

**Singapore Paincare Holdings Limited
and its subsidiaries**

(Incorporated in the Republic of Singapore)

(UEN: 201843233N)

Unaudited Condensed Interim Financial Statements
For the six months and full year ended 30 June 2024

Table of Contents

| | Page |
|--|------|
| CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME..... | 3 |
| CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION..... | 5 |
| CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY..... | 7 |
| CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS..... | 10 |
| NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS..... | 11 |
| OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES..... | 30 |

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**") in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr. Pong Chen Yih, Chief Operating Officer, 7 Temasek Boulevard, #04-02 Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.

A. Condensed and Full Year Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

| | | 6 Months Ended 30 June | | Change | 12 Months Ended 30 June | | Change |
|--|------|---------------------------|-----------------|-------------|----------------------------|-----------------|--------------|
| | Note | 2024 S\$'000 | 2023 S\$'000 | % | 2024 S\$'000 | 2023 S\$'000 | % |
| Revenue | | 13,550 | 11,080 | 22.3 | 26,910 | 22,081 | 21.9 |
| Other items of income | | | | | | | |
| Other income | 5 | 450 | 220 | 104.5 | 576 | 343 | 67.9 |
| Items of expense | | | | | | | |
| Changes in inventories | | 102 | 16 | 537.5 | 391 | 254 | 53.9 |
| Inventories and consumables used | | (2,764) | (2,044) | 35.2 | (5,576) | (4,061) | 37.3 |
| Employee benefits expense | | (6,726) | (4,919) | 36.7 | (12,680) | (9,752) | 30 |
| Depreciation and amortisation expense | 6 | (1,310) | (971) | 34.9 | (2,492) | (1,718) | 45 |
| Loss allowance on receivables, net | | - | (165) | n.m. | - | (165) | n.m. |
| Impairment loss on investment in associate | | - | (80) | n.m. | - | (731) | n.m. |
| Impairment loss on plant and equipment | | (200) | - | n.m. | (200) | - | n.m. |
| Other expenses | 7 | (2,165) | (3,425) | (36.8) | (4,288) | (4,877) | (12.1) |
| Finance costs | 8 | (256) | (121) | 111.6 | (503) | (214) | 135.5 |
| Share of results of associates, net of tax | | 79 | 21 | 276.2 | 235 | 128 | 83.59 |
| Share of results of joint venture, net of tax | | 602 | (34) | n.m. | 579 | (33) | n.m. |
| Profit/(Loss) before income tax | | 1,362 | (422) | n.m. | 2,952 | 1,255 | 155.9 |
| Income tax expense | 9 | (151) | (565) | (73.3) | (575) | (1,285) | (55.3) |
| Profit/(Loss) for the financial period/year | | 1,211 | (987) | n.m. | 2,377 | (30) | n.m. |
| <u>Items that will be reclassified subsequently to profit or loss:</u> | | | | | | | |
| Non-controlling interests | | 84 | - | 100 | - | - | - |
| Currency translation differences | | | | | | | |
| Total comprehensive income for financial year | | 1,295 | (987) | n.m. | 2,377 | (30) | n.m. |

*n.m. - not meaningful

A. Condensed and Full Year Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

| | | 6 Months Ended 30 June | | Change | 12 Months Ended 30 June | | Change |
|---|------|---------------------------|-----------------|-------------|----------------------------|-----------------|-------------|
| | Note | 2024 S\$'000 | 2023 S\$'000 | % | 2024 S\$'000 | 2023 S\$'000 | % |
| Profit/(Loss) attributable to: | | | | | | | |
| Owners of the Company | | 994 | (1,305) | n.m. | 1,965 | (666) | n.m. |
| Non-controlling interests | | 217 | 318 | (31.8) | 412 | 636 | (54.4) |
| | | 1,211 | (987) | n.m. | 2,377 | (30) | n.m. |
| Total comprehensive income attributable to: | | | | | | | |
| Owners of the Company | | 1,078 | (1,305) | n.m. | 1,965 | (666) | n.m. |
| Non-controlling interests | | 217 | 318 | (31.8) | 412 | 636 | (54.4) |
| | | 1,295 | (987) | n.m. | 2,377 | (30) | n.m. |
| Earnings /(Loss) per share for the financial period/year attributable to the owners of the Company | | | | | | | |
| Basic (in cents) | 10 | 0.58 | (0.75) | n.m. | 1.15 | (0.38) | n.m. |
| Diluted (in cents) | 10 | 0.58 | (0.75) | n.m. | 1.15 | (0.38) | n.m. |

*n.m. - not meaningful

B Condensed Full Year Statements of Financial Position

| | Note | Group | | |
|---|------|-----------------------|--|---|
| | | As At 30 June 2024 | Restated ¹ As At 30 June 2023 | Restated ¹ As At 1 July 2022 |
| | | S\$'000 | S\$'000 | S\$'000 |
| ASSETS | | | | |
| Non-current assets | | | | |
| Plant and equipment | 11 | 8,703 | 7,759 | 5,519 |
| Intangible assets | 14 | 14,219 | 13,489 | 10,407 |
| Investment in associates | 12 | 574 | 396 | 1,239 |
| Investment in joint venture | 13 | 4,625 | 4,047 | - |
| Other receivables | 15 | 24 | - | 22 |
| Derivative financial assets | 16 | - | 474 | 2,508 |
| | | 28,145 | 26,165 | 19,695 |
| Current assets | | | | |
| Inventories | | 1,682 | 1,277 | 1,023 |
| Trade and other receivables | 15 | 3,202 | 2,654 | 2,708 |
| Prepayments | | 283 | 473 | 129 |
| Cash and cash equivalents | | 6,917 | 9,636 | 15,173 |
| Total current assets | | 12,084 | 14,040 | 19,033 |
| TOTAL ASSETS | | 40,229 | 40,205 | 38,728 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Share capital | 17 | 25,684 | 25,684 | 25,684 |
| Treasury shares | | (1,731) | (1,731) | - |
| Merger reserve | 17 | (5,553) | (5,553) | (5,553) |
| Other reserve | | 177 | 177 | 177 |
| Retained earnings | | 3,922 | 2,556 | 5,377 |
| Equity attributable to owners of the parents | | 22,499 | 21,133 | 25,685 |
| Non-controlling interests | | (264) | 213 | 360 |
| TOTAL EQUITY | | 22,235 | 21,346 | 26,045 |
| Non-current liabilities | | | | |
| Bank borrowings | 18 | 600 | 774 | 2,176 |
| Lease liabilities | | 5,805 | 4,582 | 3,794 |
| Derivative financial instruments | 16 | 62 | - | - |
| Deferred tax liabilities | | 718 | 700 | 424 |
| Other payables | 19 | 1,203 | 154 | 43 |
| Provisions | | 156 | 129 | 52 |
| | | 8,544 | 6,339 | 6,489 |
| Current liabilities | | | | |
| Trade and other payables | 19 | 3,402 | 4,093 | 2,986 |
| Bank borrowings | 18 | 3,126 | 5,373 | 725 |
| Contract liabilities | | 81 | 126 | 93 |
| Lease liabilities | | 1,953 | 1,636 | 1,200 |
| Income tax payable | | 888 | 1,292 | 1,190 |
| | | 9,450 | 12,520 | 6,194 |
| TOTAL LIABILITIES | | 17,994 | 18,859 | 12,683 |
| TOTAL EQUITY AND LIABILITIES | | 40,229 | 40,205 | 38,728 |

Note:

(¹) The restatement is due to the Group's adoption of amendments to SFRS(I)1-12 Income Taxes.
(Please refer to Notes to the condensed interim consolidated financial statements 2.1)

B. Condensed Full Year Statements of Financial Position (Continued)

| | Note | Company | | |
|-------------------------------------|------|----------------------------------|----------------------------------|---------------------------------|
| | | As At 30 June 2024 S\$'000 | As At 30 June 2023 S\$'000 | As At 1 July 2022 S\$'000 |
| ASSETS | | | | |
| Non-current assets | | | | |
| Plant and equipment | 11 | 608 | 759 | 82 |
| Intangible assets | 14 | 31 | 71 | 110 |
| Investment in subsidiaries | | 21,423 | 19,609 | 15,541 |
| Investment in associates | 12 | 512 | 320 | 1,241 |
| Investment in joint venture | 13 | 4,080 | 4,080 | - |
| Other receivables | 15 | 2,738 | 2,115 | 2,065 |
| Derivative financial assets | 16 | - | 474 | 2,508 |
| | | 29,392 | 27,428 | 21,547 |
| Current assets | | | | |
| Trade and other receivables | 15 | 3,636 | 2,398 | 4,045 |
| Prepayments | | 58 | 72 | 17 |
| Cash and cash equivalents | | 1,325 | 4,380 | 7,715 |
| | | 5,019 | 6,850 | 11,777 |
| TOTAL ASSETS | | 34,411 | 34,278 | 33,324 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Share capital | 17 | 25,684 | 25,684 | 25,684 |
| Treasury shares | | (1,731) | (1,731) | - |
| Merger reserve | | - | - | - |
| Other reserve | | 412 | 412 | 412 |
| Retained earnings | | 3,977 | 1,696 | 2,906 |
| TOTAL EQUITY | | 28,342 | 26,061 | 29,002 |
| Non-current liabilities | | | | |
| Bank borrowings | 18 | 600 | 680 | 1,992 |
| Lease liabilities | | 844 | 1,130 | 798 |
| Derivative financial instruments | | 62 | - | - |
| Deferred tax liabilities | | 85 | 105 | 13 |
| Provisions | | 22 | 21 | - |
| | | 1,613 | 1,936 | 2,803 |
| Current liabilities | | | | |
| Trade and other payables | 19 | 1,043 | 694 | 601 |
| Bank borrowings | 18 | 3,126 | 5,312 | 696 |
| Lease liabilities | | 287 | 275 | 222 |
| | | 4,456 | 6,281 | 1,519 |
| TOTAL LIABILITIES | | 6,069 | 8,217 | 4,322 |
| TOTAL EQUITY AND LIABILITIES | | 34,411 | 34,278 | 33,324 |

