SINGAPORE PAINCARE HOLDINGS

Bringing pain relief closer to you

Together towards EXCELLENCE

Annual Report 2024

TOGETHER TOWARDS **EXCELLENCE**

COVER **CONCEPT**

The cover features intertwined leaves with icons representing Singapore Paincare Holdings Limited's core operations. The leaves symbolize growth, vitality, and the interconnected nature of our services, conveying the commitment to continuous exploration and expansion into emerging fields of healthcare.

CONTENTS

This annual report has been prepared by Singapore Paincare Holdings Limited (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 Catalist.

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

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

CORPORATE PROFILE

11 GP CLINICS

5 SPECIALIST CLINICS

1 TRADITIONAL CHINESE MEDICINE CENTRE

2 PHYSIOTHERAPY CENTRES

Incorporated in 2018, Singapore Paincare Holdings Limited ("**Singapore Paincare**" and together with its subsidiaries, the "**Group**") is a medical services group with a focus on treating and managing chronic and acute pain.

Singapore Paincare has established a holistic pain care ecosystem that can cater to patients at different stages of their journey from treatment to recovery to ongoing wellness. Its comprehensive range of pain care services provides opportunities for cross referrals of patients within the Group and brings into fruition its vision to be a leading one-stop integrated pain management centre in Asia.

The Group's medical team includes specialist doctors, primary care doctors as well as other pain care professionals trained in traditional Chinese medicine ("**TCM**"), physiotherapy and rehabilitation. As of 30 June 2024, the Group's Singapore network stands at 19 clinics and centres.

Singapore Paincare runs its own Singapore Paincare Academy, which oversees the training needs and continuous skills upgrading of the medical professionals within the Group.

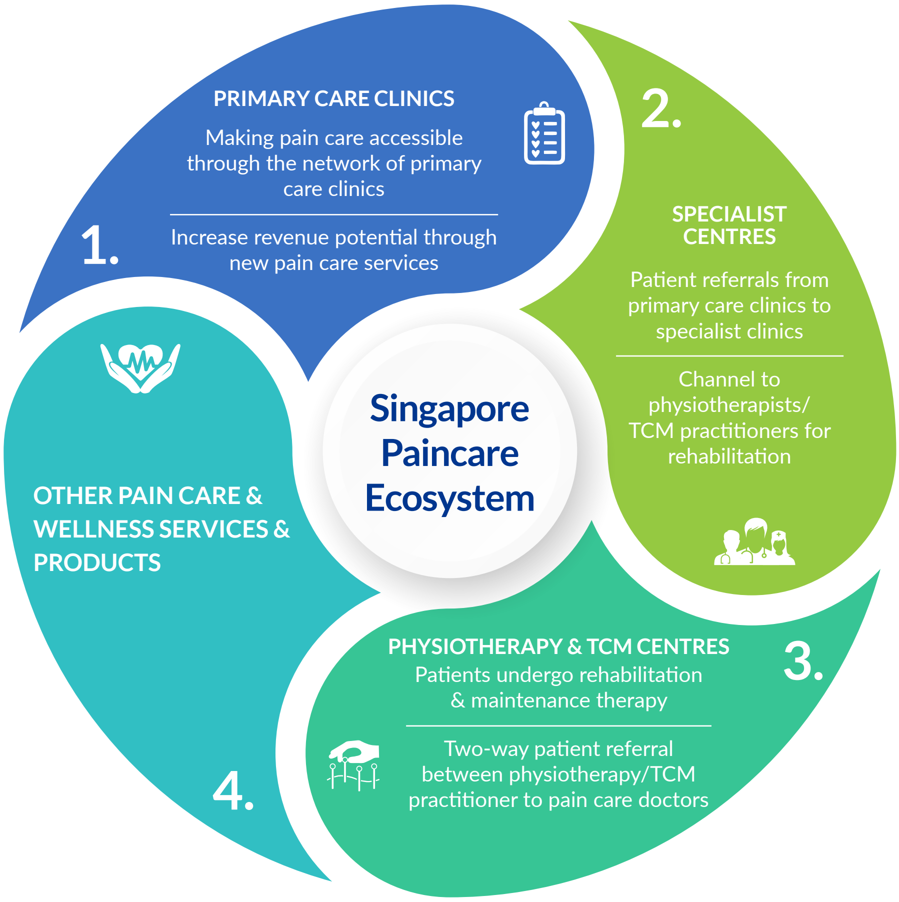
Singapore Paincare continues to expand its network in Singapore by fully acquiring Boon Lay Clinic & Surgery and setting up DR+ Medical and Paincare Alexandra.

In FY2024, the Group established an associate called Beijing Puxin Hospital Management Limited in China with Puxiang Medical Investment Co., Ltd and Beijing Puxin Rui An Management Partnership as partners. The Associate is set up to perform technical services related to pain care, training services, health consulting services and other business as the partners may agree from time to time.

Singapore Paincare (stock code: FRQ) has been listed on the Catalist board of the Singapore Exchange since 30 July 2020.

OUR BRANDS
& SERVICES

Singapore Paincare Holdings Limited has won the Healthcare accolade at the SBR National Business Awards 2023 and the Business Eminence Awards 2023 Singapore. Both accolades recognise the Group's commitment to providing effective and quality pain care services to patients.



AWARDS &
ACCOLADES

In recognition of Singapore Paincare's ongoing dedication to delivering quality pain management solutions

Awarded to Singapore Paincare for launching of DR+ clinics to provide effective pain relief at primary care level

dun & bradstreet BUSINESS EMINENCE AWARDS 2023 SINGAPORE

BUSINESS! National Business Awards 2023

OUR BRANDS
& SERVICES

SINGAPORE PAINCARE CENTER

SPECIALISED PAINOSTIC METHODOLOGY

Singapore Paincare Center is the brand for our specialist pain care services. We take pride in helping patients to resolve chronic pain conditions where others have failed. Our proprietary understanding of pain and the interplay of different pain pathways allows us to accurately diagnose and relieve difficult and complicated pain conditions.

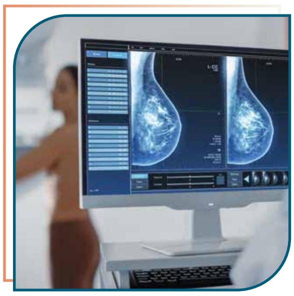
Our proprietary Minimally Invasive Procedures performed by our specialist doctors deliver results without the need for open surgery or use of painkillers. They include Myospan injections, which are used to treat a wide variety of common pain conditions including muscle pain, muscle spasm, joint pain and nerve pain and Neurospan injections, which are used to treat pain conditions caused by spinal issues. These treatments are usually one-off procedures without significant downtime or risks to patients. These treatments have proven to be effective in providing sustained pain relief, thus earning the trust of both local and overseas patients.

DR+ MEDICAL & PAINCARE CLINICS

PRIMARY CARE CLINICS WITH PAIN TREATMENT AS A FOCUS

Our network of primary care clinics operate under our Group's "DR+" brand, which distinguishes our general practitioner ("**GP**") doctors from others as they are trained to alleviate common pain conditions and to perform minimally invasive pain procedures. DR+ clinics form the frontline of our Group's vision to build a comprehensive paincare eco-system bringing affordable pain management services to the neighbourhood.

Besides DR+ clinics, we currently have two other GP clinics under our Group.



CENTRE FOR SCREENING AND SURGERY

GENERAL SURGERY WITH A SPECIALISATION IN EARLY STAGE CANCER TREATMENTS

The Centre for Screening and Surgery specialises in the screening and detection of cancer in its early stages when the cure rate is at 90% or more for most cancers when detected early.

We perform breast screening with a high-resolution ultrasound that can detect both benign breast lumps and breast cancers. The ultrasound is also used to guide biopsy of any suspicious lesions, diagnose thyroid nodules, gallstones, or hernias. In the case of colon and other gastrointestinal cancers, we perform gastroscopy and colonoscopy to diagnose cancers or remove polyps.

We also offer blood tests for tumour markers and where surgery is needed, we specialise in the minimally invasive approach leading to less pain, a shorter recovery, and better cosmetic results for patients.

OUR BRANDS
& SERVICES

PTL SPINE & ORTHOPAEDICS

SPECIALISED CARE FOR ORTHOPAEDIC CONDITIONS

PTL Spine & Orthopaedics specialises in orthopaedic conditions, focusing on pain management and functional improvement. Our clinic offers orthopaedic solutions that aim to alleviate pain and enhance overall mobility. Through a combination of surgical interventions and personalised treatment plans, we strive to address the underlying causes of pain and help our patients regain optimal function and improve their quality of life.

MSMC MUSCULOSKELETAL & SPORTS MEDICINE CLINIC

SPECIALISTS IN MUSCULOSKELETAL CONDITIONS AND SPORTS INJURY

MSMC Musculoskeletal & Sports Medicine Clinic, a brand of Singapore Paincare Center, provides a full suite of clinical services for the assessment and treatment of musculoskeletal conditions ranging from sports injuries to chronic degenerative conditions. We focus on the use of non-surgical approach to pain management, for sustained long-lasting pain relief. As part of our wellness services, we offer holistic executive health screening for early detection of diseases and risk factors, consultation and advice on healthy ageing and weight management.

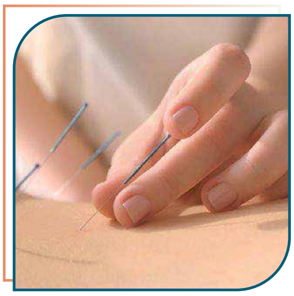
EPI DERMATOLOGY & LASER SPECIALIST CLINIC

SPECIALISTS IN ADULT AND PAEDIATRIC DERMATOLOGY

Epi Dermatology & Laser Specialist Clinic is dedicated to skin health and well-being. Our results-oriented approach is suitable for a wide range of hair, skin and nail conditions for adults and children that are both medical and cosmetic in nature.

In addition, this clinic forms part of our Group's longer term strategy to develop our expertise in slowing down degeneration so as to delay the onset of pain that is related to the ageing process.

OUR BRANDS
& SERVICES



SINGAPORE PAINCARE TCM WELLNESS

THE YIN-YANG HARMONY OF PAIN MANAGEMENT

READY FIT PHYSIOTHERAPY

AN EVIDENCE-BASED APPROACH TO PAIN TREATMENT

SINGAPORE PAINCARE ACADEMY

RIGOROUS TRAINING AND CERTIFICATION

Singapore Paincare TCM Wellness is our Traditional Chinese Medicine ("TCM") brand and the only TCM brand in Singapore to focus solely on pain management. The brand embodies the Yin-Yang harmony by combining the TCM focus on internal qi regulation (Yin) with the western medical emphasis on external physical movement (Yang) to treat pain and promote healing.

Our signature treatments include:

- Qi'Nergy Flex Integrated Care – a comprehensive pain management treatment that combines our proprietary TCM services and physiotherapy services to achieve optimal and long-term pain resolution
- Qi'Nergy Tuina – a combination of TCM and Western Medicine principles to achieve accelerated healing effect
- Wellness Herb Ionto – a herbal foot soak treatment that combines eastern herb concoctions and western Iontophoresis which passes a gentle electric current through the water to promote effective herb absorption
- Signature Paediatric Tuina – an adaptation of our signature Qi'Nergy Tuina for children and infants to treat and/or prevent paediatric diseases

Ready Fit Physiotherapy is our physiotherapy and rehabilitation brand that offers tailored programmes dedicated to each aspect of the recovery process and to promote ongoing wellness. Our evidence-based treatments are effective in relieving pain and improving our patients' strength and mobility.

Our centres are well-equipped with industry-leading medical technology, treatment rooms as well as a fully furnished gym. We embrace advanced methodologies such as the Winback Tecartherapy – a revolutionary non-invasive technology that utilises a high frequency current to stimulate the body's natural repair mechanism. It is typically used to treat deep tissues and helps to reduce pain and inflammation to restore movement.

To help patients with injuries or recent surgeries and postpartum women who are suffering from Diastasis Recti-related conditions, we offer High-Intensity Electromagnetic Therapy – a non-invasive treatment that helps stimulate muscle contraction, strengthen one's core and abdominal walls.

Singapore Paincare Academy is our brand promise to patients to uphold the highest clinical and operational standards. The academy ensures our healthcare professionals are trained in service standards and standard operating procedures. Our paincare specialist doctors and GPs are trained and certified in our proprietary pain diagnosis and treatment know-how. The academy also provides yearly continuous education to our specialist doctors and GPs to enable them to stay at the forefront of the industry. This includes annual refresher courses on the latest medical technologies and improved treatment methodologies.

Similarly, Singapore Paincare Academy ensures that our TCM practitioners, therapists and physiotherapists are trained and certified to deliver a holistic treatment by combining the best of TCM and Western medicine. The academy enables them to provide better pain assessment and diagnosis in line with our proprietary Painostic methodology. The academy also equips them with our unique set of medical knowledge and principles in providing ongoing care and rehabilitation to patients.

LETTER TO SHAREHOLDERS

DR LEE MUN KAM, BERNARD
Executive Chairman & Chief Executive Officer

DEAR SHAREHOLDERS

We are pleased to share on the developments and performance of Singapore Paincare Holdings Limited ("**Singapore Paincare**" or the "**Group**") for the 12 months ended 30 June 2024 ("**FY2024**"). Reflecting on FY2024, it was a year of achievements that is a testament to our Group's strength in unity.

The Group's growth trajectory continued during the financial year under review, with ongoing expansions in terms of our network, number of clinics, as well as service offerings. To better serve patients' needs, we further synergised strategies and practices within the Group's ecosystem. Recent additions to the network are two general practitioner ("**GP**") clinics – Boon Lay Clinic and Surgery ("**Boon Lay Clinic**") and DR+ Medical and Paincare Alexandra ("**Alexandra Clinic**"). Together with the introduction of Musculoskeletal & Sports Medicine Clinic ("**MSMC**"), our sports medicine brand that marked our foray into the specialised field of sports medicine early in the financial year, the Group's network as at 30 June 2024 rounds to an expanded total of 11 GP clinics, 5 specialist clinics and 3 other facilities providing physiotherapy and traditional Chinese medicine.

We have a focus on the aging population in Singapore, providing a one stop shop for solutions to all painful conditions. We can treat many patients via our effective and minimally invasive treatments such as specialised injections and minimally invasive procedures. Our proprietary pain treatments and methodologies are performed in our pain specialist clinics as well as in our GP clinics. All our GP doctors have received training from our Paincare Academy, enabling them to be able to perform our proprietary pain treatments, and giving our DR+ clinics an edge over other regular clinics.

With the acquisition and incorporation of the Boon Lay Clinic and Alexandra Clinic, we expanded our GP clinics network in the West and Central of Singapore. This aligns with and supports our mission to bring pain relief into the heartlands, bringing affordable pain care to the masses. Furthermore, there are a lot of people who sustain injuries during sports activities and if left untreated, these injuries will cause long-term pain issues. Tapping onto the opportunity, our pain care ecosystem now encompasses sports medicine, which is a complementary expansion to our core pain care expertise, making for a truly comprehensive and holistic network to cater to patients at different stages of their healing journey. Many persistent pain conditions may start off as a traumatic event or post sports/exercise injuries. MSMC (musculoskeletal medicine clinic) is poised to treat all sports related pain and provide rehabilitative initiatives such as physical therapy as well as anti-degeneration options.

The Group's associate with China's PuXiang Healthcare Holding Limited ("**PUXH**") is in the process of setting up more paincare operations within the latter's network of 15 community hospitals in the cities of Beijing, Hebei and Tianjin. Since our partnership, a pain department has commenced operations in PuXiang's flagship hospital in Beijing. As our first overseas endeavour, Singapore Paincare keeps a keen eye on this partnership with periodic updates and discussions on the growth plan underway. We will update shareholders of any material developments along the way.

FY2024 PERFORMANCE REVIEW

Led by an increase in revenue from GP clinics, specialist clinics and the newly acquired and newly incorporated clinics, revenue in FY2024 had a robust growth, jumping to $26.9 million from $22.1 million in FY2023.

For operating expenses, employee benefits increased approximately $2.9 million from $9.8 million in FY2023 to $12.7 million in FY2024, mainly due to the increase in number of headcount due to the acquisition and incorporation of the new clinics, and an increase in remuneration given to the practitioners and staff for the additional hours worked.

Other expenses decreased approximately $0.6 million from $4.9 million in FY2023 to $4.3 million in FY2024. The decrease was mainly due to a one off extraordinary fair value loss on derivative financial instrument of $2.0 million which arose mainly from the expiration of options in one of our associates in FY2023. The decrease was partially offset by increases in locum fees of $0.8 million and administrative charges of $0.2 million in FY2024.

Singapore Paincare's share of results of joint venture reversed from a loss of $0.03 million in FY2023 to a profit of $0.6 million in FY2024.

LETTER TO SHAREHOLDERS

Totalling the effects of the above, the Group reversed from a position of net attributable loss to shareholders of $0.7 million (restated) in FY2023 to achieve net attributable profit to shareholders of $2.0 million in FY2024.

Prospects

In the current global economic climate, global interest rates are stabilising, and central banks around the world are pivoting towards more moderate rate cuts, providing a potential tailwind. However, notwithstanding these macro factors, we believe that the essential business nature of Singapore Paincare positions us on resilient ground to navigate these challenges and provides a partial cushion against such risks.

The partnership in China with PUXH established a strategic partnership that will allow both parties to leverage each other's resources, expertise and clinical assets. This successful venture will serve as a strong springboard that will facilitate us in expanding and developing a similar pain care ecosystem overseas, bringing Singapore Paincare a step closer to its aim to be Asia's leading one-stop pain management centre.

It is our belief that the ecosystem for pain care treatment that we have created locally would also be highly relevant in many markets. Everyone will experience pain-related issues at any point in their lives, and this is more prevalent in the aging population, which countries throughout the region are grappling with. As such, other regional markets, including China, Indonesia, the Philippines, Malaysia and Vietnam from which the bulk of our Group's foreign patients are from, remain as our priority interest markets to seek potential synergistic partnerships to expand into.

Looking to the future, our goal remains unchanged—that is, to work together towards excellence and keeping to our vision of providing affordable pain care services to the masses through our network of primary healthcare clinics. We are also targeting to work with corporations to be their preferred healthcare provider to help them alleviate employees' pain points, thereby improving work productivity levels.

Singapore Paincare's expanding local network of clinics that focuses on the treatment of pain is well-positioned to support the Healthier SG plan and to serve the needs of Singapore's growing silver population. We will continue to explore pain care for other branches of medicine to expand its specialised services. As public awareness on pain conditions and the available treatment options increases, more people will come forward to seek help from the onset. By introducing pain treatment in our GP clinics, we ensure that everyone has access to our pain solutions.

We are embracing technological advancements in healthcare with an open mind. This is imperative for us to foster a more sustainable healthcare systems, advancing the development of more effective treatments, thereby promoting healthier patient groups. The trajectory of digital health technology underscores a significant shift towards patient empowerment and co-design in healthcare, championing active engagement in medical decision-making and treatment development. This transformative journey is redefining the traditional patient-doctor dynamic, fostering collaborative partnerships and driving innovation in the realm of technology in healthcare.

Appreciation and Acknowledgement

We wish to give our word of thanks to our shareholders who have been ever supportive of the Group in our journey thus far.

To our management team, medical team and all staff, our sincere gratitude for their dedication and hard work in enabling the smooth operations, and making a difference to patients' healthcare experiences at our clinics and centres.

