among the most vulnerable, particularly women, children and the elderly.

On 11 November 2025, the Board approved the closure of this fund as it had been fully expended.

Sumatra Floods 2025 Response

This fund was set up to provide humanitarian assistance to communities in Sumatra, Indonesia affected by severe flooding in late 2025. Heavy rainfall caused widespread flooding across northern Sumatra, where over 40 districts and cities have been affected, with over 631 fatalities, and over 80,000 households impacted.

In response, Mercy Relief worked closely with ground partner Yayasan Pusat Kajian dan Perlindungan Anak (PKPA) (8 December 2025 - 8 January 2026), reaching 2,816 households (approximately 10,873 individuals) across 15 villages in Aceh Tamiang and North Aceh districts. Activities included food and hygiene pack distributions for 2,500 households (9,217 beneficiaries), emergency community kitchens for 146 households (729 beneficiaries), and kitchen set distributions for 170 households (927 beneficiaries). Support was also extended to disability groups in Aceh Tamiang.

FUNDS (Continued)

Restricted funds (Continued)

Pakistan - India Floods 2025 Response Fund

This fund was set up to provide humanitarian assistance to communities in Punjab, India, affected by severe monsoon flooding that began in August 2025. The flooding inundated over 2,000 villages and approximately 300,000 acres of farmland across the state, leaving large numbers of households in urgent need of essential non-food items and healthcare support.

In response, Mercy Relief delivered emergency relief interventions to 831 households (approximately 4,926 individuals) over a four-week period, with ground distribution from 7 to 14 September 2025, ensuring nutritional security, shelter from monsoon exposure, vector-borne disease prevention, and hygiene and menstrual dignity for displaced families.

Sri Lanka Cyclone Ditwah Flood Relief 2025

This fund was set up to provide humanitarian assistance to communities in Sri Lanka affected by Cyclone Ditwah, which struck the country in late November 2025, bringing torrential rainfall and widespread flooding to North Central, Uva, Central, Western and Eastern provinces. Following severe flooding across Sri Lanka, which impacted all 25 districts and affected over 1.4 million people, communities faced widespread damage to homes and critical WASH infrastructure.

In response, from December 2025, Mercy Relief, in partnership with Sarvodaya delivered emergency relief interventions, including the rehabilitation of 500 wells and 500 latrines across 15 districts to restore access to safe water and sanitation for 5,000 individuals.

Myanmar Earthquake Relief 2025

This fund was set up to provide humanitarian assistance to communities affected by the magnitude 7.7 earthquake that struck near Mandalay, Myanmar, on 28 March 2025. The earthquake caused widespread destruction across the Mandalay and Sagaing regions in Myanmar and was felt as far as Bangkok, Thailand, where a high-rise tower collapse caused additional casualties. The disaster resulted in over 3,700 fatalities in Myanmar, displaced thousands and damaged or destroyed tens of thousands of buildings.

In response, Mercy Relief worked closely with ground partners from Aug - Oct 2025, prioritising continuity of essential medical services for patients with non-communicable diseases (NCDs) across Yangon, Kachin and Mon State. The project provided 8,800 five-month NCD treatments, including amlodipine, metformin, enalapril maleate and gliclazide, and recorded access to NCD treatments for 6,500 patients.

FUNDS (Continued)

Restricted funds (Continued)

Philippines Preparedness and Response Operations Fund

This fund was established to strengthen disaster preparedness and emergency response capacity for typhoon-affected communities in the Philippines, where increasingly severe and frequent storms continue to place vulnerable populations at significant risk. In 2024 alone, the Philippines experienced an unprecedented typhoon season, with six typhoons striking the country within 30 days and affecting over 15 million people across 17 regions.

In response, Mercy Relief implemented the Philippines Typhoon Preparedness and Response Programme (July – December 2025) in partnership with CDRC Philippines.

The project supported 1,000 households across four target localities through disaster preparedness activities and emergency relief operations, including the distribution of food and hygiene relief packs during typhoon activations.