SINGAPORE PAINCARE HOLDINGS LIMITED

Company Registration No. 201843233N

(Incorporated in the Republic of Singapore)

C. Condensed Full Year Statements of Changes in Equity

| GROUP | Note | Share capital S\$'000 | Treasury shares S\$'000 | Merger reserve S\$'000 | Other Reserve S\$'000 | Retained earnings S\$'000 | Total S\$'000 | Non-controlling interests S\$'000 | Total equity S\$'000 |
|--|------|--------------------------|----------------------------|---------------------------|--------------------------|------------------------------|------------------|--------------------------------------|-------------------------|
| Balance at 1 July 2022 | | | | | | | | | |
| - As previously reported | | 25,684 | - | (5,553) | 177 | 5,801 | 26,109 | 360 | 26,469 |
| - Effect of adopting the amendments to SFRS(I)1-12 | | - | - | - | - | (424) | (424) | - | (424) |
| - As restated | | 25,684 | - | (5,553) | 177 | 5,377 | 25,685 | 360 | 26,045 |
| (Loss)/Profit for the financial year | | - | - | - | - | (502) | (502) | 748 | 246 |
| - Effect of adopting the amendments to SFRS(I)1-12 | | - | - | - | - | (164) | (164) | (112) | (276) |
| - As restated | | - | - | - | - | (666) | (666) | 636 | (30) |
| Transactions with owners | | | | | | | | | |
| Purchases of treasury shares | | - | (1,731) | - | - | - | (1,731) | - | (1,731) |
| Dividends | 21 | - | - | - | - | (2,155) | (2,155) | - | (2,155) |
| Total transaction with owners | | - | (1,731) | - | - | (2,155) | (3,886) | - | (3,886) |
| Transactions with non-controlling interests | | | | | | | | | |
| Dividends | | - | - | - | - | - | - | (783) | (783) |
| Total transactions with non-controlling interests | | - | - | - | - | - | - | (783) | (783) |
| Balance at 30 June 2023 | | 25,684 | (1,731) | (5,553) | 177 | 2,556 | 21,133 | 213 | 21,346 |

SINGAPORE PAINCARE HOLDINGS LIMITED

Company Registration No. 201843233N

(Incorporated in the Republic of Singapore)

C. Condensed Full Year Statements of Changes in Equity (Continued)

| GROUP | Note | Share capital | Treasury shares | Merger reserve | Other Reserve | Retained earnings | Total | Non-controlling interests | Total equity |
|--|------|---------------|-----------------|----------------|---------------|-------------------|---------------|---------------------------|---------------|
| | | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Balance at 1 July 2023 | | | | | | | | | |
| -As previously reported | | 25,684 | (1,731) | (5,553) | 177 | 3,144 | 21,721 | 325 | 22,046 |
| -Effect of adopting the amendments to SFRS(I)1-12 | | - | - | - | - | (588) | (588) | (112) | (700) |
| -As restated | | 25,684 | (1,731) | (5,553) | 177 | 2,556 | 21,133 | 213 | 21,346 |
| Profit for the financial year | | - | - | - | - | 1,965 | 1,965 | 412 | 2,377 |
| Total comprehensive income for the financial year | | - | - | - | - | 1,965 | 1,965 | 412 | 2,377 |
| Distributions to owners | | | | | | | | | |
| Dividends | 21 | - | - | - | - | (599) | (599) | - | (599) |
| Total transactions with owners | | - | - | - | - | (599) | (599) | - | (599) |
| Transactions with non-controlling interests | | | | | | | | | |
| Dividends | | - | - | - | - | - | - | (765) | (765) |
| Disposal of a subsidiary | | - | - | - | - | - | - | (124) | (124) |
| Total transactions with non-controlling interests | | - | - | - | - | - | - | (889) | (889) |
| Balance at 30 June 2024 | | 25,684 | (1,731) | (5,553) | 177 | 3,922 | 22,499 | (264) | 22,235 |

SINGAPORE PAINCARE HOLDINGS LIMITED

Company Registration No. 201843233N

(Incorporated in the Republic of Singapore)

C. Condensed Full Year Statements of Changes in Equity (Continued)

| COMPANY | Note | Share capital S\$'000 | Treasury shares S\$'000 | Other reserve S\$'000 | Retained earnings S\$'000 | Total S\$'000 |
|--|------|--------------------------|-------------------------------|-----------------------------|---------------------------------|------------------|
| Balance at 1 July 2022 | | | | | | |
| -As previously reported | | 25,684 | - | 412 | 2,919 | 29,015 |
| -Effect of adopting the amendments to SFRS(I)1-12 | | - | - | - | (13) | (13) |
| -As restated | | 25,684 | - | 412 | 2,906 | 29,002 |
| Profit for the financial year | | - | - | - | 1,037 | 1,037 |
| -Effect of adopting the amendments to SFRS(I)1-12 | | - | - | - | (92) | (92) |
| Total comprehensive income for the financial year | | - | - | - | 945 | 945 |
| Distributions to owners | | | | | | |
| Purchases of treasury shares | | - | (1,731) | - | - | (1,731) |
| Dividends | 21 | - | - | - | (2,155) | (2,155) |
| Total transactions with owners | | - | (1,731) | - | (2,155) | (3,886) |
| Balance at 30 June 2023 | | 25,684 | (1,731) | 412 | 1,696 | 26,061 |
| Balance at 1 July 2023 | | | | | | |
| -As previously reported | | 25,684 | (1,731) | 412 | 1,801 | 26,166 |
| -Effect of adopting the amendments to SFRS(I)1-12 | | - | - | - | (105) | (105) |
| -As restated | | 25,684 | (1,731) | 412 | 1,696 | 26,061 |
| Profit for the financial year, representing total comprehensive income for the financial year | | - | - | - | 2,880 | 2,880 |
| Distributions to owners | | | | | | |
| Dividends | 21 | - | - | - | (599) | (599) |
| Total transaction with owners | | - | - | - | (599) | (599) |
| Balance at 30 June 2024 | | 25,684 | (1,731) | 412 | 3,977 | 28,342 |

D. Consolidated Full Year Statement of Cash Flows

| | Group | |
|---|------------------------|---------------------|
| | 12 Months Ended | |
| | 30 June 2024 | 30 June 2023 |
| | S\$'000 | S\$'000 |
| Operating activities: | | |
| Profit before income tax | 2,952 | 1,255 |
| <u>Adjustments for:</u> | | |
| Depreciation of plant and equipment | 501 | 319 |
| Depreciation of right-of-use assets | 1,951 | 1,360 |
| Amortisation of intangible assets | 40 | 39 |
| Interest income | (1) | (2) |
| Interest expense | 503 | 214 |
| Impairment loss on investment in associate | - | 731 |
| Impairment loss on plant and equipment | 200 | - |
| Fixed asset written off | - | 2 |
| Fair value loss on derivative financial instrument | 62 | 2,034 |
| Loss on disposal of subsidiary | 150 | - |
| Gain on disposal of associate | (24) | - |
| Provision for litigation | - | 10 |
| Addition of loss allowance on receivables, net | - | 165 |
| Loss on lease modification | 14 | - |
| Share of results of associates, net of tax | (235) | (128) |
| Share of results of joint venture, net of tax | (579) | 33 |
| Operating cash flows before working capital changes | 5,534 | 6,032 |
| Inventories | (391) | (247) |
| Trade and other receivables | (562) | (116) |
| Trade and other payables and contract liabilities | 33 | (4) |
| Prepayments | 192 | (300) |
| Cash generated from operations | 4,806 | 5,365 |
| Income tax paid | (956) | (921) |
| Interest received | 1 | 2 |
| Net cash from operating activities | 3,851 | 4,446 |
| Investing activities: | | |
| Acquisition of subsidiary, net of cash acquired | (967) | (2,978) |
| Capital expenditure in joint venture | - | (4,080) |
| Disposal of subsidiary, net of cash disposal | 324 | - |
| Disposal of associate | 24 | - |
| Dividend income from an associate | 248 | 327 |
| Investment in associates | (192) | - |
| Proceeds from disposal of plant and equipment | - | 1 |
| Purchase of plant and equipment | (789) | (762) |
| Net cash used in investing activities | (1,352) | (7,492) |
| Financing activities: | | |
| Dividends paid | (599) | (2,155) |
| Dividend paid to non-controlling interest | (993) | (236) |
| Advances from non-controlling interest | 1,090 | 352 |
| Repayment to non-controlling interest | (7) | (457) |
| Purchase of treasury shares | - | (1,731) |
| Proceeds from bank borrowings | - | 4,000 |
| Repayment of bank borrowings | (2,421) | (754) |
| Repayment of principal portion of lease liabilities | (1,792) | (1,314) |
| Repayment of interest portion of lease liabilities | (255) | (148) |
| Interest paid | (241) | (48) |
| Net cash used in financing activities | (5,218) | (2,491) |
| Net change in cash and cash equivalents | (2,719) | (5,537) |
| Cash and cash equivalents at beginning of financial year | 9,636 | 15,173 |
| Cash and cash equivalents at end of financial year | 6,917 | 9,636 |