Last but not least, we thank our fellow Board of Directors for their wise counsel and contributions to the stewardship of the Group in its continuous strive for excellence and value creation for all our stakeholders.

DR LEE MUN KAM, BERNARD [1]
Executive Chairman &
Chief Executive Officer

[1] On 18 September 2024, Dr Lee Mun Kam, Bernard was re-designated as Executive Chairman of the Company and remains as Chief Executive Officer of the Company.

OPERATIONS AND FINANCIAL REVIEW

REVIEW OF PERFORMANCE OF THE GROUP

REVENUE

The Group's revenue increased 21.7% from $22.1 million in FY2023 to $26.9 million in FY2024, mainly attributable to increase in revenue from specialist clinics ("SP") and the general practitioners ("GP") clinics. The growth in revenue was boosted by the incorporation of DR+ Medical and Paincare Alexandra ("Alexandra Clinic") and the acquisition of Boon Lay Clinic & Surgery ("Boon Lay Clinic"), as well as the majority of the established clinics in our network turning in a higher topline through higher consultation fees as a result of our successful marketing efforts in creating greater community awareness of our clinics.

OTHER INCOME

The increase in other income by approximately $0.3 million from $0.3 million in FY2023 to $0.6 million in FY2024 was mainly due to increases in (i) various government grants and incentives of $0.1 million, (ii) sponsorship income of $50,000, and (iii) rental income and others of $10,000.

INVENTORIES AND CONSUMABLES

Changes in inventories and inventories and consumables used, increased approximately $1.4 million from $3.8 million in FY2023 to $5.2 million in FY2024, in line with the higher revenue recorded for the financial year.

EMPLOYEE BENEFIT EXPENSES

Employee benefits expenses increased approximately $2.9 million from $9.8 million in FY2023 to $12.7 million in FY2024. The increase was mainly due to (i) an increase in headcount resulting from the increase in number of clinics in operation, and (ii) an increase in remuneration given to the practitioners and staff for additional hours worked.

DEPRECIATION AND AMORTISATION EXPENSES

Depreciation and amortisation expenses increased by approximately $0.8 million from $1.7 million in FY2023 to $2.5 million in FY2024, mainly due to the addition of the full twelve months of operation of three new subsidiaries in FY2024.

OTHER EXPENSES

Other expenses decreased approximately $0.6 million from $4.9 million in FY2023 to $4.3 million in FY2024, led mainly by one off extraordinary fair value loss on derivative financial instrument arising primarily from the expiration of options in one of our associates in FY2023; offset by the increase in other expenses such as (i) locum fee of $0.8 million, (ii) administrative charge $0.2 million, (iii) marketing fees of $0.1 million, (iv) advertising and promotion expenses of $30,000, (v) loss on disposal of subsidiary of $0.2 million, and (vi) increase in credit card fees of $50,000.

FINANCE COSTS

Finance costs was recorded at $0.5 million in FY2024, an increase of approximately $0.3 million from $0.2 million in FY2023 mainly due to the interest incurred on disbursement of $4.0 million in proceeds from bank borrowings as well as the increase of new leases during FY2024.

SHARE OF RESULTS OF ASSOCIATES

The share of results of associates of $0.2 million for FY2024 was contributed solely by KCS Anaesthesia Services Pte Ltd.

INCOME TAX EXPENSE

Income tax expenses decreased by approximately $0.7 million from $1.3 million in FY2023 to $0.6 million in FY2024, due to the Corporate Income Tax rebate for Year of Assessment 2024, together with lower deferred tax expense.

PROFIT AFTER TAX

As a result of the above, the Group turnaround with a net profit after income tax of $2.4 million in FY2024 as compared to a loss of $30,000 in FY2023. The profit attributable to owners of the Company is $2.0 million in FY2024 compared against a loss attributable to owners of the Company of $0.7 million (restated) in FY2023. Profits attributable to non-controlling interests decreased to $0.4 million in FY2024 from $0.6 million in FY2023.

REVIEW OF STATEMENT OF FINANCIAL POSITION

NON-CURRENT ASSETS

The increase in plant and equipment of $0.9 million was mainly due to (i) the recognition of addition of ROU assets of $0.7 million and plant and equipment of $0.3 million, (ii) lease modification of $2.5 million and (iii) acquisition of Boon Lay Clinic of $0.4 million, which was partially offset by the (i) depreciation of ROU assets and plant and equipment of $2.5 million, (ii) impairment of plant and equipment of $0.2 million, and (iii) disposal of a subsidiary in FY2024 which resulted in a write off of $0.2 million of its remaining property, plant and equipment.

The increase in intangible assets of $0.08 million was attributable to the goodwill arising from the acquisition of the Boon Lay Clinic of $1.0 million, amortisation of trademark of $40,000 during the financial year under review, reclassification of goodwill arising from AE Medical Fernvale Pte Ltd ("AEF") amounted to $0.6 million to asset held for sale, and a write-off of $0.2 million as a consequence of the disposal of GM Medical Paincare Pte Ltd.

Investments in associates increased by $0.6 million, mainly due to the joint venture agreement entered with Puxiang Medical Investment Co., Ltd to establish Beijing Puxin Hospital Management Limited of $0.2 million and acquisition in Shanghai Gong Pu Sheng Jia Medical Management Center of $0.4 million offset with share of associates results net of dividend of $10,000 for FY2024.

OPERATIONS AND **FINANCIAL REVIEW**

CURRENT ASSETS

Inventories increased by $0.2 million mainly due to additional clinics in operation during the financial period.

Trade and other receivables comprised trade receivables of $2.6 million and other receivables of $0.5 million. The increase in trade and other receivables of $0.5 million from $2.7 million in FY2023 to $3.2 million in FY2024 in line with higher revenue in the current financial year.

Cash and cash equivalents of $6.9 million as at FY2024 mainly comprised cash at bank.

There was a $1.0 million non-current asset classified as held for sale as the management had taken necessary action to dispose at one of the Group's wholly owned subsidiary, AEF.

EQUITY

Equity increased from $21.4 million as at 30 June 2023 to $23 million as at 30 June 2024 mainly due to dividend paid to owners of the Company and non-controlling interest of $0.6 million and $0.8 million respectively, disposal of subsidiary amounting to $0.1 million, offset by net profit after income tax of $2.4 million during the financial year.

NON-CURRENT LIABILITIES

The decrease in bank borrowings of $0.2 million from $0.8 million as of 30 June 2023 to $0.6 million as at 30 June 2024 was due to repayment of loan during the financial year.

Lease liabilities increased from $4.6 million as at 30 June 2023 to $5.8 million as at 30 June 2024 due to incorporation of DR+ Medical and Paincare Alexandra and acquisition of Boon Lay Clinic and Surgery.

Other payables increased from $0.2 million as at 30 June 2023 to $0.4 million as at 30 June 2024 was mainly due to advances made from directors of clinics.

Provisions increased from $0.1 million as at 30 June 2023 to $0.2 million as at 30 June 2024, was mainly due to provisions for reinstatement cost for new and existing clinics.

CURRENT LIABILITIES

Trade and other payables decreased by $0.4 million from $4.1 million as at 30 June 2023 to $3.3 million as at 30 June 2024 mainly due to decrease in other payables; accrued expenses of $0.2 million and trade payables and goods and services tax payable of $0.1 million.

The decrease in bank borrowings of $2.3 million from $5.4 million as at 30 June 2023 to $3.1 million as at 30 June 2024 was mainly due to repayment of loan during the financial year.

Lease liabilities increased from $1.6 million as at 30 June 2023 to $1.9 million as at 30 June 2024 due to the incorporation of DR+ Medical and Paincare Alexandra and acquisition of Boon Lay Clinic and Surgery.

Income tax payables decreased by $0.4 million from $1.3 million as at 30 June 2023 to $0.9 million as at 30 June 2024 due to corporate income tax rate rebates given by the government.

There was a $0.1 million liabilities directly associated with the asset held for sale (Please refer to non-current asset classified as held for sale under current assets) of AEF.

REVIEW OF STATEMENT OF CASH FLOWS

Net cash generated from operating activities amounted to $3.7 million, mainly derived from operating cash flows before working capital changes of $5.5 million.

Net cash used in investing activities recorded at approximately $1.4 million was mainly due to (i) acquisition of Boon Lay Clinic Surgery of $1.0 million, (ii) investment in associate of $0.2 million, (iii) purchases of plant and equipment of $0.8 million, and was offset by (i) dividend received from an associate of $0.2 million, (ii) income from disposal of subsidiary of $0.3 million; and (iii) disposal of associate of $20,000.

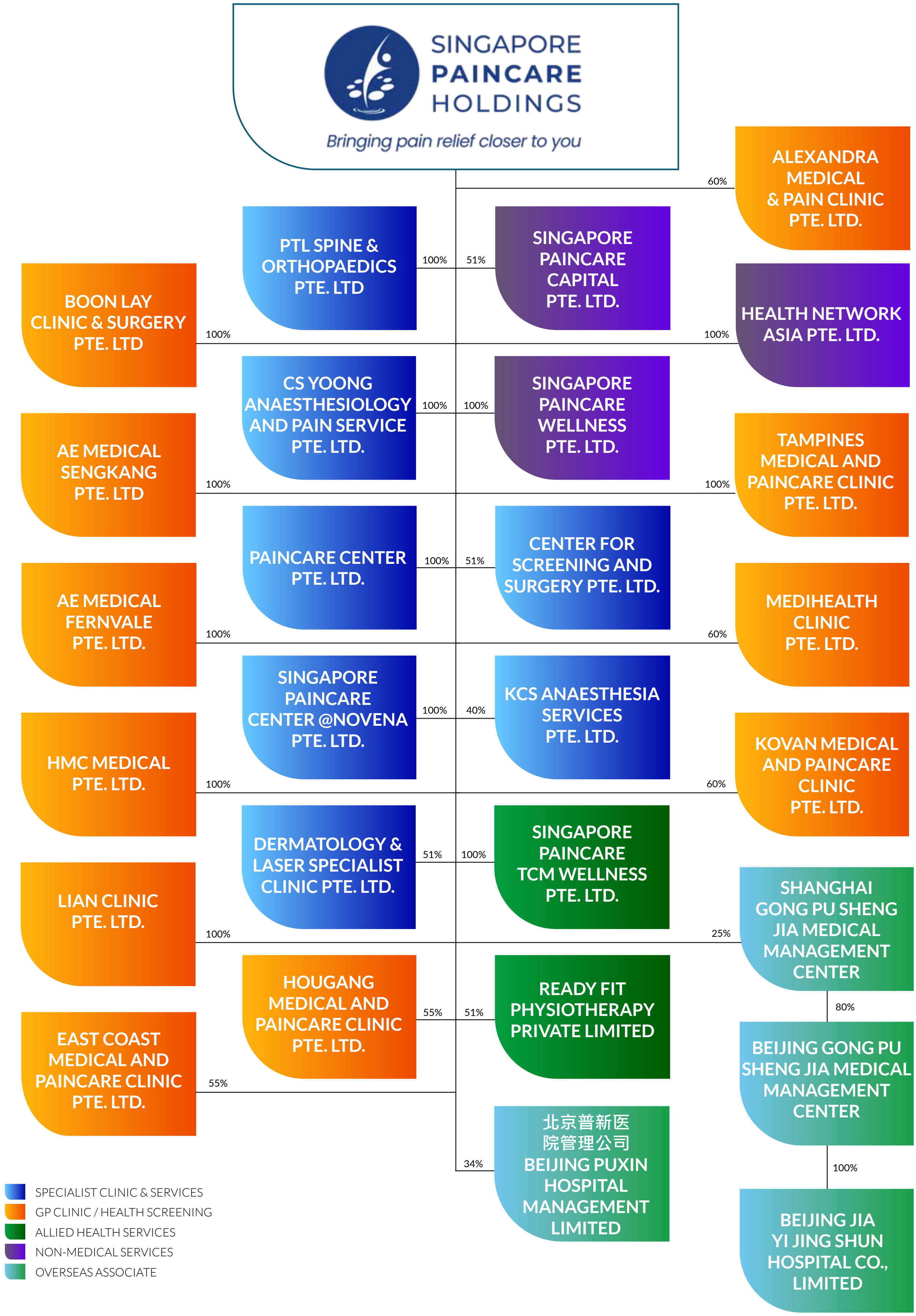
Net cash used in financing activities amounted to $5.1 million, mainly related to (i) dividends paid to the shareholders declared in FY2023 by the Company of $0.6 million, (ii) repayment of lease liabilities (principal and interest portion) of $2 million, (iii) repayment of bank borrowings of $2.3 million, (iv) interest paid of $0.2 million, and (v) repayment and dividend paid to non-controlling interests of $1.0 million, which was partially offset by advances from non-controlling interests of $1.1 million.

Overall, the Group recorded a net decrease in cash and cash equivalents of approximately $2.7 million during FY2024, resulting in cash and cash equivalents $6.9 million as at 30 June 2024.

Note: All figures in this section were rounded.

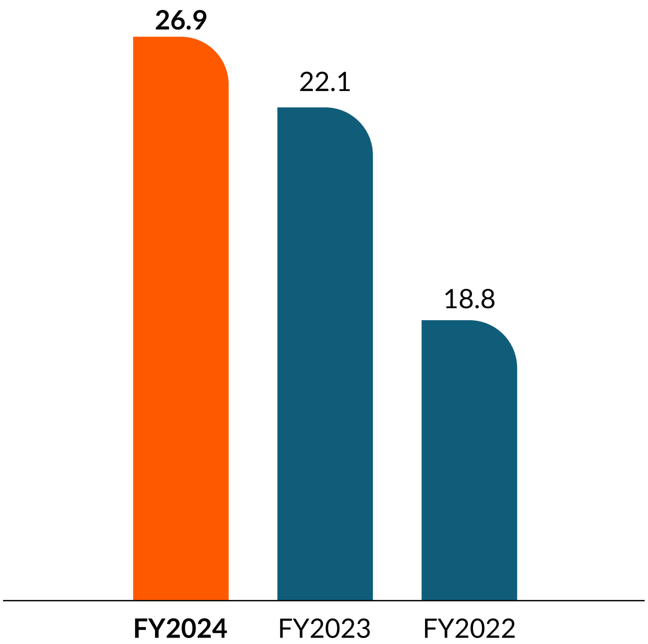
GROUP **STRUCTURE**

As at 30 June 2024

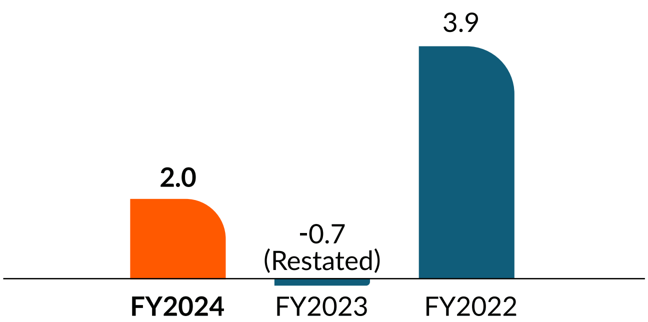


FINANCIAL HIGHLIGHTS

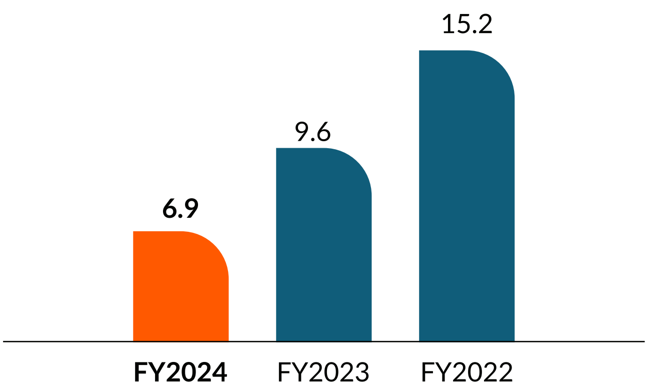
(Financial year ended 30 June)



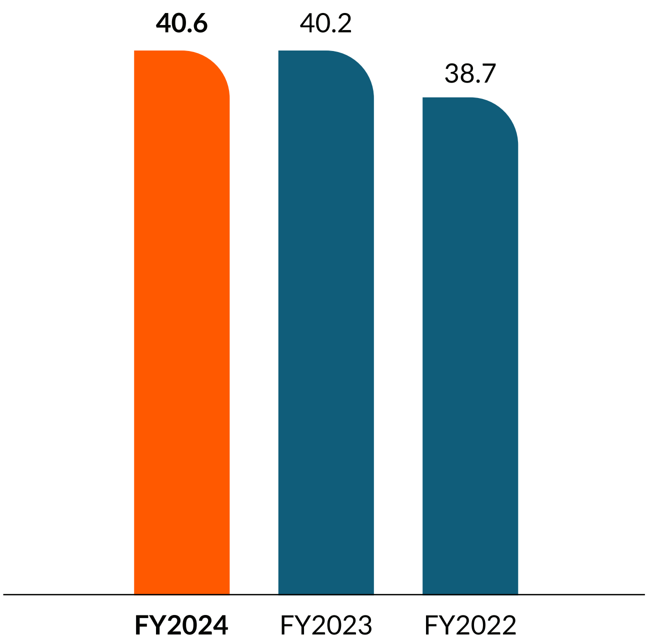
REVENUE
($' million)



PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY
($' million)



CASH AND BANK BALANCES
($' million)



TOTAL ASSETS
($' million)

BOARD OF DIRECTORS

DR. LEE MUN KAM, BERNARD

Executive Chairman & Chief Executive Officer [(1)]

Date of appointment: 31 December 2018
Date of last re-appointment: 16 October 2020
Length of service: 5 years, 10 months (since 31 December 2018)

Present directorships in other listed companies and other major appointments:

- Founder of Singapore Paincare Center and its leading specialist doctor since 2007

Past directorships in other listed companies:

- Nil

Background and experience, professional qualifications and accolades:

- Bachelor in Medicine and Surgery and Master of Medicine (Anaesthesiology) from the National University of Singapore
- Pioneer of interventional pain procedures in Singapore, revolutionised paincare treatment by taking the practice beyond the confines of hospitals and specialist clinics to primary care clinics via a structured, rigorous training programme for medical general practitioners
- Pain director at Tan Tock Seng Hospital's Pain Management Unit between 2002 and 2006, where he played a key role in establishing the hospital's Pain Clinic
- Established the Woman's Pain Centre at KK Women's and Children's Hospital in 2009 and served as pain director of the hospital's Women's Pain Centre until 2018
- Clinical lecturer at the National University of Singapore Faculty of Medicine from 2011 to 2017
- Adjunct associate professor at the Faculty of Medicine and Surgery at the University of Santo Tomas, Philippines from 2011 to 2018
- Fellow of the Faculty of Pain Medicine of the Australian and New Zealand College of Anaesthetists
- Member of the Singapore Society of Anaesthesiologists and the Pain Association of Singapore

MS. LAI CHIN YEE

Lead Independent Director [(2)]

Date of appointment: 17 June 2020
Date of last re-appointment: 27 October 2022
Length of service: 4 years, 4 months (since 17 June 2020)

Present directorships in other listed companies and other major appointments:

- Independent Director, SGX-listed Micro-Mechanics (Holdings) Ltd
- Independent Director, SGX-listed Abundance International Limited
- Chairperson, Institute of Singapore Chartered Accountants (ISCA) – CFO Committee
- Member, ISCA – Membership Committee

Past directorships in other listed companies and other major commitments held over the preceding three years:

- Executive Director, Qian Hu Corporation Limited (retired on 30 March 2022)
- Board Member, Accounting and Corporate Regulatory Authority (ACRA) from 2019 to 2024
- Council Member, ISCA from 2018 to 2024
- Chairperson/Member, ISCA – Continuing Professional Education Committee from 2018 to 2023
- Chairperson, ISCA – Singapore Chartered Accountant Qualification (SCAQ) Advisory Panel from 2022 to 2024

Background and experience, professional qualifications and accolades:

- Currently serves as the Finance Director of SGX-listed Qian Hu Corporation Limited, has more than 35 years of experience in auditing, finance & accounting, taxation, treasury and corporate governance matters
- Bachelor of Accountancy from the National University of Singapore
- Fellow Chartered Accountant of Singapore of ISCA
- Member of the Singapore Institute of Directors
- Named Chief Financial Officer of the Year (for companies listed on the SGX-ST with less than $300 million in market capitalisation) at the Singapore Corporate Awards held in April 2009

[(1)] On 18 September 2024, Dr Lee Mun Kam, Bernard was re-designated as Executive Chairman of the Company and remains as Chief Executive Officer of the Company.
[(2)] On 18 September 2024, Ms Lai Chin Yee was re-designated as Lead Independent Director of the Company.