Vietnam Typhoon Yagi 2024

This fund was set up to provide humanitarian assistance to communities in northern Vietnam affected by Super Typhoon Yagi, which made landfall on 7 September 2024 as a Category 4–5 storm - the strongest typhoon to hit Vietnam in decades. The storm and the landslides and flooding that followed displaced hundreds of thousands of people, damaged tens of thousands of homes, and resulted in over 300 fatalities.

In response, Mercy Relief worked closely with Good Neighbours International in Vietnam on a livelihood recovery project in Quang Binh District, Ha Giang Province (March to June 2025), supporting 80 affected households (an estimated 400 beneficiaries) with livestock distribution and pig-farming training.

The project distributed 224 pigs to households, supplied disinfectant and lime powder for biosecurity, and convened a participatory community-based disaster risk reduction and climate-resilient livestock management session for local stakeholders. 73 farmers participated in technical workshops on pig-farming techniques

On 11 November 2025, the Board approved the closure of this fund as it had been fully expended.

Country Funds

With the near-complete deployments of funds, to needs arising from emergency responses, the following Country Funds were closed in 2025:

Country Fund – Vietnam

On 11 November 2025, the Board approved the closure of Country Fund – Vietnam, with the unutilised funds transferred to the Vietnam Typhoon Yagi 2024 fund under restricted funds.

FUNDS (Continued)

Other restricted funds comprise of:

Bangladesh Refugees

This fund was set up to provide humanitarian assistance in respond to the crisis of refugees flowing into Bangladesh from neighbouring Rakhine state. Influx of refugees restarted following the attacks on the Myanmar Boarder Guard Police posts in Rakhine state on 25 August 2024. Over half a million people were estimated to have crossed the border into Bangladesh who now live in makeshift huts, suffering from exhausting, sickness and hunger as most of them have walked 50-60km for up to six days. It is estimated that 90% of the new arrivals are children, women and the elderly. In response to this refugee crisis, Mercy Relief worked alongside Action Aid Bangladesh and provided solar lamps, dignity kits and tents to some 14,700 refugees. Moving forward, Mercy Relief continues to work alongside ground partners to address pressing concerns of identified vulnerable families targeting especially needs of women and children.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

Typhoon Haima Relief

Typhoon Haima ripped through the province of Cagayan on 19 October 2016 with torrential rain and maximum sustained winds of up to 2225 kilometres per hour (kph). According to the Philippines National Disaster Risk Reduction and Management Council (NDRRMC), over 61,000 people were affected in the regions of

Ilocos, Cagayan, Central Luzon, Bicol and Cardillera. Mercy Relief distributed emergency food supplies and essentials such as rice, oil, dried foods and blankets as well as 100 water filtration kits to communities who were affected by Typhoon Haima in the Philippines. In total, 3,750 beneficiaries were reached in the municipalities of Amulung and Rizal in the Cagayan region.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

Typhoon Hagibis

This fund was set up to provide humanitarian assistance to communities in Japan affected by floods and landslide triggered by heavy rains brought by Typhoon Hagibis in October 2019. This typhoon was classified the typhoon as ‘very strong’, the highest classification level on Japan’s typhoon scale, by Japan’s Meteorological Agency (JMA). This typhoon has unleashed strong winds and torrential rain across 38 out of the country’s 47 prefectures in Japan, resulting in 99 fatalities, 381 injured and 3 missing. 112,651 building structures were damaged, while embankments in 73 locations along 52 rivers were collapsed.

In response to an appeal for international assistance made by Mercy Relief’s ground partner Association for Aid and Relief (AAR), Japan, Mercy Relief deployed its disaster response team who worked closely with the ground partner to start hot meal provision for more than 4,900 survivors in the heavily affected Miyagi, Fukushima and Nagano Prefectures. Currently, Mercy Relief is supporting recovery and mitigation efforts by peoples with disabilities, one of the most vulnerable groups in the affected communities in Japan.