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Singapore Paincare Holdings Limited (the “**Company**”) is a public limited company incorporated and domiciled in Singapore. The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 30 July 2020. These condensed interim consolidated financial statements as at and for the six months and twelve months ended 30 June 2024 comprise the Company and its subsidiaries (the “**Group**”). The figures have not been audited or reviewed by the auditors.

The Company’s registered office and its principal place of business is located at 601 Macpherson Road, #06-20/21 Grantral Mall Singapore 368242. The registration number of the Company is 201843233N. The Group’s ultimate controlling party is Dr. Lee Mun Kam Bernard.

The principal activity of the Company is investment holding and the principal activities of the Group are the operation of medical clinics and the provision of medical services.

2. Basis of preparation

The condensed interim financial statements for the six and twelve months ended 30 June 2024 have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim financial statements for the period ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim and full year financial statements are presented in Singapore Dollar, which is the functional currency of the Company and the presentation currency of the financial statements. All values in the tables are rounded to the nearest thousand (S\$’000), except when otherwise indicated.

2.1 New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period. The Group adopted the amendment to SFRS(I)1-12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction. The amendments clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously. The amendments introduce an additional criterion for the initial recognition exemption whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of transaction, gives rise to equal taxable and deductible temporary differences. The amendment should be applied to transaction that occur on or after the beginning of earliest comparative period presented. Deferred tax assets should be recognised to the extent that it is probable that they can be utilised and deferred tax liabilities should be recognised at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with the Group’s right-of-use assets and lease liability in the scope of SFRS(I) 16.

2.1 New and amended standards adopted by the Group (Continued)

The Group has not previously accounted for the deferred taxes on leases. From management's assessment, the deferred tax assets were not recognised as it was not probable that taxable profit will be available against the deductible temporary differences associated with the leases. Accordingly, the Group has recognised the deferred tax liabilities and adopted the amendments to SFRS (I)1-12 retrospectively.

The cumulative effect of adopting Amendments to SFRS(I)1-12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction at 1 July 2022 and 30 June 2023 to the line items of the statements of financial position as follows:

| | Group | | Company | |
|--------------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| | 30 June 2023 | 1 July 2022 | 30 June 2023 | 1 July 2022 |
| | Increase/(Decrease) | | | |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| LIABILITIES | | | | |
| Non-current liabilities | | | | |
| Deferred tax liabilities | 276 | 424 | 92 | 13 |
| EQUITY | | | | |
| Retained earnings | (276) | (424) | (92) | (13) |

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 30 June 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- Note 8 - Determination of the lease term

Information about assumptions and estimation uncertainties that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following:

- Note 11 - Impairment assessment on plant and equipment
- Note 13 – Fair Value of unquoted equity securities held by a joint venture

2.2 Use of judgements and estimates (Continued)

- Note 14 - Business combinations related to acquisitions of subsidiary
- Note 14 - Impairment assessment of goodwill
- Note 15 - Loss allowance on receivables
- Note 16 - Fair value measurement of derivative financial instruments

3 Seasonal operations

The Group's businesses are not affected by seasonal or cyclical factors during the financial period.

4. Segmental reporting

Business segment

The management monitors the operating results of the business segment separately for the purposes of making decisions on resources to be allocated and of assessing performance. The business segment's performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss.

The Group has only one primary business segment, which is the healthcare segment. Accordingly, no segmental information is prepared based on business segment as it is not meaningful.

Geographical information

During the financial years ended 30 June 2024 and 30 June 2023, the Group operated mainly in Singapore and all non-current assets were located in Singapore. Accordingly, an analysis of non-current assets and revenue of the Group by geographical distribution has not been presented as it is not meaningful.

Major customers

The Group's customers comprise mainly of individual patients. The Group is not reliant on any individual or corporate customer for its revenue and there was no one single customer that accounted for 10% or more of the Group's total revenue for each of the reporting period.

5. Other income

| | Group | | | |
|---|----------------|---------|-----------------|---------|
| | 6 Months Ended | | 12 Months Ended | |
| | 2024 | 2023 | 2024 | 2023 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Government grants | 217 | 177 | 277 | 240 |
| Sponsorship income | 54 | 1 | 54 | 1 |
| Chronic Enablement Grant under HSG | 63 | - | 63 | - |
| Chronic disease consultation incentive | 90 | - | 90 | 47 |
| Gain on disposal of associate | 24 | - | 24 | - |
| Reversal of impairment of doubtful receivable | (25) | - | - | - |
| Rental income | 14 | 23 | 28 | 23 |
| Interest income | (1) | - | 1 | 2 |
| Others | 14 | 19 | 39 | 30 |
| Total other income | 450 | 220 | 576 | 343 |

6. Depreciation and amortisation expenses

| | Group | | | |
|--|---------------------------|-----------------|----------------------------|-----------------|
| | 6 Months Ended 30 June | | 12 Months Ended 30 June | |
| | 2024 S\$'000 | 2023 S\$'000 | 2024 S\$'000 | 2023 S\$'000 |
| Depreciation of plant and equipment | 227 | 192 | 501 | 319 |
| Depreciation of right-of-use assets | 1,063 | 760 | 1,951 | 1,360 |
| Amortisation of intangible assets | 20 | 19 | 40 | 39 |
| Total depreciation and amortisation expenses | 1,310 | 971 | 2,492 | 1,718 |

7. Other expenses

| | Group | | | |
|---|---------------------------|-----------------|----------------------------|-----------------|
| | 6 Months Ended 30 June | | 12 Months Ended 30 June | |
| | 2024 S\$'000 | 2023 S\$'000 | 2024 S\$'000 | 2023 S\$'000 |
| Audit fee | | | | |
| -auditors of the Company | 76 | 104 | 201 | 198 |
| Advertising and promotion expenses | 25 | 14 | 60 | 30 |
| Administrative charges | 385 | 279 | 740 | 496 |
| Consultancy fees | 48 | 83 | 126 | 131 |
| Credit card fees | 64 | 36 | 117 | 70 |
| Entertainment expenses | 17 | 21 | 43 | 42 |
| Fair value loss on derivative financial instruments | 62 | 2,034 | 62 | 2,034 |
| GST expenses | (21) | 26 | 37 | 81 |
| Information technology expenses | 47 | 40 | 99 | 95 |
| Locum fee | 565 | 150 | 1,145 | 317 |
| Loss on lease modification | 14 | - | 14 | - |
| Loss on disposal of subsidiary | 150 | - | 150 | - |
| Marketing fees | 91 | 105 | 237 | 167 |
| Office expenses | 38 | 32 | 67 | 73 |
| Professional fees | 262 | 317 | 502 | 504 |
| Provision for litigation claim | 35 | 10 | 35 | 10 |
| Printing and stationery | 17 | 25 | 58 | 61 |
| Small value asset written off | 19 | 84 | 66 | 120 |
| Subscription fees | 55 | 33 | 110 | 54 |

8. Finance costs

| | Group | | | |
|----------------------------------|---------------------------|-----------------|----------------------------|-----------------|
| | 6 Months Ended 30 June | | 12 Months Ended 30 June | |
| | 2024 S\$'000 | 2023 S\$'000 | 2024 S\$'000 | 2023 S\$'000 |
| Term loan interest | 120 | 37 | 244 | 65 |
| Provision for reinstatement cost | 2 | 1 | 4 | 1 |
| Lease interest expense | 134 | 83 | 255 | 148 |
| | 256 | 121 | 503 | 214 |

The Group and the Company lease office space and clinic premises from third parties and related parties. Included in the lease arrangement, there are extension and termination options held and exercisable only by the Group and the Company. In determining the lease term, management considers the likelihood of either to exercise the extension option, or not to exercise the termination option. Management considers all the facts and circumstances that create an economic incentive to extend and economic penalty or costs relating to the termination of the lease.