BOARD OF DIRECTORS

DR. LOH FOO KEONG, JEFFREY

Executive Director & Chief Operating Officer

Date of appointment: 5 July 2019
Date of last re-appointment: 15 October 2021
Length of service: 5 years, 3 months (since 5 July 2019)

Present directorships in other listed companies and other major appointments:

- Designated Workplace Doctor by the Ministry of Manpower
- Family Physician at DR+ Medical & Paincare Marsiling since 2006

Past directorships in other listed companies and other major commitments held over the preceding three years:

- Nil

Background and experience, professional qualifications and accolades:

- More than 20 years of experience in the medical field
- Bachelor in Medicine and Surgery from the National University of Singapore in 2001
- Graduate Diploma in Occupational Medicine from the National University of Singapore in 2012
- House officer and medical officer in various hospital departments within the National Healthcare Group, namely the departments of respiratory medicine, obstetrics and gynaecology, orthopaedics, Accident & Emergency, and neurosurgery between 2001 and 2007
- Ran the SARS Intensive Care Unit at Tan Tock Seng Hospital during the SARS outbreak in Singapore in 2003
- Accredited as a Family Physician by the Singapore Medical Council in 2012

DR. LIM KAH MENG

Independent Non-Executive Director

Date of appointment: 5 March 2021
Date of last re-appointment: 15 October 2021
Length of service: 3 years, 7 months (since 5 March 2021)

Present directorships in other listed companies and other major appointments:

- Founder of Gene Oasis Pte. Ltd. since 2001
- Director at Betalife Pte Ltd since 2019
- Director at CanniOasis since 2021
- Director at GO Dx Corp since 2019
- Director at Go Biosciences Group Pte. Ltd since 2012
- CEO and Director of Compass Venture Inc. (Canadian Public Listed Company)

Past directorships in other listed companies and other major commitments held over the preceding three years:

- Nil

Background and experience, professional qualifications and accolades:

- More than 20 years of experience in life science research with specialisation in stem cells and cancerous diseases
- Obtained a Ph.D. in Biomedicine from the National University of Singapore in 2002

BOARD OF DIRECTORS

MR. WONG YEE KONG

Independent Non-Executive Director

Date of appointment: 11 April 2024
Date of last re-appointment: -
Length of service: 6 months (since 11 April 2024)

Present directorships in other listed companies and other major appointments:

- Nil

Past directorships in other listed companies and other major commitments held over the preceding three years:

- Nil

Background and experience, professional qualifications and accolades:

- Over 30 years of experience in equities, banking & finance, investments and healthcare.
- General Manager for Raffles Medical Group Ltd. from 2017 to 2018
- President of Healthway Medical Corporation Ltd. in 2016
- CEO of Pacific Healthcare Holdings Ltd. from 2014 to 2016
- Group Vice President, Business Development & Strategy at Parkway Holdings Ltd. from 2007 to 2009.
- Senior Vice President, Investments for Khazanah Nasional Bhd. from 2005 to 2007
- Graduated with a Bachelor of Economics from the University of Adelaide, and qualified as a Chartered Accountant of The Institute of Chartered Accountants in Australia.

KEY EXECUTIVES & MEDICAL **PROFESSIONALS**

MS. LIM MONG AI, KAREN

Financial Controller (Up till 16 April 2024)

Ms. Lim joined the Group as Financial Controller on 1 July 2023 and was responsible for the Group's accounting, finance and tax functions. She graduated from the Royal Melbourne Institute of Technology University in 2004 with a Bachelor's Degree in Business (Accountancy). She has more than two decades of experience in the field of finance and accounting, including working experience with PwC, KPMG and SGX-listed companies, Golden Agri Resources Ltd and Global Palm Resources Holdings Limited.

MR. SOH CHIONG SIONG, WILSON

Financial Controller (Up till 31 July 2024)

Wilson Soh joined the Group as Financial Controller on 19 April 2024 and was responsible for the Group's accounting, finance and tax functions. He is a seasoned professional in the field of accounting and finance, boasting a wealth of experience spanning various industries including hospitality, real estate, and services. With a background as a Certified Public Accountant, Wilson has held key roles within the Senior Management Team of previous organizations, where he actively collaborated with the Board of Directors and Management Team to achieve their strategic objectives.

MR. ISAAC PEH LIN SIAH

Financial Controller (Appointed on 22 August 2024)

Isaac Peh joined the Group as Financial Controller on 22 August 2024 and is responsible for the Group's accounting, finance and tax functions. He has more than 20 years of accounting and audit experience in various positions in MNCs and listed companies of which more than 10 years manufacturing experience (precision engineering , semiconductor testing and assembly and PCBA) was gained in China. He is a Fellow of CPA Australia and has obtained a ACCA qualification.

DR. CHEE HSING, GARY ANDREW

MBBS (NUS Singapore)

Dr. Chee graduated from the University of Nottingham in 1989 with a Bachelor in Medical Sciences. In 1992, he obtained his Bachelor in Medicine and Surgery from the National University of Singapore. He has over 32 years of experience in the medical field. Between 1992 and 2000, Dr. Chee trained in family medicine and was involved in various rotations in the paediatrics, otolaryngology, psychiatry, dermatology, and general medicine departments of various hospitals. He had also practiced in the Singapore Government Polyclinics. Dr. Chee sub-specialises in visco-supplementation of the knee for osteoarthritis and intraarticular steroid injections for various conditions such as rotator cuff tendinitis and tennis elbow. Dr. Chee co-runs DR+ Medical & Paincare Upper Thomson (formerly Horizon Medical Centre).

DR. HUANG GUOLIANG, EUGENE

MBBS (NUS Singapore), Dip (Family Medicine) (NUS, Singapore)

Dr. Huang graduated from the National University of Singapore in 2007 with a Bachelor in Medicine and Surgery. He has over 12 years of experience in the medical field and practiced in various hospitals between 2007 and 2021, including the Singapore General Hospital, National University Hospital and Changi General Hospital where he rotated across the departments of General Medicine, General Surgery, Orthopaedics, Obstetrics & Gynaecology as well as the Accident and Emergency Department. Dr. Huang also served as a Medical Officer in the Singapore Armed Forces between 2009 and 2011. He went on to complete a Diploma in Family Medicine from the National University of Singapore in 2015. He co-founded AE Medical Clinic in 2016 and serves as its primary care physician with a sub-specialty in chronic pain management. Dr. Huang co-runs DR+ Medical & Paincare Fernvale (formerly AE Medical Clinic).

KEY EXECUTIVES & MEDICAL PROFESSIONALS

DR. CHIA WAI TUCK, XAVIER

MBBS (NUS Singapore), GDMH (Singapore)

Dr. Chia graduated from the National University of Singapore in 2013 with a Bachelor in Medicine and Surgery. During his service in the public sector from 2013 to 2018, Dr. Chia worked in various government restructured hospitals, including clinical postings in orthopaedic surgery, general medicine, general surgery, and anaesthesia. Dr. Chia gained a wealth of experience in intensive care and pain management while enrolled in the Anaesthesiology Residency program under the National University Health System before joining the private sector. In 2023, Dr. Chia obtained his Graduate Diploma in Mental Health with the Institute of Mental Health, Singapore. He is currently pursuing his Graduate Diploma in Family Medicine with the College of Family Physicians, Singapore. Dr. Chia runs DR+ Medical & Paincare Bishan (formerly Medihealth Bishan Clinic & Surgery) and attained his surgical degree from Edinburgh, UK in 1989. Former Associate Professor of Surgery, National University of Singapore.

DR. KONG CHEE SENG

MBBS (London), FRCA (Anaesthesia, United Kingdom)

Dr. Kong graduated from the University of London in 1985 with a Bachelor in Medicine and Surgery. He is an anaesthesiologist and has been in private practice since 2004. Prior to that, he was the Senior Consultant at the Department of Anaesthesia and Intensive Care at Singapore General Hospital from 1996 to 2004. Dr. Kong became a Fellow of the Faculty of the Royal College of Anaesthetists (United Kingdom) in 1991 and is a member of the Association of Anaesthetists (United Kingdom), the Singapore Society of Anaesthesiologists, and the Asian Society of Paediatric Anaesthetists. He was a visiting assistant professor at the University of Maryland Medical Center from 1992 to 1993 and obtained the Merit Award for Undergraduate Teaching in Singapore General Hospital from 2001 to 2002.

DR. KUM CHENG KIONG

MBBS (NUS Singapore), FRCS (Edinburgh), FAMS, FICS

Dr. Kum graduated from the National University of Singapore with a Bachelor in Medicine and Surgery. He is the former President of the Singapore chapter of the Endoscopic and Laparoscopic Surgeons of Asia (ELSA) and one of the founding members of the Endoscopic and Laparoscopic Surgeons of Asia. He was also the Leader of the Laparoscopic Surgery Team of the Singapore International Foundation in Vietnam from 1997 to 2011. Dr. Kum has performed thousands of laparoscopic surgery operations since 1990. In 1994, he was awarded the Health Manpower Development Plan Scholarship to Cologne, Germany, to train in Advanced Laparoscopic Surgery. In 1996, he trained in Colon and Rectum Surgery at the Cleveland Clinic, USA. In 2004, Dr. Kum undertook Robotic Surgery Training in the US. He is also trained in N.O.T.E.S. or Natural Orifice Transluminal Surgery and SILS or Single Incision Laparoscopic Surgery. Dr. Kum runs the Centre for Screening and Surgery.

DR. LEE HWEE CHYEN

MBBS (Singapore), MRCP (UK), FAMS (Dermatology)

Dr Lee is an accredited dermatologist with subspecialty interests in Paediatric Dermatology, Women's Dermatology and Procedural Dermatology.

She is currently the medical director and consultant dermatologist of Epi Dermatology & Laser Specialist Clinic where she manages a wide range of skin, hair and nail conditions in adults and children. Dr. Lee is the medical director of Epi Dermatology & Laser Specialist Clinic.

DR. KWONG SEH MENG

MBBS (NUS Singapore), MRCS (Edinburgh), Dip Occ Health (Singapore), Cert Practical Andrology (Singapore). Dip Paeds (RCP Ireland).

Dr. Kwong graduated from the National University of Singapore in 2005 with a Bachelor in Medicine and Surgery. He trained at various hospital departments, including General Surgery, Urology, Orthopaedics and Hand Surgery and subsequently attained his Membership to the Royal College of Surgeons (Edinburgh) in 2009. In 2013, he completed his Graduate Diploma in Occupational Health and went on to serve as the Designated Workplace Doctor and Advisor for various companies in Transport, Oil and Gas, and Manufacturing. In 2019, he attained his Post Graduate Diploma in Paediatrics from the Royal College of Physicians (Ireland) in 2019. Dr. Kwong runs DR+ Medical & Paincare East Coast.

DR. LEE KOK YEW, JAMES

MBBS (UM, Malaysia), MRCP (United Kingdom), GDFM (Singapore)

Dr. Lee graduated from the University of Malaya, Malaysia in 2014 with a Bachelor in Medicine and Surgery. He went on to obtain his post-graduate accreditation with the Royal Colleges of Physicians of the United Kingdom (MRCP UK) and became a fellow the of Royal College of Physicians of Edinburgh in 2018. Under the supervision of veteran consultants in Singapore General Hospital between 2014 and 2018 and Tan Tock Seng Hospital between 2018 and 2020, Dr. Lee is well-trained and experienced as an Internalist across various specialties, namely neurology, rheumatology, infectious disease, gastroenterology, nephrology, internal medicine and general surgery. In 2023, Dr. Lee obtained his Graduate Diploma in Family Medicine with the College of Family Physicians, Singapore and is an accredited Family Physician. Dr. Lee runs DR+ Medical Paincare Clinic (Kovan).

KEY EXECUTIVES & MEDICAL **PROFESSIONALS**

DR. LAM, MOSES

MBBS (NUS Singapore), MRCP (UK), MMed (Int Med NUS), GDFM (NUS Singapore)

Dr. Lam graduated from the National University Singapore in 2012 with a Bachelor in Medicine and Surgery before enrolling in the Singhealth Internal Medicine Residency programme. He subsequently obtained postgraduate accreditations with the Royal College of Physicians in the United Kingdom (MRCP UK), Master of Medicine (MMed Internal Medicine) as well as the Graduate Diploma in Family Medicine (GDFM) with the National University Singapore (NUS). Dr. Lam is an accredited Family Physician with a special interest in chronic disease management. Dr Lam believes that a strong partnership with patients is the key to overcome the challenges of chronic disease conditions. Dr. Lam runs DR+ Medical & Paincare Hougang.

DR. LEE PENG KHOW

MBBS (NUS Singapore), MMed (Family Medicine)

Dr. Lee graduated from the National University of Singapore in 1992 with a Bachelor in Medicine and Surgery. He has over 30 years of experience in the medical field. After graduation, he completed his year-long houseman program and went on to serve as a medical officer at various hospitals in Singapore for another year. Between 1994 and 1996, Dr. Lee served as a medical officer in the Singapore Armed Forces and subsequently trained in family medicine. He obtained his Master of Medicine (Family Medicine) from the National University of Singapore in 1999 and went on to practice medicine for a year at the Ang Mo Kio Polyclinic. In 2000, he jointly set up a private medical practice, Horizon Medical Centre with Dr. Chee Hsing Gary Andrew. He was registered as a Family Physician in 2011. Dr. Lee co-runs DR+ Medical & Paincare Upper Thomson (formerly Horizon Medical Centre).

MR. LI KUNXI, DARYL

Principal Physiotherapist

Mr. Li Kunxi graduated with a degree in Physiotherapy from Auckland University of Technology, New Zealand, in 2009. He has extensive training and certification in various advanced therapeutic techniques:

- In 2012, he received advanced training in Transferencia Electrica Capacitiva Resistiva (TECAR) therapy and is one of the few certified TECAR practitioners in Singapore.
- He is a certified Advanced Practitioner in Dry Needling and and is a certified GEMt Dry Needling Instructor
- Additionally, he is a Certified ISST SCHROTH 3D Scoliosis Therapy practitioner.

Mr. Li's professional experience spans both private and public sectors. From 2010 to 2011, he was part of the National University Health System's multi-disciplinary team for acute and musculoskeletal management. Between 2011 and 2019, he worked in private clinics, focusing on musculoskeletal and pain management. Mr. Li's comprehensive expertise in physiotherapy and dedication to advanced therapeutic practices contribute significantly to the quality of care at Ready Fit Physiotherapy. Currently, Mr. Li oversees the Group's Ready Fit Physiotherapy centres.

DR. LIEW WENJIAN, MARK

MBBS (Hons) RCSI, GDFM, GDGRM (NUS Singapore), GDSM (NTU Singapore)

Dr. Liew graduated from the Royal College of Surgeons Ireland in 2011 with a Bachelor in Medicine and Surgery (2nd class Honours). Upon completing his housemanship in Singapore between 2011 and 2012, he went on to serve in the public sector for three years, working mostly in Emergency Medicine and Polyclinics before moving to the private sector in 2014 where he amassed broad medical experience and knowledge serving as a resident doctor in prisons, nursing homes, and in general practice over the course of eight years.

A firm believer in lifelong learning, Dr. Liew has obtained multiple Post-Graduate Diplomas over the span of his practicing career in order to better serve his patients. He holds the following graduate diplomas: Family Medicine (2016), Geriatrics (2020), Sports Medicine (2021) and Mental Health (2022). At present, he is enrolled in a dermatology post graduate training course. He is an accredited Family Physician by the College of Family Physicians, Singapore. Dr. Liew runs DR+ Medical & Paincare Binjai (formerly Binjai Medical & Paincare Clinic).

DR. WONG SHING YIP

MBBS (NUS Singapore), MCRP (United Kingdom), GDIP Dermatology (United Kingdom)

Dr. Wong graduated from the National University of Singapore in 2007 with a Bachelor in Medicine and Surgery. He has over 12 years of experience in the medical field. Between 2007 and 2013, he trained at various hospitals including the Singapore General Hospital. Dr. Wong was admitted into the Royal College of Physicians, United Kingdom in 2013, before going on to complete a Postgraduate Diploma with distinction in Clinical Dermatology at Queen Mary University of London, United Kingdom in 2015. Dr. Wong joined New City Skin Clinic as its resident physician in 2015 and co-founded AE Medical Clinic in 2016. In 2019, Dr. Wong was appointed the Contract Resident Physician at the Ling Kwang Home for Senior Citizens. He also sits on the Executive Committee of Singhealth DOT Primary Care Network. This network is part of an initiative by the Ministry of Health, introduced to encourage private general practitioner clinics to organise themselves into networks that support holistic and team-based care in the community. Dr Wong runs New City Skin Clinic and co-runs DR+ Medical & Paincare Fernvale (formerly AE Medical Clinic).

KEY EXECUTIVES & MEDICAL **PROFESSIONALS**

DR. THNG LEONG KENG, PAUL

MBBS (NUS Singapore), FRCS (Edinburgh), FRCS (Glasgow), USLME

Dr. Thng graduated from the National University Singapore in 1988 with a Bachelor in Medicine and Surgery (MBBS). He subsequently passed his fellowship examinations from both the Royal Colleges of Surgeons of Edinburgh and Glasgow in 1995. Thereafter, he completed his Orthopaedic Surgery training in Singapore in 1999. He was sent for spine fellowship training, first at the University of Calgary in 2000 and then to Harvard University in 2009. He was involved in an orthopaedic practice and set up the spine service in Changi General Hospital (CGH) from 2001.

DR. YOONG CHEE SENG

MBBS (NUS Singapore), MMed Anaesthesia (Singapore), FAMS

Dr. Yoong is a Consultant Pain Specialist with Singapore Paincare Center with over 20 years of experience treating a wide range of pain conditions. Prior to entering private practice, he was with Changi General Hospital (CGH) where he started the Acute Pain Service and the Chronic Pain Service in CGH in 1998. He subsequently became CGH's Director of Chronic Pain Service between 2015 and 2020 and the Chief of the Department of Anaesthesia and Surgical Intensive Care between 2006 and 2012. Dr. Yoong was conferred the Clinical Associate Professorship by the Yong Loo Lin School of Medicine, National University Singapore in 2015, and by Singhealth Duke-NUS in 2020. He was a member of the MOH Opioids Committee between 2018 and 2021.