FUNDS (Continued)

Other restricted funds comprise of: (Continued)

Typhoon Haiyan Relief

This fund was set up to provide humanitarian assistance to affected communities in the Philippines in the aftermath of the Super Typhoon Haiyan, which struck the Philippine islands in early November 2013. The Company, in collaboration with local NGO partners and local government agency Department of Social Welfare and Development (DSWD), deployed and distributed 6 units of manual-powered water filtration system (PedalPure), 35,200 ready-to-eat meals (MRMs), food relief packs, shelter construction materials to bring basic stability to the survivors. Education kits and psychosocial activities were also provided to restore normalcy for the affected children. Together with Eastern Health Alliance, a group of medical professionals in Singapore, the Company with the support of local NGO partner PCDR provided healthcare services and treatment of post-traumatic syndromes through setting up of mobile clinics.

The network of local NGO partners the Company had worked with were the Citizens' Disaster Response Centre (CDRC), Women Development Centre (WDC), Panay Centre for Disaster Response (PCDR), Southern Tagalog People's Centre (STPC), Centre for People's Resources and Services (CPRS) and Leyte Centre for Development (LCDE). On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the Country Fund - Philippines under restricted funds.

Myanmar conflict Rakhine

Many Muslims in Northern Rakhine - described by the United Nations as among the most persecuted minority groups worldwide - have been living in camps since communal violence broke out in between ethnic Rakhine Buddhists and Muslims in 2012. On 9 October 2016, gunmen attacked three police outposts in Maungdaw townships near the Bangladesh border, reportedly leaving nine police officers dead. As a result, there was a fresh outburst of violence causing more than 30,000 people to flee their homes. In response, Mercy Relief launched a short-term emergency food assistance programme in collaboration with ground partner, Myanmar Heart Development Organization. The programme benefited a total of 2,200 conflict-affected households who each received a one-month food supply one-to-two month food supply depending on the size of their family.

SAP Funds

This fund was set up for the expenses incurred on the Company's consolidated articles in the United Nations Publications and for the relevant maintenance support services to the SAP software implemented in 2012.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

Laos Dam Floods Disaster

This fund was set up to provide humanitarian assistance to communities in Laos. The collapse of the Xe-Pian Xe-Namnoy dam, killed 43 people including six who were injured and died in hospital. Some 28 people are still missing and thousands have been left homeless. In response to an appeal from ground partner, Shanti Volunteer Association, Mercy Relief deployed its disaster response team to provide relief packs, solar lamps as well as large pots and kitchen utensils for providing hot meals to the camp of over 1,800 survivors in Attapeu province. On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the Country Fund - Laos under restricted funds.

FUNDS (Continued)

Other restricted funds comprise of: (Continued)

IDP 2015/2016

This fund consists of surplus relief fund balances to be used for development projects for the respective beneficiaries, as intended by the donors. The beneficiaries are communities in Padang and Philippines.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the General Relief Fund under restricted funds.

Myanmar Water Kaiyan

In Kayin state, about 50% of households do not have access to improved water sources, this is worse than the national average of 18%. Furthermore, a trend analysis of diarrhoea rates reveal that lack of access to safe drinking water is a major contributor to diarrhoea prevalence in Kayin state. Water for Life 2 is an expansion and scaling of the 2017 water project to improve the access of safe drinking water to a further 4 villages (Htoe Kaw Koe, Kone Ma Lay, Kyaw Koh and Phar Klue) to benefit 702 households. This will allow the families to significantly reduce the time spent on fetching water from the spring source, which can take up to 3 to 6 hours a day.

The families will then be able to allocate more time to other income generating activities or school. In addition, as part of the project, the team will also run water, sanitation and hygiene (WASH) campaigns to improve the overall hygiene standards of the community to reduce the rates of illness in the community. Lastly, the project will also support disadvantaged families within these 4 communities to provide an additional source of livelihood through animal husbandry.

On 10 October 2024, the Board approved the closure of this fund and transfer the unutilised fund balances to the Country Fund - Myanmar under restricted funds.