9. Income tax expense

The Group calculates the period income tax expenses using the tax rate that would be applicable to the external total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of the profit or loss are:

| | Group | | | |
|---|---------------------------|-----------------|----------------------------|-----------------|
| | 6 Months Ended 30 June | | 12 Months Ended 30 June | |
| | 2024 S\$'000 | 2023 S\$'000 | 2024 S\$'000 | 2023 S\$'000 |
| Current income tax | | | | |
| - current financial year | 389 | 554 | 837 | 973 |
| - (over)/under provision in prior financial year | (255) | 11 | (279) | 36 |
| Deferred tax | | | | |
| - current financial year | 17 | - | 17 | 276 |
| Total income tax expense recognised in profit or loss | 151 | 565 | 575 | 1,285 |

10. Earnings/(Loss) per share

| | Group | | | |
|--|---------------------------|-----------------------|----------------------------|-----------------------|
| | 6 Months Ended 30 June | | 12 Months Ended 30 June | |
| | 2024 | 2023 | 2024 | 2023 |
| <u>Earnings⁽¹⁾ /(Loss) per share</u> | | | | |
| (i) Basic (cents) | 0.58 | (0.75) ⁽²⁾ | 1.15 | (0.38) ⁽²⁾ |
| (ii) On a fully diluted basis (cents) | 0.58 | (0.75) ⁽³⁾ | 1.15 | (0.38) ⁽³⁾ |

Notes:

⁽¹⁾ Based on net profit/(loss) attributable to the owners of the Company.

⁽²⁾ For comparative and illustrative purposes, the weighted average number of ordinary shares in issue for the six months and twelve months ended 30 June 2024 were computed based on 171,006,516. The weighted average number of ordinary shares in issue for the six months and twelve months ended 30 June 2023 were computed based on 175,024,726 and 175,048,000 respectively.

⁽³⁾ The basic and fully dilutive earnings per share for six months and twelve months ended 30 June 2024 are the same as there are no dilutive ordinary shares in issue as at 30 June 2023.

11. Plant and equipment

During the six months ended 30 June 2024, the Group acquired assets amounting to \$0.68 million (30 June 2023: \$1.09 million). The depreciation expense of plant and equipment for the six months amounted to \$1.30 million, mainly due to the addition of right-of-use assets.

During the financial year, the Group and the Company carried out a review of the recoverable amount of the plant and equipment due to existence of impairment indicators. The review led to a recognition of an impairment loss of \$200,000 (2023: \$Nil) that has been recognized in profit or loss.

12. Investment in associates

| | Group 2024 S\$'000 | Company 2024 S\$'000 |
|--|-----------------------------------|-------------------------------------|
| <u>Unquoted equity investment, at cost</u> | | |
| Balance at 1 January /30 June | 2,318 | 2,318 |
| <u>Allowance for impairment loss</u> | | |
| Balance at 1 January/ 30 June | 1,843 | 1,806 |
| <u>Share of post-acquisition results, net of dividends and tax</u> | | |
| Balance at 1 January | 285 | - |
| Share of post-acquisition results, net of dividends and tax | (186) | - |
| Balance at 30 June | 99 | - |
| | 574 | 512 |

Summarised financial information of associates

| | KCS Anaesthesia Services Pte Ltd ("KCS") | | Sen Med Holdings Pte. Ltd. ("SMH") | | Beijing Puxin | | TOTAL | |
|---|---|-------------------------|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2024 S\$'000 | 2023 S\$'000 | 2024 S\$'000 | 2023 S\$'000 | 2024 S\$'000 | 2023 S\$'000 | 2024 S\$'000 | 2023 S\$'000 |
| Net Assets | 236 | 270 | 314 | 188 | 561 | - | | |
| Proportion of Group's ownership | 40% | 40% | 45% | 45% | 34.3% | - | | |
| Group's share of interest in associate | 94 | 108 | 141 | 84 | 192 | - | 427 | 192 |
| Add: Goodwill | 288 | 288 | 1,759 | 1,759 | - | - | 2,047 | 2,047 |
| Less: Allowance for impairment loss | - | - | (1,843) | (1,843) | - | - | (1,843) | (1,843) |
| Add: Unrecognised share of losses | - | - | (57) | - | - | - | (57) | - |
| Net carrying amount | 382 | 396 | - | - | 192 | - | 574 | 396 |

13. Investment in joint venture

| | 2024 S\$'000 | 2023 S\$'000 |
|--|-------------------------|-------------------------|
| <u>Unquoted equity investment, at cost</u> | -* | -* |
| Balance at 1 January | 3,939 | - |
| Amount due from joint venture | - | 4,080 |
| Group's share of interest in joint venture | 518 | (33) |
| Balance at 30 June | <u>4,625</u> | <u>4,047</u> |

*Amounts less than S\$1,000

The detail of the joint venture is as follows:

| | Place of business/country of incorporation | % of ownership interest | |
|------------------------------------|---|------------------------------------|-------------|
| | | 2024 | 2023 |
| Singapore Paincare Capital Pte Ltd | Singapore | 51 | 51 |

Summarised financial information of joint venture

| | Singapore Paincare Capital Pte Ltd | |
|--|---|-------------------------|
| | 2024 S\$'000 | 2023 S\$'000 |
| Net Asset/(Liabilities) | 1,068 | (65) |
| Proportion of Group's ownership | 51% | 51% |
| Group's share of interest in associate | <u>545</u> | <u>(33)</u> |
| Add: Amount due from joint venture | 4,080 | 4,080 |
| Net carrying amount | <u>4,625</u> | <u>4,047</u> |

14. Intangible assets

| | Computer software S\$'000 | Goodwill S\$'000 | Trademark S\$'000 | Total S\$'000 |
|---|---------------------------------|---------------------|----------------------|------------------|
| Group | | | | |
| Cost | | | | |
| Balance at 1 January 2024 | 5 | 14,418 | 200 | 14,623 |
| Adjustment to provisional goodwill | - | (10) | - | (10) |
| Write-off | - | (220) | - | (220) |
| Balance at 30 June 2024 | 5 | 14,188 | 200 | 14,393 |
| Accumulated amortisation 6 months ended: | | | | |
| Balance at 1 January 2024 | 5 | - | 149 | 154 |
| Amortisation charge | - | - | 20 | 20 |
| Write-off | - | - | - | - |
| Balance at 30 June 2024 | 5 | - | 169 | 174 |
| Net carrying amount | | | | |
| Balance at 30 June 2024 | - | 14,188 | 31 | 14,219 |

| | Computer software S\$'000 | Customer contract S\$'000 | Goodwill S\$'000 | Trademark S\$'000 | Total S\$'000 |
|---|---------------------------------|---------------------------------|---------------------|----------------------|------------------|
| Group | | | | | |
| Cost | | | | | |
| Balance at 1 January 2023 | 5 | 166 | 10,297 | 200 | 10,668 |
| Additions | - | - | 3,121 | - | 3,121 |
| Write-off | - | (166) | - | - | (166) |
| Balance at 30 June 2023 | 5 | - | 13,418 | 200 | 13,623 |
| Accumulated amortisation 6 months ended: | | | | | |
| Balance at 1 January 2023 | 5 | 166 | - | 110 | 281 |
| Amortisation charge | - | - | - | 19 | 19 |
| Write-off | - | (166) | - | - | (166) |
| Balance at 30 June 2023 | 5 | - | - | 129 | 134 |
| Net carrying amount | | | | | |
| Balance at 30 June 2023 | - | - | 13,418 | 71 | 13,489 |

14. Intangible assets (Continued)

| | Trademark | |
|----------------------------------|-----------|---------|
| | S\$'000 | S\$'000 |
| | 2024 | 2023 |
| Company | | |
| Cost | | |
| Balance at 1 January and 30 June | 200 | 200 |
| Accumulated Amortisation | | |
| 6 months ended: | | |
| Balance at 1 January | 149 | 110 |
| Amortisation charge | 20 | 19 |
| Balance at 30 June | 169 | 129 |
| Net carrying amount | | |
| Balance at 30 June | 31 | 71 |

Impairment test for goodwill

As at 30 June 2024, the recoverable amount of the cash-generating unit ("CGU") has been determined based on value-in-use calculations using management-approved discounted cash flow projections covering a period of 5 years. Management assessed 5 years cash flows and projection to terminal year for the financial forecast of the CGU is appropriate considering management's plan for its business plan in the near future. The revenue growth rates are based on management's best estimate, average gross margin is based on past performance and discount rates that reflect current market assessment of the time value of money and the risks specific to the CGUs.