Dr. Yoong was trained in Pain Management in Australia at the Sir Charles Gairdner Hospital and Royal Perth Hospital in 1998 and in 2008 respectively. He obtained his Master of Medicine (Anaesthesia) from the National University of Singapore (NUS) in 1994. He was the first local graduate of the Fellow of the Interventional Pain Practice (FIPP) in 2005 and has significant interest and experience in performing pain management interventional procedures.

DR. SEET YU SHIANG, CALEB

MBBS (NUS Singapore), GDFM (NUS Singapore)

Dr. Seet graduated from National University Singapore in 2017 with a Bachelor of Medicine and Surgery. His professional journey includes roles in Internal Medicine, Surgery, Obstetrics & Gynaecology, Emergency Medicine and a notable 2-year tenure in a government Polyclinic. He also has a Graduate Diploma in Family Medicine (GDFM) with the National University of Singapore (NUS) and is an accredited Family Physician. Dr. Seet runs DR+ Medical & Paincare Alexandra.

OUR LOCATIONS

As at 30 June 2024

Clinics		Services	Locations
1	DR+ Medical & Paincare Bishan	Medical clinic (primary care and pain care services)	121 Bishan Street 12, #01-95 Singapore 570121 Tel: +65 6258 3212
2	DR+ Medical & Paincare East Coast	Medical clinic (primary care and pain care services)	146 East Coast Road, Singapore 428835 Tel: +65 6320 0116
3	DR+ Medical & Paincare Fernvale	Medical clinic (dermatology services)	Blk 467B Fernvale Link, #01-529, Singapore 792467 Tel: +65 6816 2900
4	DR+ Medical & Paincare Hougang	Medical clinic (primary care and pain care services)	1187 Upper Serangoon Road #01-54 The Midtown, Singapore 533971 Tel: +65 6320 0118
5	DR+ Medical & Paincare Marsiling	Medical clinic (dermatology services)	Blk 18 Marsiling Lane, #01-269, Singapore 730018 Tel: +65 6269 7435
6	DR+ Medical & Paincare Tampines	Medical clinic (primary care and pain care services)	844 Tampines Street 82 #01-135, Singapore 520844 Tel: +65 6223 3722
7	DR+ Medical & Paincare Upper Thomson	Medical clinic (primary care and pain care services)	200 Upper Thomson Road, #01-11, Thomson Imperial Court, Singapore 574424 Tel: +65 6250 2692
8	DR+ Medical Paincare Clinic	Medical clinic (primary care and pain care services)	988 Upper Serangoon Road, #01-07 Stars of Kovan, Singapore 534733 Tel: +65 6908 6570
9	DR+ Medical & Paincare Alexandra	Medical Clinic (primary care and pain care services)	321 Alexandra Road #01-05, Alexandra Central, Singapore 159971 Tel: +65 6322 7350
10	New City Skin Clinic	Medical clinic (dermatology services)	35 Selegie Road, #03-02, Parklane Shopping Mall, Singapore 188307 Tel: +65 6338 3491
11	Boon Lay Clinic & Surgery	Medical clinic	221 Boon Lay Place #01-240, Singapore 640221 Tel: +65 6265 5247
12	Centre for Screening & Surgery	General Surgery (including Cancer treatment and screening)	38 Irrawaddy Road Mount Elizabeth Novena Specialist Centre Suites #05-32, Singapore 329563 Tel: +65 6475 7133
13	Epi Dermatology & Laser Specialist Clinic	Dermatology	101 Irrawaddy Road #16-09 Royal Square at Novena, Singapore 329565 Tel: +65 6320 0152
14	Paincare Center @ Novena	Specialist clinic (pain care services)	Mount Elizabeth Novena Specialist Centre, 38 Irrawaddy Road, #07-33, Singapore 329563 Tel: +65 6734 4500
15	PTL Spine & Orthopaedics	Spine and orthopaedics	Mount Elizabeth Novena Specialist Centre 38 Irrawaddy Road, #07-34,Singapore 329563 Tel: +65 6734 7005
16 &17	Ready Fit Physiotherapy	Physiotherapy	23 Binjai Park Singapore 589828 Tel: 8800 2351 6 Raffles Blvd, #03-137 Marina Square, Singapore 039594 Tel: +65 8800 2351
18	Singapore Paincare Center	Specialist clinic (pain care services)	Paragon Medical Centre 290 Orchard Road, #18-03, Singapore 238859 Tel: +65 6235 6697
19	Singapore Paincare TCM Wellness	Traditional Chinese Medicine	6 Raffles Blvd, #03-134-136 Marina Square, Singapore 039594 Tel: +65 6266 2168

SUSTAINABILITY REPORT

BOARD STATEMENT

The Board of Directors (the "**Board**") of Singapore Paincare Holdings Limited ("**Singapore Paincare**" or the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to present the sustainability report ("**Report**") of Singapore Paincare for the financial year ended 30 June 2024 ("**FY2024**").

The Board and management of Singapore Paincare oversee and monitor the economic, environmental, social and governance ("**EESG**") factors of the Group, and take them into consideration in the determination of the Group's strategic direction and policies. The Board has oversight of the EESG material factors which are reviewed annually and ensures that these factors are relevant and current for the business. The Board is also involved in the management and monitoring of these EESG factors through the Group's sustainability committee, which is chaired by the Group's Executive Chairman and Chief Executive Officer. The sustainability committee comprises key executives and representatives from various business functions in the Group. The Board and management of SPCH were involved in the preparation and review of this Report before it was approved and published.

This Report provides us with a valuable opportunity to engage our stakeholders and respond to issues that matter most to them and to our business, while at the same time, enhances the Company's assessment in risk management, strategy development, and stakeholder engagement activities as we work to further focus on and prioritise our sustainability and corporate social responsibility initiatives.

This Report focuses on the Group's sustainability performance for FY2024 and covers entities under the Group where we hold more than 50% shareholding. This Report has been prepared with reference to the 2021 Global Reporting Initiative ("**GRI**") Standards and in compliance with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited ("**SGX- ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") as well as the SGX-ST's Sustainability Reporting Guide. We have chosen the GRI framework as it is a well-known and globally recognised sustainability reporting standard. In relation to the Task Force on Climate-related Financial Disclosures ("**TCFD**"), although the Company is not subject to mandatory climate reporting, it has assessed climate-related risks and opportunities which have been disclosed in this report. It is working towards greater maturity of climate-related disclosures in the coming years.

The Board will continue to oversee the sustainability committee and monitor the key factors in our sustainability practices with the sustainability committee, improving on our disclosures as well as progressively updating targets that are material to the sustainability of our business.

Pursuant to Rule 711B(3) of the Catalist Rules, the Company's sustainability reporting process has been subjected to internal review in accordance with the International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors. While this Report has been reviewed by the internal auditor, no external assurance was sought for this sustainability report. We welcome feedback on our sustainability report and can be contacted at sustainability@sgpaincare.com.

DR. LEE MUN KAM, BERNARD
Executive Chairman and Chief Executive Officer

DR. LOH FOO KEONG, JEFFREY
Executive Director and Chief Operating Officer

SUSTAINABILITY REPORT

ABOUT SINGAPORE PAINCARE HOLDINGS

Singapore Paincare Holdings Limited ("**Singapore Paincare**" or the "**Company**" and together with its subsidiaries, the "**Group**") is one of a few medical services groups in Singapore specialising in the treatment of persistent pain conditions including acute and chronic pain due to injury, age-related pain conditions, functional pain disorders, post-surgical pain, and cancer pain. Singapore Paincare provides the entire spectrum of effective pain care treatment solutions that employ minimally invasive procedures and specialised injections, pharmacotherapy, and cognitive behavioural therapy. The suite of services seeks to bridge the treatment gap between conservative physical therapies which may not be immediately effective, and open surgery which may entail higher risks and longer recovery periods. In line with the Group's value proposition of providing holistic pain care and general medical, Traditional Chinese Medicine ("**TCM**") and physiotherapy services are also offered as part of post-treatment rehabilitation.

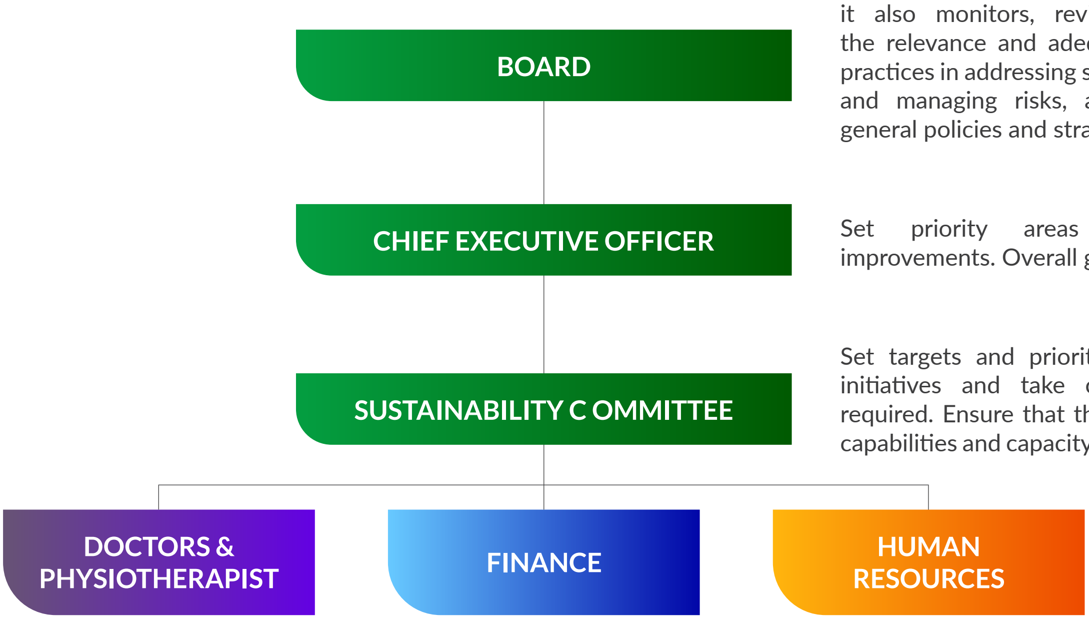
In the preparation of this Report, we have classified the clinics into (i) Specialist Clinic & Services, (ii) GP Clinics and Health Screening, (iii) Allied Health Services, and (iv) Non-Medical Services segments.

SUSTAINABILITY GOVERNANCE

The sustainability focus for Singapore Paincare is to deliver long-term value to all our stakeholders, which include customers, employees, investors, and the communities in which we operate. We are committed to ensuring that strong EESG considerations are integrated in the Company's strategy and business model and in our internal policies and processes.

Our Board has oversight of the EESG issues and is supported by the Group's sustainability committee, which is chaired by the Group's Executive Chairman and Chief Executive Officer. The sustainability committee comprises key executives and representatives from various business functions.

Sustainability Reporting Structure:



The Board oversees the management and it also monitors, reviews, and considers the relevance and adequacy of the Group's practices in addressing sustainability concerns and managing risks, as well as approves general policies and strategies.

Set priority areas for sustainability improvements. Overall governance.

Set targets and priorities for sustainability initiatives and take corrective action as required. Ensure that the Group develops its capabilities and capacity around sustainability.

Implementation of systems and practices throughout the organisation to achieve goals for the identified material topics, collate and monitor information assess materiality and potential risks and opportunities.

SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT

We have identified six key stakeholder groups, namely, government and regulators, patients, suppliers, employees, shareholders and investors, and the community. The channels we use to maintain dialogue with them are shown in the table below. For each group, the engagement method varies and includes formal and informal channels of communication. We are continuously improving the adequacy and effectiveness of our processes in response to changing business and operation environment.

STAKEHOLDERS	OUR ENGAGEMENT APPROACH	AREAS OF CONCERN
Regulators / Government	• Periodic reports of various performance and clinical indicators, quarterly and half yearly updates with the relevant ministries and regulatory bodies • SGXNet announcements • Annual reports	• Governance • Compliance
Patients	• Patients' engagements / meetings • Feedback through surveys • Customer Relationship Management processes	• Patient safety • Patient data privacy • Patient satisfaction
Suppliers	• Feedback from suppliers	• Timely payments
Employees	• Townhall meetings with senior management • Staff meetings • Performance appraisals • Employee surveys	• Workplace health & safety • Work life balance • Training and development of employees on critical skillsets to sustain competitiveness • Competitive compensation scheme • Non-discrimination • Diversity and equality
Shareholders and Investors	• SGXNet announcements • Shareholders' meetings • Annual reports • Company website • Investor relations • Electronic communications	• Sustainable business growth • Fair and equitable treatment to all shareholders and investing public
Community	• Corporate social responsibility ("**CSR**") programs	• Social and financial contributions to the community at large

SUSTAINABILITY REPORT

MATERIALITY

The criteria for Singapore Paincare material analysis were explored and selected based on industry standards, peer benchmarking against companies with similar operations, and management awareness. The material issues identified are listed in the table below, and their level of importance was determined based on their influence on stakeholders as well as their impact on its business risks and opportunities. These material topics were also presented to the Board for review and approval before their inclusion in this Report. In FY2024, an internal review was carried out on the relevance and currency of the material topics. The table below summarises our material issues and the relevant GRI Standards that we have referenced in this Report.

FOCUS AREAS	MATERIAL TOPICS	GRI TOPIC SPECIFIC DISCLOSURE REFERENCED
Our Business	**Economic** • Economic Performance	GRI 201-1
	Environmental • Resource Efficiency	GRI 302-1, GRI 305-2, GRI 303-3
	Governance • Compliance • Data Privacy	GRI 2-27 GRI 418-1
	Social • Patient Experience • Patient Health and Safety	- GRI 416-2
Our Employees	**Social** • Employee Relations • Training and Development • Occupational Health & Safety	GRI 401-1, 405-1 GRI 404-1 GRI 403-9

OUR BUSINESS
ECONOMIC

ECONOMIC PERFORMANCE
[GRI 201-1]

The Group maintained its growth trajectory by increasing community awareness of our clinics and quality healthcare services, as well as establishing more clinics with both specialists and general practitioners for better outreach to the community in FY2024.

In FY2024, the Group recorded a net profit attributable to shareholders of S$1.97 million, reversing its net loss attributable to shareholders of S$0.67 million in FY2023. This set of commendable results was primarily driven by stronger revenue contributed from its expanded clinic base of specialists and general practitioners, which saw revenue increase by 21.9% year-on-year from S$22.08 million in FY2023 to S$26.91 million in FY2024.

In the year under review, the Group operates 19 clinics, including 11 general practitioner ("**GP**") clinics, five (5) specialist clinics, two (2) physiotherapy centres, and one (1) Traditional Chinese Medicine ("**TCM**") centre. The notable additions are (i) the incorporation of Alexandra Medical and Paincare Clinic Pte. Ltd., in which the Group controls 60%, and (ii) the acquisition of a 100% stake in Boon Lay Clinic and Surgery Pte. Ltd. The Group's earnings-enhancing expansion is consistent with the Singapore government's healthcare ambitions; "Healthier SG" seeks to develop family health plans that prioritise preventive health and prevention of onset of chronic diseases. The Group thinks that its established network of clinics and centres is well-positioned to capitalise on national initiatives and may actively support and participate in their implementation.

The Group's maiden overseas investment in June 2023 through a share subscription in China's PuXiang Healthcare Holding Limited ("**PUXH**") resulted in 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. This synergistic collaboration includes providing training to the Chinese doctors using Singapore Paincare's proprietary pain management techniques, as well as enhancing a holistic care approach by combining traditional Chinese medicine with modern rehabilitative physiotherapy, creating an integrated care option for pain patients.

The Group believes that its expanded network, along with the strategic developments, will create synergies, improve its overall performance for sustainable growth, and strengthen its regional influence in the healthcare industry. Meanwhile, the Group will continue to look for suitable opportunities to increase value for its stakeholders.

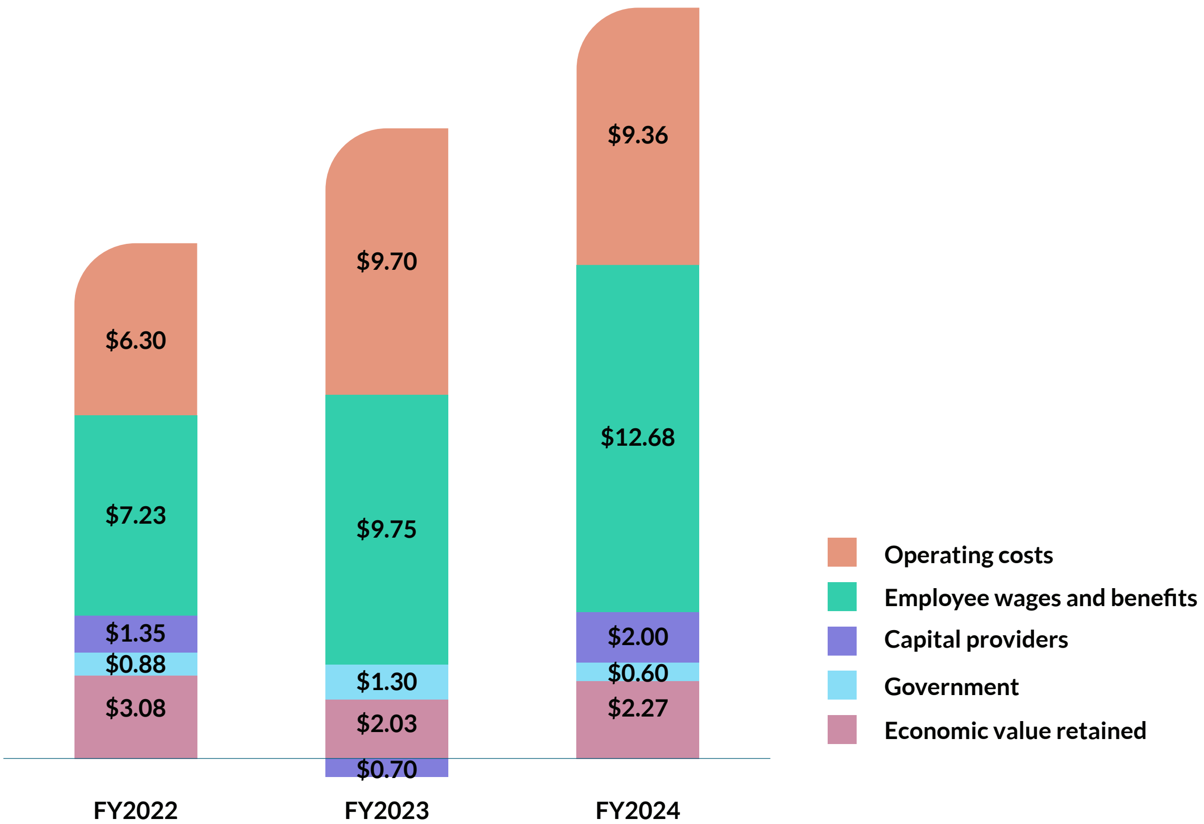
SUSTAINABILITY
REPORT

The table below provides a breakdown of our economic value distributed to various stakeholders, and the economic value retained.