Key assumptions used for value-in-use calculations:

| | Average Revenue growth rate | | Average gross margin | | Discount rate | |
|---|-----------------------------|--------------|----------------------|--------------|---------------|--------------|
| | 30 June 2024 | 30 June 2023 | 30 June 2024 | 30 June 2023 | 30 June 2024 | 30 June 2023 |
| Lian Clinic Pte. Ltd. | 2% | 5% | 72% | 75% | 8.8% | 12% |
| HMC Medical Pte. Ltd. | 7% | 3% | 78% | 78% | 8.8% | 12% |
| AE Medical Sengkang Private Limited | 11% | 5% | 75% | 65% | 8.8% | 12% |
| AE Medical Fernvale Pte. Ltd. | 5% | 6% | 73% | 75% | 8.8% | 12% |
| CS Yoong | | | | | | |
| Anaesthesiology and Pain Services Pte. Ltd. | 2% | 6% | 85% | 85% | 8.8% | 12% |
| Medihealth Clinic Pte. Ltd. ("Medihealth") | 5% | 8% | 80% | 85% | 8.8% | 12% |
| Centre for Screening and Surgery | 2% | 5% | 90% | 90% | 8.8% | 12% |
| PTL Spine & Orthopaedic Pte Ltd ("PTL") | 21% | 11% | 80% | 80% | 8.8% | 12% |
| Boon Lay Clinic & Surgery Pte. Ltd. ("BLC") | 9% | - | 80% | - | 8.8% | - |

14. Intangible assets (Continued)

Terminal growth of 2.0% (2023: 2.0%) was applied to all CGUs in the cash flows projection to terminal year.

Average revenue growth rate and average gross margin – The forecasted average revenue growth rates and average margin are based on management's expectations for each CGU from historical trends as well as average growth rates of the industry.

Discount rate – Management estimates discount rate that reflect current market assessments of the time value of money and the risks specific to the CGUs.

Acquisition of subsidiary

The Company had on 1 July 2023 acquired 100% of the equity interest of Boon Lay Clinic and Surgery Pte. Ltd. ("**Boon Lay**") from Dr. Cynthia Chao Wen Pin and Dr. Anthony Chao Tar Liang for a cash consideration of S\$1.0 million.

The fair values of the identifiable assets and liabilities of Boon Lay as at the date of acquisition were:

| | Boon Lay \$'000 |
|--|----------------------------|
| Net identifiable assets at fair value | 10 |
| Less: Fair value of consideration paid | <u>(1,000)</u> |
| Goodwill arising from the acquisition | <u>990</u> |

Goodwill of \$1.0 million arising from the acquisition is attributable to expected synergies that can be achieved in integrating this subsidiary into the Group's existing business such as expanding the Group's presence in Singapore and tapping on the subsidiary's workforce expertise. These intangibles identified are subsumed into goodwill as they do not meet the recognition criteria for identifiable intangible assets. The goodwill is a non-deductible expense for tax purposes.

Revenue or loss before tax for the financial period ended 30 June 2024 contributed by Boon Lay to the Group were as follows:

| | Boon Lay \$'000 |
|------------------------|----------------------------|
| Revenue | 950 |
| Loss before income tax | <u>(23)</u> |

14. Intangible assets (Continued)

The effect of acquisition of subsidiary on the consolidated statement of cash flows were as follows:

| | 30 June 2024 |
|--|---------------------|
| | \$'000 |
| Purchase consideration | 1,000 |
| Less: Cash & cash equivalents of subsidiary acquired | <u>(33)</u> |
| Total purchase consideration in cash, represent net cash outflow from acquisitions | <u>967</u> |

Disposal of subsidiary

The Group and the Company had on 1 March 2024 disposed of a 51% equity interest of GM Medical Pincare Pte. Ltd. ("GMMP") to Dr Liew Wen Jian, Mark for a cash consideration of S\$453,000. The carrying value of the assets and liabilities of GMMP as at the date when the control was lost is as follows:

| | GMMP |
|---|---------------|
| | \$'000 |
| Net identifiable assets at fair value | 253 |
| Add : Derivative financial assets of GMMP | 474 |
| Less: Non-controlling interests | (124) |
| Less : Cash consideration received | <u>(453)</u> |
| Loss of disposal of subsidiary | <u>150</u> |

The effect of disposal of subsidiary on the consolidated statement of cash flows was as follows :

| | GMMP |
|---|---------------|
| | \$'000 |
| Cash consideration received | 453 |
| Less : Cash & cash equivalents of subsidiary disposal | <u>(129)</u> |
| Net cash inflow from disposal | <u>324</u> |

15. Trade and other receivables

| | Group | | Company | |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | As at 30 June 2024 S\$'000 | As at 30 June 2023 S\$'000 | As at 30 June 2024 S\$'000 | As at 30 June 2023 S\$'000 |
| Non-current | | | | |
| Other receivables | | | | |
| -subsidiaries | - | - | 2,288 | 1,492 |
| Lease receivable | 24 | - | 450 | 623 |
| | <u>24</u> | <u>-</u> | <u>2,738</u> | <u>2,115</u> |
| Current | | | | |
| Trade receivables | 2,943 | 2,413 | - | - |
| Less: Loss allowance on doubtful receivables | (227) | (229) | - | - |
| | <u>2,716</u> | <u>2,184</u> | <u>-</u> | <u>-</u> |
| Other receivables | | | | |
| -third parties | 13 | 23 | - | 18 |
| -associates | 80 | 80 | 80 | 80 |
| -joint venture | - | 29 | - | 29 |
| -subsidiaries | - | - | 3,302 | 2,016 |
| Deposits | 363 | 316 | 80 | 89 |
| Lease receivables | 30 | 22 | 174 | 166 |
| Total current trade and other receivables | <u>3,202</u> | <u>2,654</u> | <u>3,636</u> | <u>2,398</u> |
| Total trade and other receivables | <u>3,226</u> | <u>2,654</u> | <u>6,374</u> | <u>4,513</u> |

Loss allowance for trade receivables

The Group determined, by reference to past default experience and expected credit losses ("ECL"), which incorporate forward looking estimates. In calculating the ECL rates, the Group considers historical loss rates for each aging bracket of customers and adjust for forward looking macroeconomic data that may affect the ability of the debtors to settle receivables.

Loss allowance for amounts due from subsidiaries, joint venture and associates

The Group and the Company have taken into account information that they have available internally about these subsidiaries', joint venture's and associates' past, current and expected operating performance and cash flow position. The Group and the Company monitor and assess at each reporting date for any indicator of significant increase in credit risk on the amounts due from the respective subsidiaries, joint venture and associates, by considering their financial performance and results. At the end of the reporting period, the Group and the Company have assessed their subsidiaries', joint venture's and associates' financial performance to meet the contractual cash flow obligation and is of the view that no expected credit loss allowance is required for non-trade amounts due from subsidiaries, joint venture and associates. Amounts due from subsidiaries, joint venture and associates are considered to be low credit risk and subject to immaterial credit loss. Credit risk for these assets has not increased significantly since their initial recognition.

16. Derivative financial assets/(liabilities)

| | Group/ Company | | | |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | As at 30 June 2024 S\$'000 | As at 30 June 2023 S\$'000 | As at 30 June 2024 S\$'000 | As at 30 June 2023 S\$'000 |
| Non-current (liabilities)/assets | | | | |
| Call and put options | (62) | 474 | (62) | 474 |

| | Group/ Company | | | |
|---|--------------------------------|-----------------|-------------------------------------|-----------------|
| | Derivative financial assets | | Derivative financial liabilities | |
| | 2024 S\$'000 | 2023 S\$'000 | 2024 S\$'000 | 2023 S\$'000 |
| Balance at 1 January 2024/1 January 2023 | 474 | 2,508 | - | - |
| Fair value loss recognised during the financial period | (474) | (2,034) | (62) | - |
| Balance at 30 June 2024/30 June 2023 | - | 474 | (62) | - |

The derivative financial liabilities recognised of \$ 0.062 million for June 2024 is from the call option put in place during the investment into Dermatology & Laser Specialist Clinic Pte Ltd (“**DLSC**”) in 2023. The valuation adopted is derived by an independent valuer who value the option using the underlying share value of DLSC, the backgrounds of the instrument are as follows:

On 17 May 2023, SPH entered into a Shareholders’ Agreement (“**SHA**”) with Dr Lee Hwee Chyen (“**LHC**”) to record their intention and agreements with regards to the management and operations of DLSC. SPH and LHC own 51% and 49% of the share capital of DLSC respectively.

On 5 August 2023, SPH entered into an Addendum to SHA whereby SPH and LHC agreed that upon 12/12/2025 or upon the cessation of LHC’s employment with DLSC for whatever reason, (whichever occurs first), then LHC may, within 10 Business Days (“**LHC Deadline**”), by notice in writing to SPH elect to purchase the share held by SPH based on a specified formula (“**LHC Call Option**”).

If LHC does not offer to purchase the shares held by SPH before the expiry of the LHC Deadline, SPH has the right to purchase all LHC’s shares at the formula price stated in the (“**SPH Call Option**”).

17. Share capital and treasury shares

| | Group and Company | | | |
|--------------------------------|---------------------|---------|---------------------|---------|
| | 2024 | | 2023 | |
| | Number of shares | S\$'000 | Number of shares | S\$'000 |
| Balance at 1 January 2024/2023 | 179,623,416 | 25,684 | 179,623,416 | 25,684 |
| Balance at 30 June 2024/2023 | 179,623,416 | 25,684 | 179,623,416 | 25,684 |

The Company's issued and fully paid-up capital as at 30 June 2024 comprised 179,623,416 (30 June 2023: 179,623,416) ordinary shares, of which 8,616,900 (30 June 2023: 8,616,900) were held by the Company as treasury shares. The number of issued ordinary shares, excluding treasury shares, was 171,006,516 as at 30 June 2024 (30 June 2023: 171,006,516). There was no change in the Company's share capital during the six-month period ended 30 June 2024.

The treasury shares held represent 5.04% (30 June 2023: 5.04%) of the total number of issued ordinary shares (excluding treasury shares) as at 30 June 2024.

There were no outstanding convertibles and no subsidiary holdings as at 30 June 2024 and 30 June 2023.

The Company had on 16 June 2020 adopted the SPCH Performance Share Plan and the SPCH Share Option Scheme. No awards or options have been granted for the financial year ended 30 June 2024.

There was no sale, transfer, disposal, cancellation and/or use of treasury shares or subsidiary holdings during, and at the end of the financial year ended 30 June 2024.

18. Bank borrowings

| | Group | | Company | |
|---|--------------|--------------|--------------|--------------|
| | 2024 | 2023 | 2024 | 2023 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Amount repayable in one year or less, or on demand | | | | |
| - Unsecured | 3,126 | 5,373 | 3,126 | 5,312 |
| Amount repayable after one year | | | | |
| - Unsecured | 600 | 774 | 600 | 680 |
| Total bank borrowings | 3,726 | 6,147 | 3,726 | 5,992 |

The bank borrowings of the Group are unsecured. Interest rates range from 2% - 6.25% per annum for Group and Company (2023: 2% - 6.24%) and are repayable between 6 to 60 months (2023: 6 to 60 months).

19. Trade and other payables

| | Group | | Company | |
|---|---|---|---|---|
| | As at 30 June 2024 S\$'000 | As at 30 June 2023 S\$'000 | As at 30 June 2024 S\$'000 | As at 30 June 2023 S\$'000 |
| Non-current | | | | |
| Other payables | | | | |
| -non-controlling interests | 1,203 | 154 | - | - |
| Current | | | | |
| Trade payables | 226 | 174 | - | - |
| Goods and service tax payable, net | 399 | 237 | 76 | 21 |
| | 625 | 411 | 76 | 21 |
| Other payables | | | | |
| -third parties | 282 | 831 | 40 | 42 |
| -non-controlling interests | 721 | 915 | - | - |
| -subsidiaries | - | - | 507 | 119 |
| Accrued expenses | | | | |
| -employees | 455 | 381 | 199 | 139 |
| -directors of the Company | 352 | 367 | 67 | 155 |
| -directors of the subsidiaries | 492 | 589 | - | - |
| -others | 475 | 599 | 154 | 218 |
| Total current trade and other payables | 3,402 | 4,093 | 1,043 | 694 |
| Total trade and other payables | 4,605 | 4,247 | 1,043 | 694 |

20. Net asset value

| | Group | | Company | |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | As at 30 June 2024 | As at 30 June 2023 | As at 30 June 2024 | As at 30 June 2023 |
| Net assets value attributable to owners of the parents (S\$'000) | 22,499 | 21,133 | 28,342 | 26,061 |
| Number of shares in issue excluding treasury shares | 171,006,516 | 171,006,516 | 171,006,516 | 171,006,516 |
| Net assets value per ordinary share based on issued share capital (\$) | 0.13 | 0.12 | 0.17 | 0.15 |

21. Dividends

| | Company 2024 S\$'000 | 2023 S\$'000 |
|--|----------------------------|-----------------|
| Ordinary dividends paid: Final exempt FY2023 dividend of \$0.0035 per share (FY2022 dividend of \$0.012 per share) | 599 | 2,155 |
| Dividend per share (in Singapore dollar) | 0.0035 | 0.012 |

22. Related party transactions

| | Group 12 Months Ended | | Company 12 Months Ended | |
|--------------------------------------|--------------------------|-----------------|----------------------------|-----------------|
| | 2024 S\$'000 | 2023 S\$'000 | 2024 S\$'000 | 2023 S\$'000 |
| With associates | | | | |
| Sales | - | 1 | - | - |
| Purchases | - | 5 | - | - |
| Dividend | - | - | 248 | 240 |
| With joint venture | | | | |
| Acquisition loan | - | 4,080 | - | 4,080 |
| With subsidiaries | | | | |
| Expenses paid on behalf by | - | - | 1,781 | 1,324 |
| Expenses paid on behalf of | - | - | 375 | 618 |
| Salary recharge to | - | - | 60 | 51 |
| Management fee income | - | - | 1,922 | 1,264 |
| Salary recharge from | - | - | 48 | 176 |
| Advances from | - | - | 1,400 | 1,100 |
| Advances to | - | - | 1,212 | 795 |
| Dividend income | - | - | 4,085 | 5,227 |
| Management fee expense | - | - | 70 | - |
| With related parties | | | | |
| Rental fee expense | 572 | 420 | - | - |
| With non-controlling interest | | | | |
| Advances from | 1,090 | 353 | - | - |
| With Directors of the Company | | | | |
| Rental fee expense | 35 | 35 | - | - |

23. Financial assets and financial liabilities

Fair value of financial assets and financial liabilities

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and other financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Fair value hierarchy

The Group and the Company classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Fair value of financial instruments carried at fair value

The table below classified financial instruments carried at fair value by level of fair value hierarchy as at the end of the reporting period:

| | Fair value measurements using | | | |
|---|-------------------------------|---------------------------|---------------------------|-------------------------|
| | <u>Level 1</u> S\$'000 | <u>Level 2</u> S\$'000 | <u>Level 3</u> S\$'000 | <u>Total</u> S\$'000 |
| Group/ Company | | | | |
| 30 June 2024 | | | | |
| Financial liabilities- derivative financial instruments | - | - | 62 | 62 |
| 30 June 2023 | | | | |
| Financial assets- derivative financial instruments | - | - | 474 | 474 |

There were no transfers between levels during the financial year and no changes in the valuation techniques of the various classes of financial assets and financial liabilities during the financial years ended 30 June 2024 and 30 June 2023.

Fair value of financial instruments that are not carried at fair value and whose carrying amounts approximate their fair values

23. Financial assets and financial liabilities (Continued)

Fair value of financial assets and financial liabilities (Continued)

The carrying amounts of current financial assets and financial liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The management estimates that the carrying amount of bank borrowings approximate its fair value as the interest rate of the borrowing approximates the market lending rate for similar types of loan as at the end of the reporting period.

Valuation policies and procedures

Management oversees the Group's financial reporting valuation process and is responsible for setting and documenting of the Group's valuation policies and procedures.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts to perform the valuation. Management is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 *Fair Value Measurement* guidance.

For valuations performed by external valuation experts, the management reviews the appropriateness of the valuation methodologies and assumptions adopted. The management also evaluates the appropriateness and reliability of the inputs used in the valuations.

The following table sets out the financial instruments as at the end of the reporting period:

| | 2024 S\$'000 | 2023 S\$'000 |
|--|-----------------|-----------------|
| <u>Group</u> | | |
| Financial assets | | |
| At amortised cost | 10,142 | 12,290 |
| At fair value through profit or loss | - | 474 |
| Financial liabilities | | |
| Other financial liabilities, at amortised cost | 15,690 | 16,375 |
| At fair value through profit or loss | 62 | - |
| <u>Company</u> | | |
| Financial assets | | |
| At amortised cost | 7,700 | 8,893 |
| At fair value through profit or loss | - | 474 |
| Financial liabilities | | |
| Other financial liabilities, at amortised cost | 5,824 | 8,070 |
| At fair value through profit or loss | 62 | - |

24. Subsequent events

There are no known events that may lead to significant adjustments to this set of financial statements.



SINGAPORE PAINCARE HOLDINGS LIMITED
Company Registration No. 201843233N
(Incorporated in the Republic of Singapore)

Other information required pursuant to Appendix 7C of the Catalist Rules

Other Information

1. Review

The condensed consolidated statement of financial position of Singapore Paincare Holdings Limited (the “**Company**”, and its subsidiaries, collectively, the “**Group**”) as at 30 June 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six- and twelve-month period then ended and certain explanatory notes have not been audited or reviewed.