	FY2023*	FY2024
Economic value generated	S$22.08 million	S$26.91 million
Economic value generated		
Operating costs	S$9.70 million	S$9.36 million
Employee wages and benefits	S$9.75 million	S$12.68 million
(Receipts)/Payments from/to providers of capital	(S$0.70) million	S$2.00 million
Payments to government by country (taxes)	S$1.30 million	S$0.6 million
Economic value retained	S$2.03 million	S$2.27 million

** FY2023 figures have been restated to reflect correct year-on-year comparison of categories.*

DIRECT ECONOMIC VALUE RETAINED AND DISTRIBUTED
(SGD million)



For more details on our operations and financial information, please refer to the following sections of our annual report for FY2024:

- Operations & Financial Review on pages 8 to 9
- Financial Statements and Notes to Financial Statements on pages 78 to 139

The Group will continue to strive towards making paincare services more accessible and affordable to the masses, which in turn, propel long-term sustainable growth.

ENVIRONMENTAL

RESOURCE EFFICIENCY

[GRI 302-1 | GRI 305-2 | GRI 303-1 | GRI 303-2 | GRI 303-3]

As a responsible corporation, we are committed to govern and minimise our environmental footprint to contribute to the climate change cause. Within the office operations, we have implemented two-sided printing and the use of recycled paper for printing as part of our environmental conservation efforts. In FY2022, we have started to monitor and measure our environmental footprint from our energy and water consumption. Over time, we aim to improve the quality and consistency of our data and deliver savings through resource efficiency. The energy consumed largely relates to the electricity usage in the offices and clinics used for lighting, cooling, and operation of equipment. The water consumed is primarily for sanitation, cleaning, and direct water use.

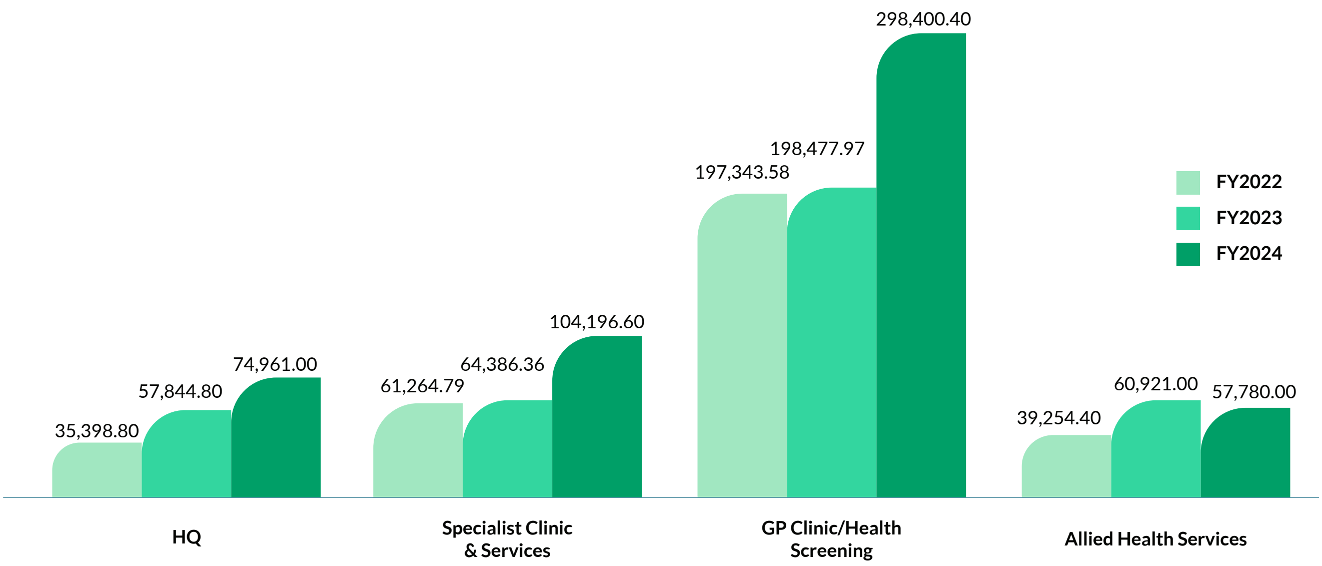
Total energy consumed by the Group was 535,338 megajoules ("**MJ**") in FY2024, compared to 381,630 MJ in the previous year. Energy consumed in FY2024 includes energy consumption by 17 of our entities[1], except Singapore Paincare Wellness Pte. Ltd. and Health Network Asia Pte. Ltd., which are dormant companies; and HMC Medical Pte. Ltd. and Tampines Medical and Paincare Clinic Pte. Ltd[2]. The GP Clinics and Health Screening segment accounted for approximately 55.7% of the total energy consumed this year. The electricity consumed by this segment saw an increase of 50.3% compared to FY2023 due to the addition of four (4) fully operational clinics in FY2024. The Specialist Clinic & Services segment had the highest increase in energy consumption, at 61.8% compared to FY2023. This was mainly due to the full-year consumption of the additional two (2) fully operational specialist clinics in FY2023. HQ's energy consumption had also increased by 14.0% in FY2024 as compared to FY2023. This was partly due to the fact that our new premises in FY2023, were only operational for nine (9) months. The energy consumption for these premises reflects a full year's consumption in FY2024.

The Group's overall greenhouse gas ("**GHG**") emissions were 62 tonnes carbon dioxide ("**tCO_2**") in FY2024, an increase of 44.1% from 43 tCO_2 in FY2023. The GHG emissions reported covers our Scope 2 emissions[3] arising from electricity use in our operations. Scope 1 GHG emissions are not applicable to Singapore Paincare. The Group plans to include Scope 3 GHG emissions in the total GHG emissions in the future.

The total volume of water consumed[4] in FY2024 by the Group was 0.45 megaliters ("**Ml**"), a 2.4% increase compared to 0.44 Ml the year before. All the water consumed was provided by the local municipal water supply; any wastewater or effluents from our operations is treated and discharged in accordance with local laws and regulations.

As we drive resource efficient measures in our operations, we shall continue to monitor our performance so as to be able to set targets once we have a better understanding of our baseline of energy, emissions, and water consumption.

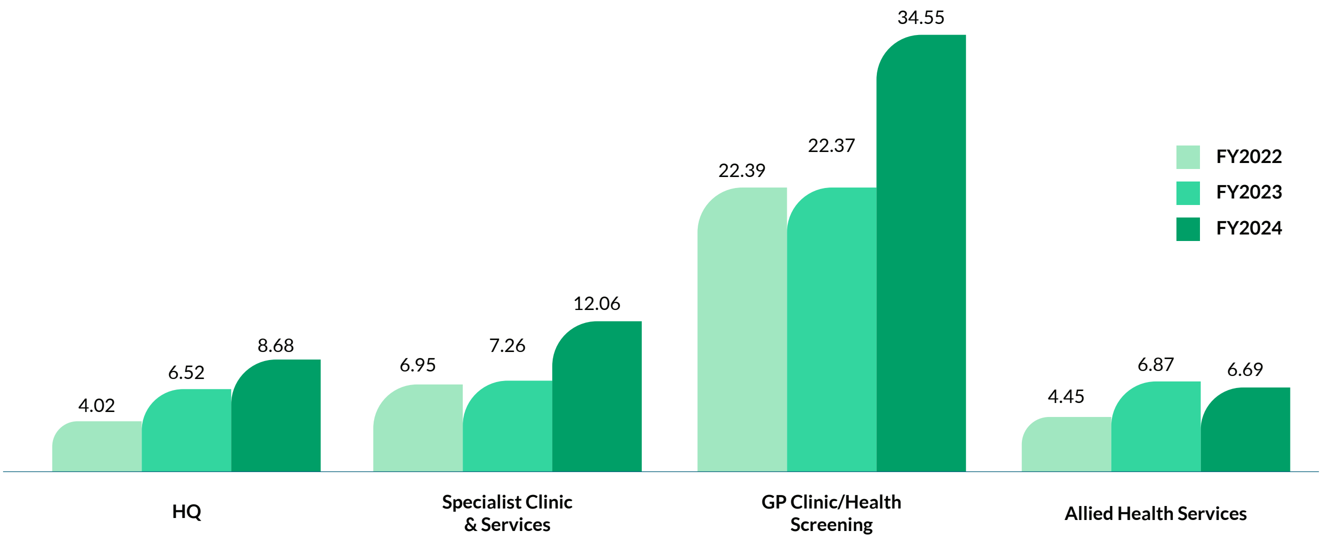
ENERGY CONSUMPTION (MJ)



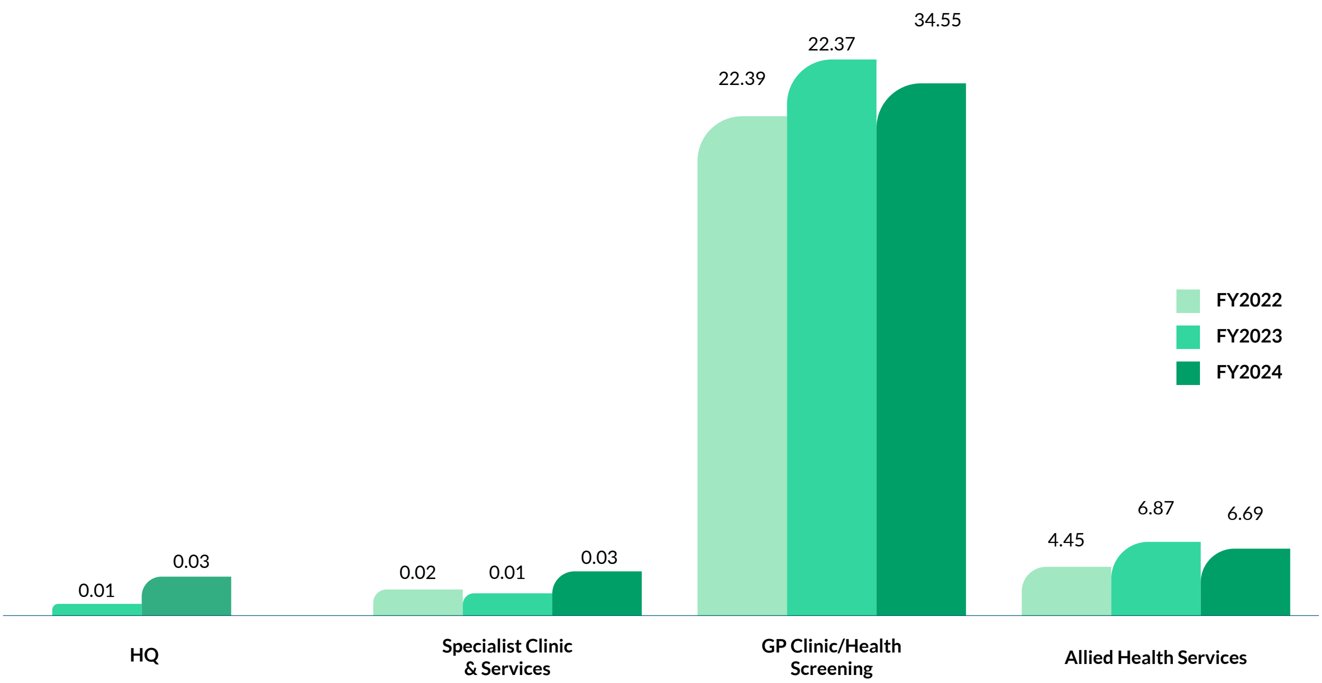
[1] *Entities which were fully operational for the whole of FY2023.*
[2] *The electricity consumption for HMC Medical Pte Ltd and Tampines Medical and Paincare Clinic Pte. Ltd. includes use by tenants and as the tenants' usage cannot be separated from the overall bill, the electricity consumption has been excluded for these two clinics.*
[3] *Grid Emission Factors for Singapore are sourced from Singapore Energy Market Authority (EMA).*
[4] *All water withdrawals for Singapore Paincare are from Singapore. Based on the WRI Aqueduct Water Risk Atlas (Aqueduct 4.0), Singapore shows a low baseline for water stress.*

SUSTAINABILITY REPORT

SCOPE 2 EMISSION (tCO_2)



WATER CONSUMPTION (ML)[5]



[5] *FY2022 water consumption figure for GP Clinic/Health Screening has been restated from a total of 0.59 ML to 0.38 ML to exclude a clinic (HMC Medical) where water consumption includes tenants' and cannot be separated. FY2023 and FY2024 water consumption data covers only water consumed by SPCH operations.*

TASKFORCE FOR CLIMATE-RELATED FINANCIAL DISCLOSURES

Singapore Paincare is acutely aware of the impacts of climate change and the role that each organisation has to play in adapting to and mitigating it. In preparation for climate-related disclosures, the Company has started to identify climate-related risks and opportunities, so that it can be integrated into the organisation's overall risk management framework. The following table sets out the summary of the climate-related risks and opportunities that have been identified for Singapore Paincare which we shall be prioritising in FY2025 to develop the necessary action plans.

TYPE	CLIMATE-RELATED TRANSITION RISK	POTENTIAL FINANCIAL IMPACTS
POLICY AND LEGAL	Carbon pricing mechanisms or taxes imposed by government bodies.	Increased operational costs due to higher taxes, potential fines for non-compliance, and the need for investments in carbon reduction strategies.
	Regulatory changes leading to increased compliance requirements.	Higher expenses for meeting new regulations, investment in technology upgrades, and potential loss of competitiveness.
TECHNOLOGY	Increased costs of energy due to reliance on carbon-intensive technologies.	Higher utility bills, reduced profitability, and potential loss of market share to competitors with lower energy costs.
	Stranded assets due to rapid technological advancements	Loss of value in outdated equipment and infrastructure, potential write-offs, and the need for investments in new technologies.
MARKET	Decreased demand for healthcare services due to changing consumer preferences	Reduced revenue from declining patient numbers, potential loss of market share to competitors offering eco-friendly services.

TYPE	CLIMATE-RELATED PHYSICAL RISK	POTENTIAL FINANCIAL IMPACTS
ACUTE	Damage to clinic facilities and equipment from extreme weather events (e.g., floods, heat waves)	Repair and restoration costs, business interruption losses due to facility closures.
CHRONIC	Increased healthcare costs due to rising temperatures and heatwaves	Higher expenses for treating heat-related illnesses, increased demand for cooling systems, and potential strain on healthcare budgets.

TYPE	CLIMATE-RELATED OPPORTUNITIES	POTENTIAL FINANCIAL IMPACTS
RESOURCE EFFICIENCY	Digitalisation of health records	Using digital health records can decrease the need for physical space and reduce energy consumption associated with building operations.
	Investment in advanced medical technologies	Increased efficiency, improved patient outcomes, and potential for higher revenue through cutting-edge services.
	Upgrading to more sustainable medical equipment	Improved operational efficiency, reduced maintenance costs, and enhanced patient satisfaction.
PRODUCTS AND SERVICES	Expanding healthcare services to address emerging health issues	New revenue streams, enhanced reputation as a comprehensive healthcare provider, and increased patient base e.g., increase in revenue from timely treatment of heat-related illnesses.
MARKETS	Incentives for adopting green technologies.	Potential for government subsidies or tax breaks for implementing energy-efficient systems, leading to reduced operating costs.
	Collaboration with organisations committed to environmental sustainability	Partnering with local businesses and organizations committed to environmental sustainability can enhance community relations and increase the clinic's visibility. Enhanced brand reputation, loyalty from eco-conscious patients, and potential for higher revenue.
RESILIENCE	Enhanced emergency preparedness and response systems	Improved safety, reduced liability risks, and increased trust from patients and staff. Health care costs for our own staff is only likely to be incremental, with in-house doctors and medication.

GOVERNANCE

COMPLIANCE

(GRI 2-27)

At Singapore Paincare, we understand that responsible business practices are essential to fulfilling our mission of improving pain management for our patients. We demonstrate this advocacy by maintaining ethical and responsible policies and practices and embedding these throughout all levels of the organisation.

We hold ourselves accountable for high standards of honesty, fairness, and integrity, and aim to develop a compliance-led quality culture throughout all levels of the organisation led from the top.

Singapore Paincare has in place healthcare compliance and anti-corruption policies designed to ensure interactions with healthcare professionals and organisations will benefit patients and enhance the practice of medicine. Every Singapore Paincare employee is responsible for adhering to these policies as well as complying with all laws and regulations. Our anti-corruption policies are further explained in the Annual Report on page 61.

Our clinic managers are responsible for ensuring compliance at their respective clinics, from drugs dispensing to procurement of goods. In the event of updates from the regulators such as the Ministry of Health, the corporate office will issue a notice to each clinic to ensure that all staff are updated with the latest requirements. All doctors are also required to attend a quarterly meeting where updates are shared and areas of concern are discussed.

We also recognise the role that we play in the management of our operations and their impact on the environment. Our disposal of wastes, in particular biohazardous waste, from our general practitioner ("**GP**") and specialist clinics, is guided by the National Environment Agency for proper and safe disposal so to prevent cross-contamination risks and to safeguard public health. Our employees are trained to segregate and dispose biohazardous waste safely in accordance with local regulations.

We are pleased to disclose that the target of zero violation of laws and regulations from the socioeconomic or environmental aspect in FY2024 was met. We aim to maintain zero cases of non-compliances in both socioeconomic and environmental aspects for FY2025.

SUSTAINABILITY
REPORT

DATA PRIVACY
(GRI 418-1)

Singapore Paincare respects the privacy of every individual and is committed to protecting the confidentiality, integrity, and availability of personal data it collects in accordance with the principles set out in our Security Policy, Information Technology ("**IT**") Security Management Policy and related guidelines. As part of our approach to risk management, various mitigation measures have been implemented to protect against IT system failure and malicious attacks. These include (but are not limited to) network firewalls and antiviral software.

A Data Protection Officer has been appointed for Singapore Paincare, and we are working closely with the managers and doctors from the various clinics to ensure that our policies and practices are in compliance with the Personal Data Protection Act.

As targeted, there were nil breaches of customer privacy and/or identified leaks, thefts, or losses of customer data in FY2024. We aim to maintain zero cases of customer or data privacy breach in FY2025.

PATIENT EXPERIENCE

We measure patient experience rather than satisfaction among both in-patients and outpatients through our Customer Relationship Management processes to understand what we can do better. Patients at our specialist clinics are also contacted 72 hours after their visit to obtain feedback on their experience, which helps us to facilitate continuous service improvements.

PATIENT HEALTH & SAFETY
(GRI 416-2)

Several of our activities are subject to regulations, either directly or through our clients or regulators. We also adhere to product promotional regulations and healthcare provider compliance codes. We take our responsibilities extremely seriously and fully recognise that failure to comply with laws and regulations could result in financial penalties and the potential for significant liability. In a dynamic healthcare sector, demand for modern, responsive services continues to rise. As we emerged from the pandemic, we continue to broaden our medical capabilities in providing primary and specialist healthcare services including wellness and health maintenance. An important part of high-quality standards in medi-healthcare is ensuring that our doctors and physiotherapists have appropriate credentials and are operating within their allowed scope of work.

We have in place processes for adverse event reporting for patient safety, healthcare provider compliance, and client satisfaction measures.

In FY2024, we were not aware of any incidents of non-compliance with regulations or voluntary codes concerning our healthcare services, thus meeting our target. We aim to maintain zero cases of non-compliances in FY2025.

CORPORATE GOVERNANCE

The Board and the management of Singapore Paincare are committed to the best practices in corporate governance to ensure the sustainability of the Group's operations. We believe that our constant drive for corporate excellence will allow us to establish a more transparent, accountable, and equitable system, thereby increasing the value of the Company and its value to our shareholders and potential investors.

Please refer to our annual report for FY2024 from pages 39 to 66, for more details on the Group's corporate governance practices, precautionary measures, and risk management structure.

OUR EMPLOYEES
SOCIAL

EMPLOYEE RELATIONS
(GRI 401-1, GRI2-7)

Our people are what make Singapore Paincare a success. We want to foster a caring and inclusive culture, along with a high level of engagement and support in areas including leadership development, training, safety, and employee well-being. As the organisation continues to grow, we are gradually integrating and aligning the various policies for the clinics with the aim of having a common approach for human resource management.

Culture and Engagement
We strive to foster a caring, empowered and productive culture to deliver high-quality patient outcomes and experience.

Safety
The safety of our employees is of utmost importance and we are committed to a high performing safety culture.

Reward and Recognition
We recognise the value of our people. We are committed to paying our employees fairly and competitively, having a supportive and rewarding workplace, celebrating our people and the positive impact they make.

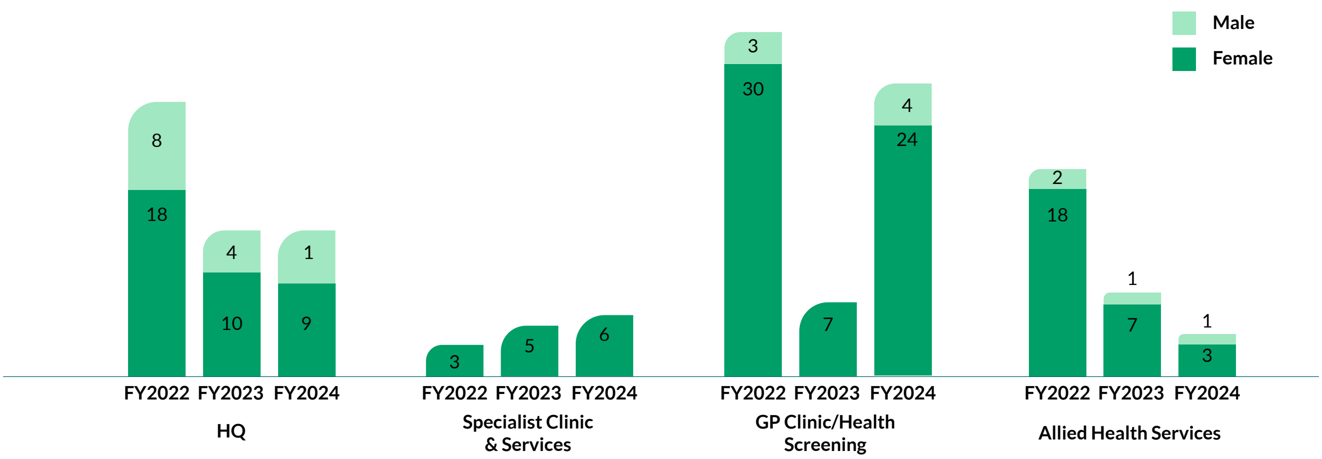
Development and Training
We are focused on delivering career development, professional training and experience that supports the career and progression of all of our people.

The ongoing staff shortages within the healthcare industry have brought forth significant challenges. Even before the COVID-19 pandemic, there were consistent staffing shortages of clinical staff across the healthcare industry. The pandemic has further exacerbated staffing shortages while also creating a work environment where workers may not feel safe. Over the coming years, with an increasing ageing population, the need for doctors, nurses, and assistants is also expected to steadily increase.

At Singapore Paincare, staff retention is a key focus, and we continue to offer a supportive culture, flexible conditions, and competitive packages. As at 30 June 2024, SPCH had a total headcount of 104 full-time and 1 part-time employees across our HQ and 19 clinics. Our overall headcount increased, and we had an overall hiring rate[6] of 45.7%, an increase from 41.0% previously. The ratio of females to males in our new hires is 7:1, with 45.8% and 47.9%of new hires aged under 30 and between 30 and 50 years old, respectively.

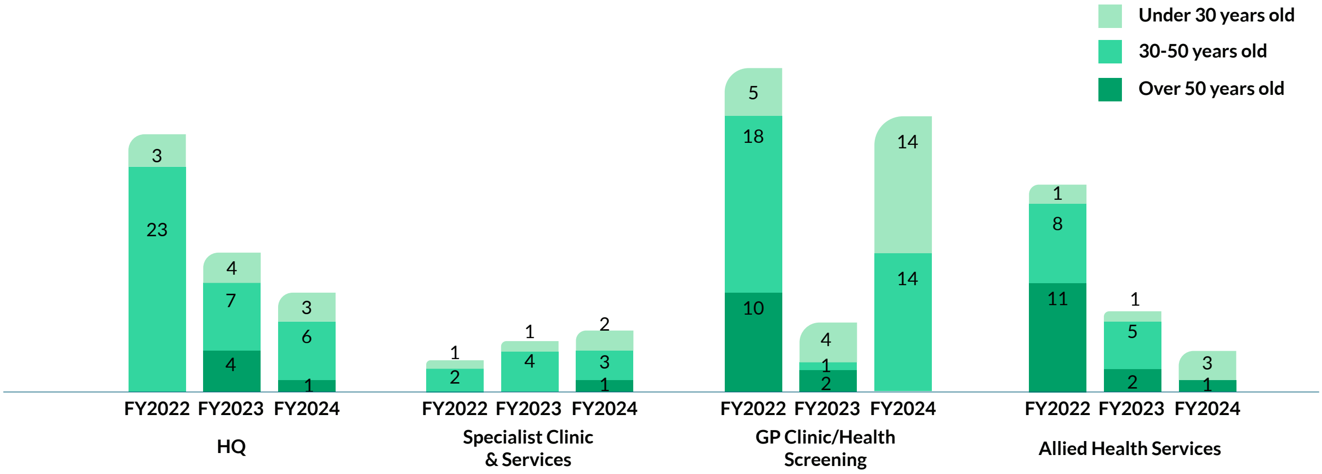
Our turnover rate[7] in FY2024 was 37.1%, a decline from a turnover rate of 43.4% in FY2023. The high turnover rate of nursing staff continues to be a challenge faced globally by the healthcare industry due to the shortage of trained healthcare professionals and a departure of skilled workers. This is due to the increasing demands of the job, which is a similar situation that we are facing in Singapore. Nevertheless, Singapore Paincare will continue with efforts to recruit and retain frontline workers, through measures such as offering competitive compensation and benefits packages, and to improve outreach to staff to ensure their well-being and provide support measures. Although we have achieved our FY2024 target of a turnover rate of ≤50%, we strive to set a lower rate than 37.1% for our turnover rate in FY2025.

NUMBER OF NEW HIRES BY GENDER

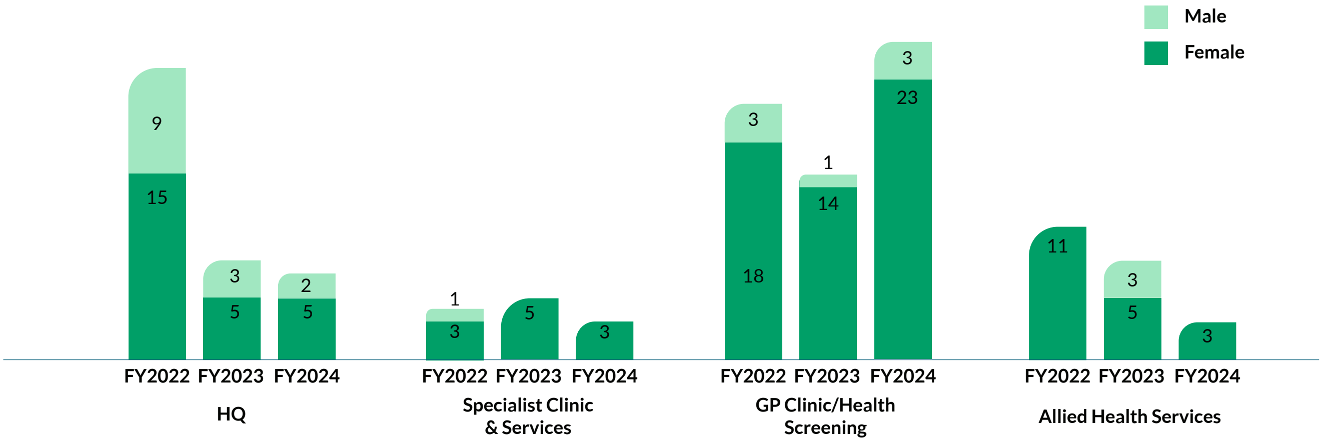


[6] *Hiring rate is measured by taking overall number of new hires in FY2024 / Total number of employees as at end of FY2024*
[7] *Turnover rate is measured by taking overall number of employees who left in FY2024 / Total number of employees as at end of FY2024*

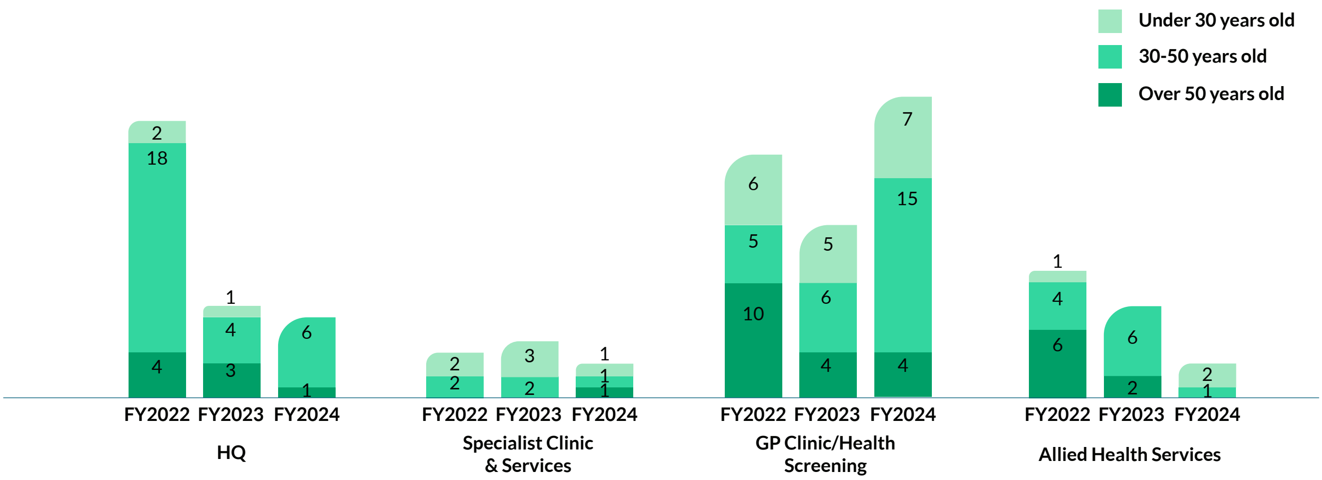
NUMBER OF NEW HIRES BY AGE GROUP



EMPLOYEE TURNOVER BY GENDER

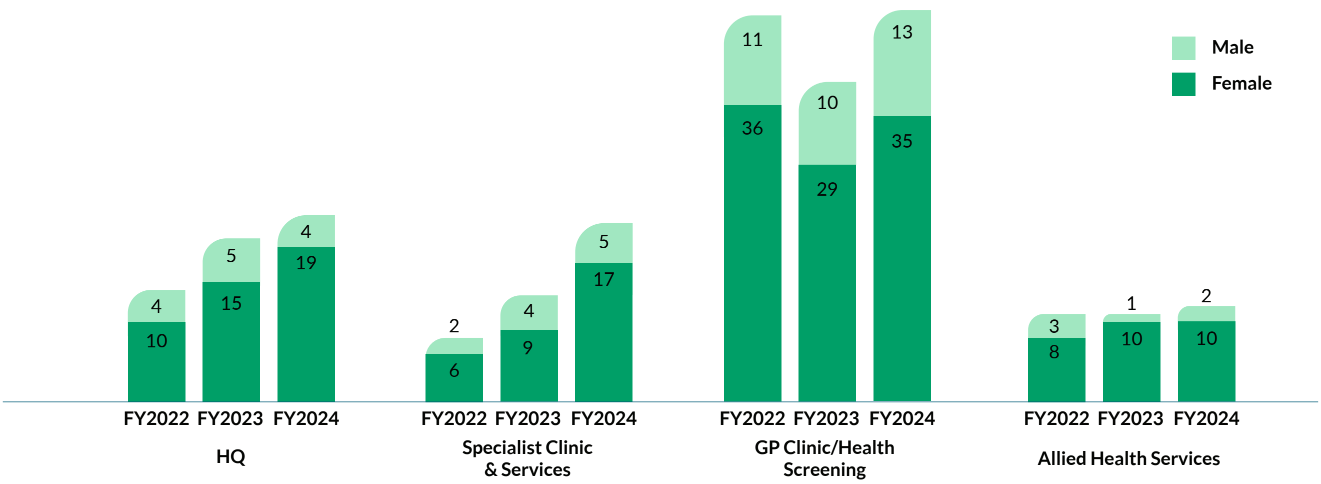


EMPLOYEE TURNOVER BY AGE GROUP[8]

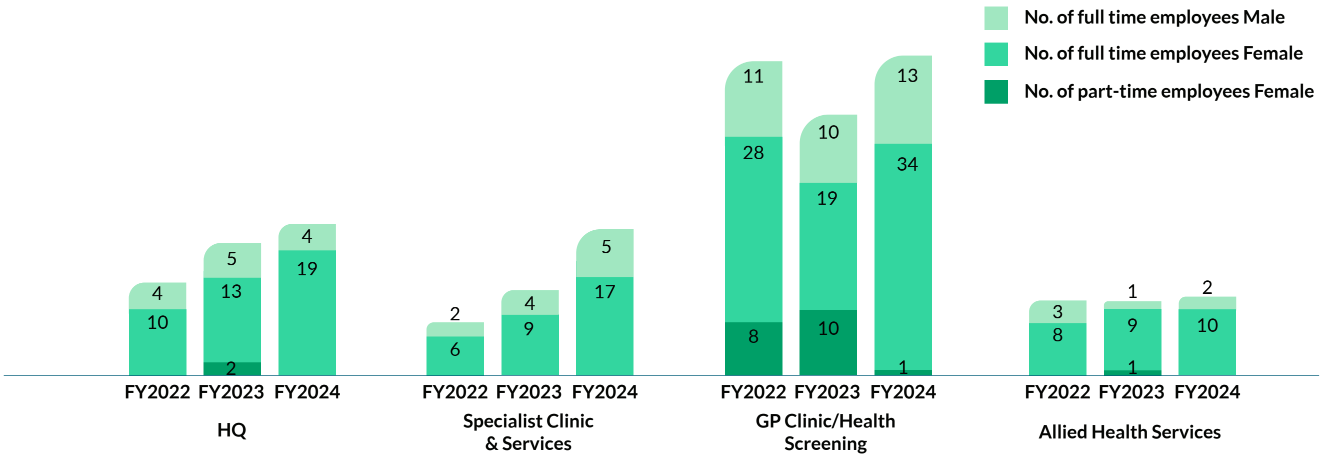


[8]*FY2023 data for turnover for employee under 30 years old and 30-50 years old has been restated to reflect the correct data*

TOTAL NUMBER OF EMPLOYEES BY GENDER



TOTAL NUMBER OF FULL-TIME & PART-TIME EMPLOYEES BY GENDER

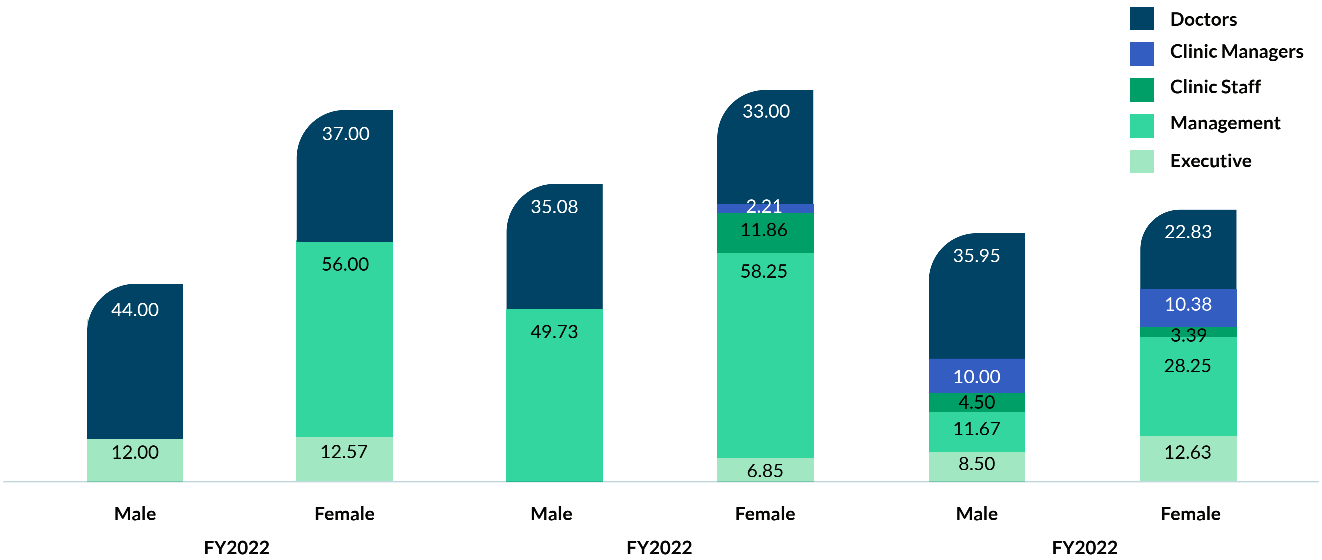


TRAINING AND DEVELOPMENT

(GRI 404-1)

At Singapore Paincare, we recognise the importance for our employees to have inspiring, fulfilling and productive careers, with opportunities to grow and learn. Training was particularly challenging during the pandemic, and materials and training delivery methods were tailored to help support employees through the ongoing uncertainty. Singapore Paincare continued to support staff through a combination of online training sessions and focused on the importance of mental health and wellbeing. An average of 12.4 hours of training was attended per employee in FY2024, a decrease from the 14.3 hours per employee in FY2023. The decrease was due to some doctors completing their training and continuing medical education ("**CME**") programs, which are scheduled to be completed over two years, in the previous year. While we did not meet our targeted average number of training hours per employee in FY2024, we aim to achieve an average of at least 14 hours of training per employee in FY2025.

AVERAGE TRAINING HOURS BY GENDER AND EMPLOYEE CATEGORY



OCCUPATIONAL HEALTH AND SAFETY

(GRI 403-9)

Health and safety at the clinics is overseen by the respective doctors and clinic managers. A common set of standard operating procedures is implemented and followed by all clinics, and a buddy program is in place to ensure that new employees receive the necessary support from the doctors and clinic managers to familiarise themselves with the processes and procedures. We require our employees to report all work-related incidents so that we can gather the right information for future interventions and accident-improvement initiatives.

During daily meetings, all staff receive detailed safety reports and observations from our frontline team members. We emphasise the importance of near-miss reporting and observations of unsafe conditions in all our clinics so as to be able to take necessary preventive action. In addition to empowering our people to care for themselves and their colleagues, Singapore Paincare constantly encourages staff to approach their immediate supervisors for help should they face any difficulties in carrying out their duties.