1A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The audited financial statements for the financial year ended 30 June 2023 were not subjected to any adverse opinion, qualified opinion or disclaimer of opinion.

2. Review of performance of the Group

Full Year ended 30 June 2024 (“FY2024”) vs Full Year ended 30 June 2023 (“FY2023”)

The Group’s revenue increased by 21.9% from \$22.08 million in FY2023 to \$26.91 million in FY2024 mainly due to the increase in revenue from specialist clinics (“**SP**”) and the general practitioners (“**GP**”) clinics. During the financial year, the higher revenue was augmented by the incorporation of Alexandra Medical and Paincare Clinic Pte Ltd and acquisition of Boon Lay Clinic & Surgery Pte Ltd and majority of the established clinics, which turned in a higher top line too.

The greater community awareness of our clinics, brought about through our marketing efforts, has increased our consultations fee income for the reporting period.

The increase in other income by approximately \$0.23 million from \$0.34 million in FY2023 to \$0.58 million in FY2024 was mainly due to increases in (i) various government grants and incentives of \$0.14 million, (ii) sponsorship income of \$0.05 million, and (iii) rental income and others of \$0.01 million

Changes in inventories as well as inventories and consumables used, increased approximately \$1.38 million from \$3.81 million in FY2023 to \$5.19 million in FY2024, in line with the higher revenue recorded with additional clinics in operation during the financial year.

Employee benefits expenses increased approximately \$2.93 million from \$9.75 million in FY2023 to \$12.68 million in FY2024 this was mainly due to (i) an increase in number of headcount, which increased due to the increase in clinics in operation, and (ii) an increase in remuneration given to the practitioners and staff for additional hours worked.

Depreciation and amortisation expenses increased by approximately \$0.77 million from \$1.72 million in FY2023 to \$2.49 million in FY2024 mainly due to the full twelve months operation of three new subsidiaries in FY2024.

2. Review of performance of the Group (Continued)

Other expenses decreased approximately \$0.59 million from \$4.88 million in FY2023 to \$4.29 million in FY2024. The main reason is due to a one off extraordinary fair value loss on derivative financial instrument of \$2.03 million which arose mainly from the expiration of options in one of our associates in FY2023. However for FY2024, there are increases in other expenses such as (i) locum fee of \$0.83 million, (ii) administrative charges of \$0.24 million, (iii) marketing fees of \$0.07 million, (iv) advertising and promotion expenses of \$0.03 million, (v) loss on disposal of subsidiary of \$0.16 million and (vi) increase in credit card fees of \$0.05 million. These reasons caused an overall decrease in other expenses from FY2023 to FY2024.

Finance costs increased by approximately \$0.29 million from \$0.21 million in FY2023 to \$0.50 million in FY2024 mainly because of the disbursement of \$4.00 million in proceeds from bank borrowings as well as the increase of new leases during FY2024.

The share of results of associates of \$0.24 million for FY2024 was contributed solely by KCS Anaesthesia Services Pte Ltd.

Income tax expense decreased by approximately \$0.71 million from \$1.29 million in FY2023 to \$0.58 million in FY2024, due to the Corporate Income Tax rebate for Year of Assessment 2024 and the decrease was also due to lower deferred tax expense.

As a result of the above, the Group reported a net profit after income tax of \$2.38 million in FY2024 as compared to loss of \$0.03 million in FY2023. The net profit attributable to owners of the Company is \$1.97 million in FY2024 as compared to net loss attributable to owners of the Company of \$0.67 million in FY2023. Net profits attributable to non-controlling interests decreased to \$0.41 million in FY2024 as compared to \$0.64 million in the corresponding period.

Review of Statements of Financial Position

As at 30 June 2024 (FY2024) vs As at 30 June 2023 (FY2023)

Non-Current Assets

The increase in plant and equipment of \$0.94 million was mainly due to (i) the recognition of addition of ROU assets of \$1.06 million and plant and equipment of \$0.25 million, (ii) lease modification of \$2.50 million and (iii) acquisition of Boon Lay Clinic \$0.03 million, which was partially offset by the (i) depreciation of ROU assets and plant and equipment of \$2.50 million (ii) impairment of plant and equipment of \$0.20 million and (iii) disposal of a subsidiary in FY2024 which resulted in a write off of \$0.20 million of its remaining property, plant and equipment.

The increase in intangible assets of \$0.73 million was mainly due to the goodwill arising from the acquisition of Boon Lay of \$0.99 million and amortization of trademark of \$0.04 million during financial year of FY2024 and a write-off of \$0.22 million as a consequence of the disposal of GM Medical Paincare Pte Ltd.

Investment in associates increased by \$0.18 million, mainly due to the joint venture agreement entered with Puxiang Medical Investment Co., Ltd to establish Beijing Puxin Hospital Management Limited of \$0.19 million offset with share of associate result net of dividend of \$ 0.01 million for FY2024.

2. Review of performance of the Group (Continued)

Review of Statements of Financial Position (Continued)

Current Assets

Inventories increased by \$0.41 million mainly due to additional clinics in operation during the financial period.

Trade and other receivables comprise trade receivables of \$2.72 million and other receivables of \$0.48 million. The increase in trade and other receivables of \$0.55 million from \$2.65 million in FY2023 to \$3.20 million in FY2024 was mainly due to the increase in revenue as well as revenue from newly acquired clinics.

Cash and cash equivalents of \$6.92 million as at FY2024 mainly comprise cash at bank.

Equity

Equity increased from \$21.35 million as at 30 June 2023 to \$22.24 million as at 30 June 2024 mainly due to dividend paid to owners of the parent and non-controlling interest of \$0.60 million and \$0.76 million respectively, disposal of subsidiary amounting of \$0.12 million, offset by net profit after income tax of \$2.37 million during the financial year.

Non-current liabilities

The decrease in bank borrowings of \$0.17 million from \$0.77 million as of 30 June 2023 to \$0.60 million as at 30 June 2024 was due to repayment of loan during the financial year.

Lease liabilities increased from \$4.58 million as at 30 June 2023 to \$5.81 million as at 30 June 2024 due to incorporation of Alexandra Medical & Paincare and acquisition of Boon Lay Clinic.

Other payables increased from \$0.15 million as at 30 June 2023 to \$1.20 million as at 30 June 2024 was mainly due to advances from directors of clinics.

Provisions increased from \$0.13 million as at 30 June 2023 to \$0.16 million as at 30 June 2024, mainly due to provisions for reinstatement cost for new and existing clinics.

Current liabilities

Trade and other payables decreased by \$0.69 million from \$4.09 million as at 30 June 2023 to \$3.40 million as at 30 June 2024 mainly due to decrease in other payables, and accrued expenses of \$0.35 million and trade payables and good and services tax payable, of \$0.33 million.

The decrease in bank borrowings of \$2.24 million from \$5.37 million as at 30 June 2023 to \$3.13 million as at 30 June 2024 was mainly due to repayment of loan during the financial year.

Lease liabilities increased from \$1.64 million as at 30 June 2023 to \$1.95 million as at 30 June 2024 due to incorporation of Alexandra Medical & Paincare and acquisition of Boon Lay Clinic.

Income tax payables decreased by \$0.40 million from \$1.29 million as at 30 June 2023 to \$0.89 million as at 30 June 2024 due to corporate income tax rate rebates given by the government.

2. Review of performance of the Group (Continued)

Review of Statements of Cash Flows

Net cash from operating activities of \$3.85 million was mainly derived from operating cash flows before working capital changes of \$5.53 million.

Net cash used in investing activities of approximately \$1.35 million was mainly due to (i) acquisition of Boon Lay Clinic of \$0.97 million, (ii) investment in associate \$0.19 million, (iii) purchases of plant and equipment of \$0.79 million and was offset by dividend received from an associate of \$0.25 million and income from disposal of subsidiary of \$ 0.32 million and disposal of associate of \$0.02 million.

Net cash used in financing activities amounted to \$5.22 million mainly related to (i) dividends paid to the shareholders declared in FY2023 by the Company of \$0.60 million (ii) repayment of lease liabilities (principal and interest portion) of \$2.05 million, (iii) repayment of bank borrowings of \$2.42 million (iv) interest paid of \$0.24 million and (v) repayment and dividend paid to non-controlling interests of \$0.99 million, which was partially offset by advances from non-controlling interests of \$1.09 million.

Overall, the Group recorded a net decrease in cash and cash equivalents of approximately \$2.72 million during FY2024 resulting in cash and cash equivalents to be recorded at \$6.92 million as at 30 June 2024.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable as no specific forecast or a prospect statement has been issued previously.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Singapore Paincare Group is cautiously optimistic about its business outlook, despite significant challenges in the evolving healthcare insurance landscape. As the landscape becomes more complex, the Group plans to approach FY2025 with caution, recognizing the difficulties in navigating these changes.

As of June 2024, the Group operates 19 clinics in Singapore, including 11 general practitioner (GP) clinics, 5 specialist clinics, 2 physiotherapy centers, and 1 Traditional Chinese Medicine (TCM) center. In July 2023, the Group expanded its services by adding a Sports Medicine practice and two new GP clinics. These new additions have successfully integrated into the network and are expected to contribute positively in the coming year.

Singapore Paincare is well-positioned for growth, particularly in response to demographic changes, technological advancements, and regional expansion. With Singapore's aging population, there is a rising demand for pain management and geriatric care. The Group's heartland clinics are designed to meet these needs, offering non-invasive alternatives to surgery for elderly patients.

Singapore Paincare is enhancing patient outcomes, improving access, and increasing efficiency in care delivery. Preventive healthcare is another focus area, with the Group actively participating in community-based initiatives that align with national campaigns. These efforts aim to reduce chronic disease burdens through early intervention and lifestyle changes.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months (Continued)

The Group also sees opportunities in recent government healthcare initiatives. "Healthier SG," seeks to develop family health plans that emphasize prevention and improved chronic care. With its extensive network and capabilities, Singapore Paincare is well-positioned to capitalize on these initiatives and actively participate in their implementation.

On the regional front, medical tourism remains a growth area, despite competition from neighbouring countries. Singapore Paincare's reputation for high standards of care opens opportunities for regional collaborations. The Group made its first overseas investment in June 2023 through a share subscription in China's PuXiang Healthcare Holding Limited (PUXH). This led to a joint venture to introduce pain care services in PUXH's 15 community hospitals across Beijing, Hebei, and Tianjin. This expansion aligns with the Group's vision to replicate its pain care ecosystem abroad, aiming to increase its profile in the Chinese market. PUXH is also preparing for an IPO in Hong Kong by 2025, with the collaboration including training Chinese doctors in Singapore Paincare's proprietary pain management techniques.

Looking ahead, the Group remains confident that the synergies from its expanded network and capabilities will enhance its overall performance. It continues to focus on identifying new opportunities to deliver more value to stakeholders. Internally, synergies are being strengthened, with an integrated care pathway for pain patients and initiatives combining traditional Chinese medicine with modern rehabilitative physiotherapy, enhancing the holistic care approach. This approach brings about a Yin-Yang of pain rehabilitation.

These strategic developments collectively position Singapore Paincare for sustained growth and increased regional influence in the healthcare sector.

5. Dividend

If a decision regarding dividend has been made:

(a) whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been proposed for FY2024.

(b) (i) Amount per share

Not applicable.

(ii) Previous corresponding period

| | | |
|--------------------|---|--|
| Name of Dividend | : | Final |
| Dividend Type | : | Ordinary |
| Dividend per Share | : | 0.35 cent per ordinary share (one tier tax exempt) |
| Tax Rate | : | Tax exempt |

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (if the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

5. Dividend (Continued)

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

(f) If no dividend has been declared (recommended), a statement to that effect and the reasons for the decision.

In view of the Group's short and medium term commitments which include but are not limited to, working capital requirements and corporate action capital needs, no dividends have been declared/recommended by the Board for the financial year ended 30 June 2024.

6. Interested persons transactions

The Company does not have a general shareholders' mandate for interested person transactions.

| Name of Interested Persons | Nature of relationship | Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (\$'000) | Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (\$'000) |
|--|---|---|---|
| MedBridge Marketing Pte. Ltd. ⁽¹⁾ | Associate of Dr. Lee Mun Kam Bernard, the Executive Director and Chief Executive Officer of the Company | 572 | - |

Note:

Rental of the units at 290 Orchard Road, #18-03, Singapore 238859 and 38 Irrawaddy Road, #07-33, Singapore 329563 from MedBridge Marketing Pte. Ltd., which is 100% owned by Dr. Lee Mun Kam Bernard, the Executive Director and Chief Executive Officer of the Company.

7. Use of Proceeds

(i) Use of IPO proceeds

The Company refers to the net cash proceeds amounting to S\$3.54 million (excluding cash listing expenses of approximately S\$1.79 million) raised from the Company's listing on the Catalist board of SGX-ST on 30 July 2020.

| Use of net proceeds | Amount allocated (S\$'000) | Amount allocated after reallocation ⁽¹⁾ (S\$'000) | Amount utilised as at the date of this announcement (S\$'000) | Balance of net proceeds as at the date of this announcement (S\$'000) |
|---|-------------------------------|---|--|--|
| Expand range of pain care services | 1,100 | 100 | - | 100 |
| Expand business operations locally and regionally | 1,400 | 3,441 | (3,441) ⁽²⁾ | - |
| Working capital | 1,041 ⁽¹⁾ | - | - | - |
| Total | 3,541 | 3,541 | (3,441) | 100 |

Notes:

- (1) (a) \$1.041 million of the net proceeds initially allocated for the Group's working capital had been reallocated to expand the Group's business operations locally and regionally, and (b) \$1.0 million of the net proceeds initially allocated for the Group's expansion of its range of pain care services had been reallocated to expand the Group's business operations locally and regionally. Please refer to the Company's announcements dated 30 November 2020 and 1 July 2023 for more details.
- (2) (a) Utilised for the acquisition of 40% of the total issued share capital of KCS amounting to \$2.4 million, (b) the acquisition of 100% of the total issued share capital of Boon Lay Clinic and Surgery Pte. Ltd amounting to \$1.0 million, and (c) startup capital expenses for newly incorporated clinic Alexandra Medicine and Paincare Pte. Ltd amounting to \$0.041 million.

Save for the reallocation, the above utilisation is in accordance with the intended use as stated in the Offer Document dated 13 July 2020.

(ii) Use of proceeds from the Placement

The Company refers to the net cash proceeds amounting to \$3.95 million (excluding cash subscription expense of approximately \$0.01 million) raised from the Company's private placement on 27 November 2020 (the "Placement").

| | Amount allocated (S\$'000) | Amount allocated pursuant to the reallocation (S\$'000) | Amount Utilised (S\$'000) | Balance (S\$'000) |
|--|-------------------------------|--|------------------------------|----------------------|
| To expand the range of pain care services | 1,975 | 100 ⁽¹⁾ | - | 100 |
| To expand business operations locally and regionally | 1,975 | 3,850 ⁽¹⁾ | (3,850) ⁽²⁾ | - |
| Total | 3,950 | 3,950 | (3,850) | 100 |

7. Use of Proceeds (Continued)

Notes:

- (1) \$1.875 million of the net proceeds initially allocated for the Group's expansion of its range of pain care services had been reallocated to expand the Group's business operations locally and regionally.
- (2) (a) Utilised for the acquisition of PTL Spine and Orthopedics Private Limited of \$3.122 million, and (b) startup capital expenses for Alexandra and expenses for East Coast Medical and Paincare Pte. Ltd., Hougang Medical and Paincare Clinic Pte. Ltd., amounting to \$0.728 million.

Save for the reallocation, the use of the net proceeds from the Placement is in accordance with the intended use as stated in the announcement dated 17 November 2020.

8. Review of performance of the Group - turnover and earnings

The Group has only one primary business segment, which is the healthcare segment, and the Group primarily operates in Singapore. Accordingly, no segmental information is prepared based on business or geographical segment as it is not meaningful.

A breakdown of sales

| | FY2024 \$'000 | FY2023 \$'000 | Increase / (Decrease) % |
|--|--------------------------|--------------------------|--|
| (a) Sales reported for first half year | 13,360 | 11,001 | 21.4 |
| (b) Operating profit after tax before deducting non-controlling interests reported for first half year | 1,164 | 1,233 | (5.6) |
| (c) Sales reported for second half year | 13,550 | 11,080 | 22.3 |
| (d) Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year | 1,213 | (1,263) | n.m.* |

*n.m. - not meaningful

9. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

| | FY2024 \$'000 | FY2023 \$'000 |
|-------------------------------------|--------------------------|--------------------------|
| Ordinary shares (tax exempt 1-tier) | | |
| -Interim | - | - |
| -Final | - | 599 ⁽¹⁾ |
| Total Annual Dividend | - | 599 |

Note:

- (1) The final ordinary dividend for FY2023 was based on 171,006,516 number of shares as at 30 June 2023.

10. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720 (1)

The Company confirms that it has procured undertakings from all Directors and Executive Officers under Rule 720(1).

11. Disclosure of person occupying a managerial position who is related to a director, CEO or substantial shareholder

| Name | Age | Family relationship with any director and/or substantial shareholder | Current position and duties, and the financial year the position was first held | Details of changes in duties and position held, if any, during the financial year |
|-----------------------|-----|--|---|---|
| Wong Jing Yi Joyce | 47 | Wife of Dr. Loh Foo Keong Jeffrey, the Executive Director and Chief Operating Officer of the Company | Senior Clinic Manager of Lian Clinic Pte. Ltd. Duties: In charge of the operations of Lian Clinic since January 2016. | No change |

By Order of the Board

Lee Mun Kam Bernard,
Executive Director and Chief Executive Officer
29 August 2024