There were nil cases of reportable incidents in FY2024, thus meeting our target. We aim to maintain zero cases of reportable incidents in FY2025.

SUPPORTING OUR COMMUNITY

As part of Singapore Paincare's corporate social responsibility initiative, we regularly undertake various community projects, including health events, public talks on health and pain management, charity fundraising and healthcare support for the needy and elderly.

In October 2023, Singapore Paincare assisted 20 residents of All Saints Home by befriending them and rendering portering services. In June 2024, volunteers from Singapore Paincare spent the afternoon with residents of Kwong Wai Shiu Hospital watching a movie and playing mahjong. Our staff volunteers also supported them with tea service and portering.

Singapore Paincare sponsored T-shirts for the 'Club Rainbow Skateboard' event in October 2023 as part of their 'Skate For Good' initiative, which brought together 30 skaters to raise funds for low-income families.

Our doctor also conducted a talk on ways to prevent back injuries at construction site for more than 70 foreign workers from Hock Lian Seng Group in October 2023.

SUSTAINABILITY
REPORT

In June 2024, our doctor from DR+ Medical & Paincare Alexandra and staff team participated in the 'Community Engagement Program' with residents of Tanjong Pagar GRC Grassroots Organisation (Queenstown). During this event, our team shared health knowledge and networked with 300 residents in the community.

As part of our ongoing public education initiatives, our doctors from DR+ Medical & Paincare clinics gave educational talks on a variety of pain topics to both private and grassroot organisations, with an average attendance of 40 to 50 participants. They include the following recipients listed below.

- Great Eastern Accident & Health Wellness Carnival (Oct 2023); Topic: TCM for Health
- Maybank MSpace (Oct 2023) – Topic: Managing Back Pain, Joint Pain and Poor Health Symptoms
- Maybank Nex (March 2024) – Topic: Reclaiming Your Life from Lower Back Pain
- Marine Drive View Residents' Committee (May 2024) - Topic: Overcoming Knee Pain and Frailty in Aging
- Thomson Community Centre (May 2024) - Topic: Effective Chronic Pain Management for Seniors
- Great Eastern (June 2024) – Topic: Common Sports Injuries and Ways to Prevent Them

GRI
TABLE

Statement of Use	Singapore Paincare Holdings Limited has reported the information cited in this GRI content index for the period 1 July 2023 to 30 June 2024 with reference to the GRI Standards
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE		LOCATION
GRI 2 General Disclosures (2021)	2-27	Compliance with laws and regulations	Governance (Page 28)
GRI 201 Economic Performance (2016)	201-1	Direct economic value generated and distributed	Economic (Page 23-24)
GRI 302 Energy (2016)	302-1	Energy consumption within the organization	Environmental (Page 25-26)
GRI 303 Water & Effluents (2018)	303-1	Interactions with water as a shared resource	Environmental (Page 25-26)
	303-2	Management of water discharge-related impacts	Environmental (Page 25-26)
	303-3	Water Withdrawal	Environmental (Page 25-26)
GRI 305 Emissions (2016)	305-2	Energy indirect (Scope 2) emissions	Environmental (Page 25-26)
GRI 401 Employment (2016)	401-1	New employee hires and employee turnover	Our Employees (Page 29-32)
GRI 403 Occupational Health and Safety (2018)	403-9	Work-related injuries	Our Employees (Page 33)
GRI 404 Training and Education (2016)	404-1	Average hours of training per year per employee	Our Employees (Page 32-33)
GRI 405 Diversity and Equal Opportunity (2016)	405-1	Diversity of governance bodies and employees	Our Employees (Page 29-32)
GRI 416: Customer Health and Safety (2016)	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Governance (Page 29)
GRI 418: Customer Privacy (2016)	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governance (Page 29)

TCFD
CONTENT INDEX

TCFD THEMATIC AREAS	RECOMMENDED DISCLOSURES	REFERENCE AND REMARKS
GOVERNANCE		
Disclose the organisation's governance around climate-related risks and opportunities	Describe the board's oversight of climate-related risks and opportunities	Board Statement, Page 20
	Describe management's role in assessing and managing climate-related risks and opportunities	Board Statement, Page 20
STRATEGY		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	TCFD risks and opportunities table Pg 27-28 Singapore Paincare is working progressively towards assessing climate-related risks and opportunities over the short, medium and long term, and will be disclosing more in future reports.
	Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning	Financial impacts have been identified in the TCFD table Pg 27-28
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	The Group currently does not employ scenario analysis in identifying climate risks and opportunities. However, there are plans to integrate scenario analysis into our assessment of climate risks and opportunities in the future.
RISK MANAGEMENT		
Disclose how the organisation identifies, assesses, and manages climate-related risks	Describe the organisation's processes for identifying and assessing climate-related risks	As Singapore Paincare works progressively towards reaching maturity of reporting, it is currently working on this and shall be disclosing more information in future reports.
	Describe the organisation's processes for managing climate-related risks	As Singapore Paincare works progressively towards reaching maturity of reporting, it is currently working on this and shall be disclosing more information in future reports.
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	As Singapore Paincare works progressively towards reaching maturity of reporting, it is currently working on this and shall be disclosing more information in future reports.

TCFD
CONTENT INDEX

TCFD THEMATIC AREAS	RECOMMENDED DISCLOSURES	REFERENCE AND REMARKS
METRICS AND TARGETS		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Pages 25 to 28
	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 GHG emissions, and the related risks	The Group has disclosed Scope 2 GHG emissions (Pages 25-26). Scope 1 GHG emissions are not applicable to Singapore Paincare. The Group plans to include Scope 3 GHG emissions in the total GHG emissions in the future.
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	As Singapore Paincare works progressively towards reaching maturity of reporting, it is currently working on this and shall be disclosing more information in future reports.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr. Lee Mun Kam, Bernard [(1)]
Executive Chairman
and Chief Executive Officer

Dr. Loh Foo Keong, Jeffrey
Executive Director
and Chief Operating Officer

Ms. Lai Chin Yee [(2)]
Lead Independent Director

Dr. Lim Kah Meng
Independent Non-Executive Director

Mr. Wong Yee Kong
Independent Non-Executive Director
* Appointed on 11 April 2024.

AUDIT COMMITTEE

Ms. Lai Chin Yee
(Chairman)
Mr. Wong Yee Kong
Dr. Lim Kah Meng

REMUNERATION COMMITTEE

Ms. Lai Chin Yee
(Chairman)
Mr. Wong Yee Kong
Dr. Lim Kah Meng

NOMINATING COMMITTEE

Mr. Wong Yee Kong
(Chairman)
Ms. Lai Chin Yee
Dr. Lim Kah Meng

COMPANY SECRETARY

Wong Yoen Har
(Associate of The Chartered Secretaries Institute of Singapore)

REGISTERED OFFICE

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Fax: +65 6972 2258
Email: enquiries@sgpaincare.com

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Singapore 038987

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Public Accountants and Chartered Accountants
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Partner-in-charge: Tan Boon Kai
(Appointed since the financial year ended 30 June 2024)

SHARE REGISTRAR

Boardroom Corporate & Advisory
Services Pte. Ltd.
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(1) On 18 September 2024, Dr Lee Mun Kam, Bernard was re-designated as Executive Chairman of the Company and remains as Chief Executive Officer of the Company.
(2) On 18 September 2024, Ms Lai Chin Yee was re-designated as Lead Independent Director of the Company.

CORPORATE GOVERNANCE

Singapore Paincare Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**"), views corporate accountability, transparency and sustainability as strategic tools for enhancing long-term shareholders' value and are committed to observing high standards of corporate governance.

The Company adopts practices based on the Code of Corporate Governance (the "**2018 Code**") issued on 6 August 2018.

This report describes the Company's corporate governance practices that were in place for the financial year from 1 July 2023 to 30 June 2024 ("**FY2024**"), with reference to both the principles and provisions set out in the 2018 Code and Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of the Catalist (the "**Catalist Rules**"), where appropriate. Where the Company's practices vary from any provisions of the 2018 Code, appropriate explanations for the deviations and how the practices adopted are consistent with the intent of the relevant principle have been included.

BOARD MATTERS

Principle 1: THE BOARD'S CONDUCT OF AFFAIRS

The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Provision 1.1 of the 2018 Code:

Directors are fiduciaries who act objectively in the best interests of the Company

In FY2024, the Board of Directors (the "**Board**") was made up of the following members:

Ms. Lai Chin Yee (Non-executive Chairman and Independent Director)
Dr. Lee Mun Kam Bernard (Executive Director and Chief Executive Officer)
Dr. Loh Foo Keong Jeffrey (Executive Director and Chief Operating Officer)
Mr. Yap Beng Tat Richard[1] (Independent Non-executive Director)
Mr. Wong Yee Kong[2] (Independent Non-executive Director)
Dr. Lim Kah Meng (Independent Non-executive Director)

1. Resigned on 9 February 2024
2. Appointed as Director on 11 April 2024

The Board sets the tone for the Group in respect of ethics, values and desired organisational structure, and ensures proper accountability within the Group.

The primary functions of the Board, apart from its statutory duties, include:

- Overseeing the overall management and business affairs of the Group;
- Formulating the Group's strategies, focusing on value creation and innovation and considering sustainability issues;
- Ensuring that the necessary resources are in place for the Group to meet its strategic objectives;
- Setting financial objectives and monitoring the Group's financial performance and Management's performance;
- Overseeing the evaluation of the adequacy and effectiveness of financial reporting, internal controls and risk management frameworks;
- Setting the Group's approach to corporate governance, including the establishment of ethical values and standards; and
- Balancing the demands of the business with those of the Company's stakeholders and ensuring obligations to material stakeholder groups (including shareholders) are met.

The Board has adopted a Code of Business Conduct and Ethics for Directors which establishes the fundamental principles of professional and ethical conduct expected of the Directors in the performance of their duties. It includes guidelines on matters relating to conflicts of interest. When an actual, potential and perceived conflict of interest arises, the concerned Director must recuse himself or herself from discussions and decisions involving the matter and abstain from voting on resolutions regarding the matter.

Provision 1.2 of the 2018 Code:

Directors' duties, induction, training and development

All Directors are aware of their fiduciary duties and are committed to exercising due care and diligence in making their decisions and to objectively discharging their duties and responsibilities in the best interests of the Company. Aside from their statutory duties, the key roles of different classes of Directors are set out below:

- Executive Directors are members of the management of the Company (the "**Management**") who are involved in the day-to-day operations of the Group's business. They work closely with the Independent Directors on the long-term sustainability and success of the Group. They provide insights and recommendations on the Group's operations at the Board and Board Committee meetings.

- Independent Directors do not participate in the day-to-day operations of the Group's business and are deemed independent by the Board. They are familiar with the Group's business and are kept informed of the activities of the Group. They provide independent and objective advice and insights to the Board and the Management. They constructively challenge the Management on its decisions and contribute to the development of the Group's strategic goals and policies. They participate in the review of the Management's performance in achieving the strategic goals as well as the appointment, assessment and remuneration of the Executive Directors and key personnel.

The Executive Directors are appointed by way of service agreements while the Independent Directors are appointed by way of letters of appointment. The duties and responsibilities of Directors are clearly set out in these service agreements and letters of appointment.

New Directors would be briefed on the Group's industry, business, organisation structure, and strategic plans and objectives. Relevant policies and procedural guidelines would also be provided. Orientation for new Directors includes visits to the Group's key premises to familiarise themselves with the operations.

It is a requirement under Rule 406(3)(a) of the Catalist Rules for first-time appointees on boards of public listed companies in Singapore to attend the Listed Entity Director ("**LED**") programme organised by the Singapore Institute of Directors ("**SID**") as prescribed under Practice Note 4D of the Catalist Rules.

Mr. Wong Yee Kong has completed 11 of 12 modules of the Board Masterclass programs which is an SGX-approved directors' training course that is jointly conducted by the Institute of Singapore Chartered Accountants (ISCA) and SAC Capital.

During FY2024, the Directors were provided with updates on changes in laws and regulations, including amendments to Catalist Rules and the 2018 Code, which are relevant to the Group. The external auditors regularly update the Audit Committee and the Board on the developments and implementation of the Singapore Financial Reporting Standards (International) ("**SFRS(I)**") which are applicable to the Group. Changes to regulations and accounting standards are monitored closely by the Management. In addition, the Management regularly updates and familiarises the Directors on the business activities of the Group during Board and Board Committee meetings.

The Nominating Committee evaluates the individual Directors' competencies and recommends to the Board on training and development programmes for each Director. The Directors are also encouraged to attend relevant seminar and training programmes to enhance their skills and knowledge, the expenses of which will be borne by the Company.

Although the day-to-day management of the Company is delegated to the Executive Directors, there are matters which are required to be decided by the Board as a whole.

Provision 1.3 of the 2018 Code:

Matters requiring Board's approval

Matters specifically reserved for the Board's decision are formally documented in a schedule, incorporated in the Group's Accounting Policies and Procedural Manual and clearly communicated to the Management. These matters include:

- Changes to the Group's capital structure and corporate structure;
- Material investments, acquisitions and disposals of assets;
- Material capital expenditure;
- Material Group policies;
- Recommendation/declaration of dividend;
- Financial statements (half-year and full year), annual reports, circulars to shareholders and announcements to be submitted to the SGX-ST; and
- Appointment or removal of Directors, company secretary and Executive Officers of the Company.

Certain important matters could be subject to the recommendation by the respective Board Committees. Matters which the Board considers suitable for delegation to a Board Committee are contained in the terms of reference of the respective Board Committees.

Provision 1.4 of the 2018 Code:

Board Committees

Board Committees, namely Audit Committee ("**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**") have been established to assist the Board. Each Board Committee has its own terms of reference, setting out the composition, authorities and duties, which are approved by the Board. All Board Committees are chaired by an Independent Director. While these Board Committees are delegated with certain responsibilities, the responsibility for decisions relating to matters under the purview of the Board Committees ultimately lies with the entire Board.

The composition of the Board Committees as at the end of FY2024 is as follows:-

Board Committees/ Designation	AC	NC	RC
Chairman	Lai Chin Yee	Wong Yee Kong*	Lai Chin Yee
Member	Lim Kah Meng	Lai Chin Yee	Lim Kah Meng
Member	Wong Yee Kong*	Lim Kah Meng	Wong Yee Kong*

* Appointed as Director on 11 April 2024

The terms of reference of the respective Board Committees, which are reviewed by the Board on a regular basis, as well as other relevant information on the Board Committees can be found in the subsequent sections of this report.

Board and Board Committee meetings are held regularly, with Board and AC meetings to be held at least twice a year and RC and NC meetings to be held at least once a year. Board and Board Committee meetings and annual general meetings are scheduled in advance to facilitate the Directors' attendance. Ad-hoc meetings will be convened when the Board's guidance or approval is required, outside of the scheduled Board meetings.

The Directors' attendance at the Board and the Board committees' meetings of the Company held in FY2024 are as below:

	Board	Audit	Nominating	Remuneration
Number of Meetings held in FY2024	3	2	1	2
Name of Directors	**Number of Meetings attended**			
Ms. Lai Chin Yee	3	2	1	2
Dr. Lee Mun Kam Bernard	3	2#	1#	2#
Dr. Loh Foo Keong Jeffrey	3	2#	1#	2#
Mr. Yap Beng Tat, Richard*	3	2	1	2
Mr. Wong Yee Kong@	0	0	0	0
Dr. Lim Kah Meng	1	0	0	1

\# Invited to sit in the meetings

* Resigned on 9 February 2024.

@ Appointed on 11 April 2024.

In accordance with the Company's Constitution, a Director who is unable to attend a Board meeting can still participate in the meeting via telephone conference, video conference, audio visual or by means of a similar communication equipment or similar communication means whereby all persons participating can hear each other. Important matters concerning the Group can also be put to the Board and Board Committees for decision by way of written resolutions.

The NC has conducted an annual performance evaluation of the AC, RC and NC in terms of their roles and responsibilities and the conduct of their affairs as a whole for FY2024. The results are collated and the findings are analysed and discussed by the NC and reported to the Board. It is of the view that the performances of such Board Committees have been satisfactory.

Individual Director assessment is also conducted whereby each Director is evaluated on his/her contributions to the proper guidance, diligent oversight and leadership, and the support he/she lends to the Management in steering the Group.

When a Director has multiple board representations, the NC also considers whether such Director is able to and has adequately carried out his duties as a Director of the Company, taking into consideration the Director's number of listed company, board representations and other principal commitments. In support of their candidature for directorship or re-election, Directors are to provide the NC with details of their other commitments and an indication of the time involved.

The results of the Board, Board Committees and Individual Director evaluations are compiled by the Company Secretary and furnished to the NC. In discussing the results of the performance evaluations for FY2024, the Board and the Board Committee members are able to identify areas for improving their effectiveness.

The NC is of the view that the primary objective of the assessment exercise is to create a platform for the Board members to exchange feedback on the strengths and shortcomings of the Board with a view to strengthening its effectiveness. The assessment exercise also assists the Directors to focus on their key responsibilities and helps the NC in determining whether to re-nominate Directors who are due for retirement at the next annual general meeting including determining whether Directors with multiple Board representatives are able to and have adequately discharged their duties as Directors of the Company.

Provision 1.5 of the 2018 Code:

Attendance and participation in Board and Board Committee meetings

The NC and the Board are generally satisfied with the Board and Board Committees' performance evaluation results with no significant problems identified in FY2024.

The Board and the NC have established a guideline on the maximum number of listed company directorships and other principal commitments that each Director is allowed to hold which can be found under Principle 4 of this report.

The Management recognises that relevant, complete and accurate information needs to be provided to the Directors prior to meetings and on an on-going basis to enable the Directors to make informed decisions and discharge their duties and responsibilities effectively and efficiently.

Provision 1.6 of the 2018 Code:

Complete, adequate and timely information to make informed decisions

The Management provides members of the Board with half yearly management accounts, as well as relevant background information relating to the matters that are discussed at the Board and Board Committee meetings. Such reports keep the Board informed of the Group's performance, financial position and prospects, and consist of the consolidated financial statements, major operational updates, background or updates on matters before the Board for decision or information. The Board is also provided with minutes of the previous Board meeting, and minutes of meetings of all Board Committees held. Detailed board papers are sent out to the Directors at least five working days before the scheduled meetings so that the Directors may better understand the issues beforehand, allowing for more time at such meetings for questions that Directors may have.

Any additional materials or information requested by the Directors are promptly furnished. If necessary, management staff who are able to explain and provide insights to the matters to be discussed are invited to make the appropriate presentation and answer any queries that the Directors may have.

The Management will also inform the Board of all significant events as and when they occur and circulate Board papers and supporting information on major transactions to facilitate a robust discussion before the transactions are entered into.

The Board has, at all times, separate and independent access to the Management, the Company Secretary and external professionals, at the Company's expense, including the sponsor, external auditors and internal auditors through electronic mail, telephone and face-to-face meetings.

Provision 1.7 of the 2018 Code:

Separately independent access to Management, company secretary and external advisers; Appointment and removal of the company secretary

The role of the Company Secretary is clearly defined and includes:

- Attending all Board and Board Committee meetings and ensuring that meeting procedures are followed;
- Together with the Management, ensuring that the Company complies with all relevant requirements of the Companies Act 1967 and the Catalist Rules;
- Advising the Board on all corporate governance matters; and

- Ensuring adequate and timely flow of information within the Board and Board Committees and between the Management and the Board.

The appointment and removal of the company secretary are subject to the approval of the Board as a whole.

Principle 2: BOARD COMPOSITION AND GUIDANCE

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

<u>Board Independence</u>

Provision 2.1 of the 2018 Code:

Director independence

In FY2024, the majority of the Board was made up of Independent Directors. In addition, the Non-Executive Chairman was also an Independent Director, hence, there was a strong independent element on the Board as the Board consisted of five Directors, of whom three were independent and non-executive.

Provision 2.2 of the 2018 Code:

Independent directors make up a majority of the Board

The independence of each Director is reviewed annually by the NC. Each Independent Director is required to complete a checklist to confirm his independence annually. The checklist is drawn up based on the guidelines provided in the 2018 Code and the Catalist Rules. The NC's review of each Director's independence is based on the definition of independence set out in the 2018 Code and also takes into consideration whether the Director falls under any circumstances pursuant to Rule 406(3)(d) of the Catalist Rules.

Provision 2.3 of the 2018 Code:

Non-executive directors make up a majority of the Board

An Independent Director shall immediately disclose to the NC any relationships or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgement in the best interests of the Company. Taking into account the considerations on independence as set out in provision 2.1 of the 2018 Code, read together with Practice Guidance 2 of the 2018 Code, and Rules 406(3)(d) of the Catalist Rules, the NC and the Board ascertained that all Independent Directors in FY2024, namely Ms. Lai Chin Yee, Mr. Wong Yee Kong, Mr. Yap Beng Tat, Richard and Dr. Lim Kah Meng, are independent and none of the Independent Directors has any relationship with the Company, its related corporations, substantial shareholders or officers, which could interfere or be perceived to interfere with the Director's independent judgement. No Independent Director has served on the Board for more than nine years.

<u>Board Diversity</u>

Provision 2.4 of the 2018 Code:

Size and composition of the Board and Board Committee; Board diversity policy

The Company has in place the Board Diversity Policy with a view to achieving a sustainable and balanced development as the Company sees diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition and selection of new Board members, the Board strives to ensure that:

(a) All candidates are included for consideration during the search for new appointments to the Board regardless of gender, age, nationalities or ethnicity;

(b) There is an appropriate mix of gender representation on the Board, taking into account the skills and experience the candidates can contribute; and

(c) External search consultants when looking for suitable candidates for appointment to the Board will be specifically directed to include diverse candidates and women candidates in particular.

In reviewing the composition of the Board, the NC considers the benefits of Board diversity from a number of aspects, including but not limited to gender, age, educational background, professional experience, skills and knowledge. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. The Board remains committed to implementing the Board Diversity Policy and continues its search for a member who has technology expertise and experiences that can complement the Group on new business segments and requirements.

The NC will strive to ensure that:

- Female candidates are fielded for consideration for Board appointments;

- External search consultants, engaged to search for candidates for Board appointments, are required to present female candidates; and

- At least one female Director be appointed to the NC.

Currently, the Company has a lady director in the Board who has many years of experience in the areas of auditing, finance and accounting, taxation and treasury.

However, diversity is not merely limited to gender or any other personal attributes. The benefits of Board diversity could only be harnessed if Directors adopt an independent mindset when carrying out their responsibilities. In order to gather and leverage on diverse perspectives, the Non-executive Chairman and Independent Directors strive to cultivate an inclusive environment where all Directors are able to speak up and participate in decision making.

The ultimate decision for new Board appointments will be based on merit and contribution that the selected candidates are expected to bring to the Board.

The NC has classified into the following core competencies, skills, experiences and knowledge of Directors for FY2024:

Balance and Diversity of the Board	**Number of Directors at end of FY2024**	**Proportion of Board members of 5***
Core Competencies		
Accounting or finance related	1	20%
Business and management experience	2	40%
Legal and Regulatory	1	20%
Relevant industry knowledge	3	60%
Strategic planning experience	1	20%
Healthcare	2	40%
Gender		
Male	4	80%
Female	1	20%
Age Group		
41 - 50	1	20%
51 - 60	4	80%
Independence		
Independent directors	3	60%
Non-Independent directors	2	40%
Directors' Citizenship		
Singapore Citizen	5	100%

* Based on the board composition as at the end of FY2024.

The NC and the Board has examined the above combination and diversity of skills, talents and experience and is of the view that it is an appropriate mix considering the nature and scope of the Group's operations.

Nonetheless, the Company will strive to achieve the following Board Diversity Targets:

Targets	**Achievement of Targets**
(1) The majority of the Board members are to be independent.	As at 30 June 2024, the Board of Directors comprised of 5 members in FY2024 of which three of them are Non-Executive Independent Directors. With more than half of the Board members are independent directors, the target has been achieved, and the Company will endeavour to continue to maintain it.
(2) To bring more female representation on the Board by 2030.	As at 30 June 2024, the Company had 20% female representation on its Board. The NC will continue to assess if there is a need to have more representation of female director on the Board. Female candidates will be fielded for consideration for Board appointments. External search consultants will be engaged to search for female candidates for Board appointments.
(3) Maintain age diversity with Directors' age ranging from below 50s with majority of the Directors in the 50 to 60 range.	As at 30 June 2024, the Company had 20% of its directors on the Board with an age below 50s. The Board will endeavour to maintain this target.
(4) Achieving a balance of skill sets on the Board to achieve the Company's strategic objectives.	The broad categories in the skill matrix are (i) industry knowledge (ii) management expertise and (iii) professional skills (eg. finance/accounting, risk management, legal and corporate finance/mergers and acquisitions etc). The NC and the Board had reviewed the skill matrix and are satisfied that the current Board members have the appropriate skill set to lead and govern the Group effectively.

The Board has examined its size and is of the view that it is an appropriate size for effective decision-making, considering the nature and scope of the Group's operations. No individual or small group of individuals dominate the Board's decision making. The Board and Board Committees have an appropriate balance and mix of skills, knowledge and experience in the Group's core businesses and the areas of accounting and finance, legal and regulatory compliance, business management and risk management, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. In FY2024, the Board had one female Independent Director. The profiles of the Directors are set out in the "Board of Directors" section of the Annual Report.

To facilitate a more effective check on the Management, the Independent Directors meet at least once a year with the internal and external auditors without the presence of the Management. In FY2024, the Independent Directors met at least once with the internal and external auditors without the presence of the Management. The Independent Directors also communicate with each other from time to time without the presence of the Management to discuss the performance of the Management and any matters of concern. Feedback arising from such meetings or discussions is provided to the Board or Non-executive Chairman and Independent Director, as appropriate.

Provision 2.5 of the 2018 Code:

Independent Directors meet regularly without the presence of the Management

Principle 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision- making.

Provision 3.1 of the 2018 Code:

Chairman and CEO are separate persons

In FY2024, the Board was chaired by Ms. Lai Chin Yee, Non-Executive Chairman and Independent Director of the Company while Dr. Lee Mun Kam Bernard, was the Executive Director and Chief Executive Officer ("**CEO**") of the Company. The Non-Executive Chairman and the CEO are not related. Hence, the roles of the Non-Executive Chairman and the CEO were clearly separated, each having their own areas of responsibilities. This ensured an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.

Provision 3.2 of the 2018 Code:

Division of responsibilities between Chairman and CEO

In FY2024, the Non-Executive Chairman and Independent Director, Ms. Lai Chin Yee, ensured that corporate information was adequately disseminated to all Directors in a timely manner to facilitate the effective contribution of all Directors. She promoted a culture of openness and debate at the Board and ensured that adequate time was allocated for discussion of all strategic issues. The Non-Executive Chairman and Independent Director is assisted by the Board Committees, external auditors and internal auditors who report to the Audit Committee in ensuring compliance with the Company's guidelines on corporate governance.

The Executive Director and CEO, Dr. Lee Mun Kam Bernard, is responsible for the overall management of the Group and charting the corporate strategies for future growth with the support of the Executive Director and Chief Operating Officer, Dr. Loh Foo Keong, Jeffrey and the Management.

Provision 3.3 of the 2018 Code:

Lead Independent Director

In FY2024, as the Non-Executive Chairman was not part of the Management and was independent, no Lead Independent Director was appointed.

Principle 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1 of the 2018 Code:

NC to make recommendations to the Board on relevant matters

Provision 4.2 of the 2018 Code:

Composition of NC

As at the end of FY2024, the NC comprised three Independent Directors, namely Mr. Wong Yee Kong, Ms. Lai Chin Yee and Dr. Lim Kah Meng. The Chairman of the NC is Mr. Wong Yee Kong.

The NC's responsibilities, as set out in its terms of reference, include the following:

- Developing and maintaining a formal and transparent process for the selection, appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board, and making recommendations to the Board on the appointment and re-appointment of Directors (including alternate Directors, if any), taking into consideration each Director's competencies, commitment, contribution and performance (for example, attendance, preparedness, participation and candour) including, if applicable, his or her performance as an Independent Director;

- Reviewing succession plans for the Directors, in particular, the appointment and/or replacement of the Chairman, CEO and Executive Officers;
- Deciding on how the Board's performance may be evaluated, and proposing objective performance criteria to assess the effectiveness of the Board as a whole, the Board Committees, and the contribution of each Director;
- Ensuring that all Directors submit themselves for re-nomination and re-election at least once every three years;
- Determining the composition of the Board, taking into account the future requirements of the Group, as well as the need for Directors who, as a group, provide an appropriate balance and diversity of skills, experience, gender and knowledge of the Group, and other considerations as set out in the 2018 Code, and setting the objectives for achieving Board diversity and reviewing the progress towards achieving these objectives;
- Determining on an annual basis, and as and when circumstances require, whether or not a Director is independent having regard to the requirements of the 2018 Code and any other salient factors;
- In respect of a Director who has multiple board representations on publicly listed companies, if any, reviewing and deciding, on an annual basis (or more frequently as the NC deems fit), whether such Director is able to and has been adequately carrying out his duties as a Director;
- Establishing guidelines on the maximum number of directorships and principal commitments for each Director (or type of Director) shall be;
- Reviewing training and professional development programmes for the Board and the Directors;
- Assessing whether each Director is able to and has been adequately carrying out his duties as a Director; and
- Ensuring that new Directors are aware of their duties and obligations.

Provision 4.3 of the 2018 Code:

Process for the selection, appointment and re-appointment of Directors

The NC conducts an annual review of the balance, diversity and size of the Board to determine whether any changes are required in relation to the Board composition. Where the need for a new Director arises, candidates would first be sourced through the Company's network of contacts and referrals. The NC may engage a talent acquisition firm to identify a broader range of candidates. Suitable candidates would be interviewed by the NC and/or the Board and then assessed and nominated by the NC to the Board which retains the final discretion in appointing such new Director.

In recommending to the Board on appointment and re-appointment of Directors, the NC considers the following factors:

- Needs of the Group, Board Diversity Policy, expertise and experience of the candidate and his or her contribution and performance as Director of the Company, officer of other companies and/or professionals in his or her area of expertise;
- Number of public listed company directorships and other principal commitments;
- Whether the candidate is a fit and proper person in accordance with the MAS' fit and proper guidelines, which broadly takes into account the candidate's competence, honesty, integrity and financial soundness; and
- Independence of the candidate (for Independent Directors).

Regulation 103 of the Company's Constitution states that any Director so appointed by the Board shall hold office only until the next AGM and shall then be eligible for re-election. As such, Mr. Wong Yee Kong will be subject to re-election at the forthcoming AGM.

In addition, Regulation 97 of the Company's Constitution states that at each AGM, one-third (or, if their number is not a multiple of three, the number nearest to but not less than one-third) of the Directors shall retire from office and that all Directors shall retire from office at least once in every three year and such retiring Directors shall be eligible for re-election. As such, Dr. Loh Foo Keong Jeffrey and Ms. Lai Chin Yee will be subject to retirement by rotation at the forthcoming AGM.

The NC has assessed and is satisfied that Mr. Wong Yee Kong, Dr. Loh Foo Keong Jeffrey and Ms. Lai Chin Yee are qualified for re-election by virtue of their skills, experiences and their contributions of guidance and time to the Board.

Mr. Wong Yee Kong will, upon re-election as Director of the Company, remain as Chairman of the NC and a member of the AC and RC. The Board considers Mr. Wong Yee Kong to be independent for the purpose of Rule 704(7) of the Catalist Rules.

Dr. Loh Foo Keong Jeffrey will, upon re-election as Director of the Company, remain as Executive Director and Chief Operating Officer of the Company.

Ms. Lai Chin Yee has expressed her intention not to seek re-election, and will be retiring at the forthcoming AGM.

The details of the Directors seeking for re-election as required under Rule 720(5) of the Catalist Rules are set out in the "Re-election of Directors" section of this Annual Report.

Provision 4.4 of the 2018 Code:

Circumstances affecting Director's independence

As described under Principle 2 of this report, the Company has put in place a process to ensure the continuous monitoring of the independence of the Directors. Each Independent Director is required annually to complete a checklist to confirm his independence. Further, an Independent Director shall immediately disclose to the NC any relationships or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of his or her independent business judgement in the best interests of the Company. The NC is of the view that the Independent Directors are independent. As at the end of FY2024, there is no relationship or circumstance set forth in Provision 2.1 of the 2018 Code which puts the independence of the Independent Directors in question.

Provision 4.5 of the 2018 Code:

Multiple listed company directorships and other principal commitments

The NC ensures that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the company. The Company discloses in its annual report the listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, it provides the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties.

When a Director has multiple listed company directorship and other principal commitments, the NC also considers whether or not the Director is able to and has adequately carried out his duties as a Director of the Company.

The NC believes that putting a maximum limit on the number of directorships a Director can hold is arbitrary, given that time requirements for each vary, and thus should not be prescriptive.

The NC is satisfied that sufficient time and attention were given by the Directors to the affairs of the Company during FY2024, notwithstanding that they hold directorships in other listed companies and have other principal commitments, and will continue to do so in the financial year ending 30 June 2025.

The list of directorships held by Directors presently or in the preceding five years in other listed companies, and other principal commitments are set out in the "Board of Directors" section of this Annual Report.

No alternate Director has been appointed to the Board.

Principle 5: BOARD PERFORMANCE

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions 5.1 and 5.2 of the 2018 Code:

Assessment of effectiveness of the Board and Board Committees and assessing the contribution by the Chairman and each Director

The NC has established a review process and proposed objective performance criteria set out in assessment checklists which are approved by the Board. The NC will assess the Board's effectiveness as a whole by completing the Board Assessment Checklist, which takes into consideration factors such as the Board's structure, conduct of meetings, risk management and internal control, and the Board's relationship with the Management. The NC will also assess the Board's performance based on a set of quantitative criteria and financial performance indicators as well as share price performance. In addition, the NC will assess the individual Directors' performance by completing an Individual Director Assessment Checklist, which takes into consideration factors such as commitment of time for meetings, level of participation and contribution at such meetings and the technical knowledge of the Directors.

Where appropriate, the Board will review and make changes to the assessment forms to align with prevailing regulations and requirements. The performance criteria shall not be changed from year to year without justification. These assessments are to be carried out and overseen by the NC for each financial year to evaluate the effectiveness of the Board as a whole and recommendations based on these assessments would be tabled to the Board for discussion and/or adoption. The Non-executive Chairman and Independent Director will act on the results of the performance evaluation and the recommendation of the NC, and where appropriate, in consultation with the NC, new members may be appointed or resignation of Directors may be sought.

Each member of the NC shall abstain from deliberating and voting on any resolutions in respect of the assessment of his performance or re-nomination as Director.

Based on the NC's review for FY2024, the Board operates effectively and each Director is contributing to the Board's effectiveness.

The Board has implemented a formal annual process for assessing the effectiveness of each Board Committee and the Board for FY2024.

Although no external facilitator had been engaged by the Board for this purpose, the NC has full authority to do so, if the need arises.

REMUNERATION MATTERS

Principle 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1 of the 2018 Code:

RC to recommend remuneration framework and packages

Provision 6.2 of the 2018 Code:

Composition of RC

As at the end of FY2024, the RC comprised three Independent Directors, namely Ms. Lai Chin Yee, Dr. Lim Kah Meng and Mr Wong Yee Kong. The Chairman of the RC is Ms. Lai Chin Yee.

The RC's responsibilities, as set out in its terms of reference, include the following:

- Reviewing and recommending to the Board for approval on the framework of remuneration for the Directors and Executive Officers of the Group as well as the specific remuneration packages for each Executive Director and Executive Officer, ensuring that a significant and appropriate proportion of the remuneration is structured so as to link rewards to corporate and individual performance;

- Reviewing annually the remuneration, bonuses, pay increase and/or promotions of employees who are related to the Directors or substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with the respective job scopes and level of responsibilities, and reviewing and approving any new employment of related employees and the proposed terms of their employment;

- Reviewing the obligations arising in the event of termination of service contracts entered into between the Group and the Executive Directors or Executive Officers, as the case may be, to ensure that the service contracts contain fair and reasonable termination clauses which are not overly generous;

- If necessary, seeking expert advice within and/or outside the Company on remuneration matters, ensuring that existing relationships, if any, between the Company and the appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants;

- Performing an annual review of the remuneration packages in order to maintain their attractiveness to retain and motivate the Directors and Executive Officers, and to align the interests of the Directors and Executive Officers with the interests of the shareholders and other stakeholders and promote the long- term success of the Company; and

- Ensuring that the remuneration of Non-Executive Directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.

The recommendations of the RC shall be submitted for endorsement by the Board. Each RC member shall abstain from reviewing, deliberating and voting on any resolution in respect of his remuneration package or that of any employees who are related to him.

The RC considers all aspects of remuneration (including Director's fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits in kind and termination payments) in the review of remuneration packages for the Directors and Executive Officers with an aim to be fair and to avoid rewarding poor performance, before making any recommendation to the Board.

Provision 6.3 of the 2018 Code:

RC to consider and ensure all aspects of remuneration are fair

The Independent Directors receive Directors' fees in accordance with their contributions, taking into account factors such as effort and time spent and their responsibilities. The Directors' fees are recommended by the RC and endorsed by the Board for approval by the shareholders of the Company at the annual general meeting. Save as disclosed in this Annual Report, the Independent Directors do not receive any other remuneration from the Company.

The Executive Directors have each entered into a service agreement with the Company, under which terms of their employment are stipulated in the service agreements.

There are no excessively long or onerous removal clauses in these service agreements. The service agreements are valid for five years with effect from 30 July 2020, thereafter, the employment shall be automatically renewed annually and either party may terminate the service agreement by giving to the other party not less than six months' notice in writing, or in lieu of notice, payment of an amount equivalent to six months' salary based on the Executive Director's last drawn monthly salary.

The RC members are familiar with remuneration matters as they are regularly updated of market practices. During FY2024, the Company did not engage any remuneration consultant to seek advice on remuneration matters. Moving forward, the RC will consider the need to engage such external remuneration consultants and where applicable, it will review the independence of the external firm before engaging them.

Provision 6.4 of the 2018 Code:

Expert advice on remuneration

Principle 7:
LEVEL AND MIX OF REMUNERATION

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company

Provisions 7.1 and 7.3 of the 2018 Code:

Remuneration of Executive Directors and key management personnel are appropriately structured to encourage good stewardship and promote long-term success of the Company

Remuneration of Executive Directors and Executive Officers comprise fixed components, including salaries and CPF, and a variable bonus component. Their remuneration is linked to both corporate and individual performance and aligned with shareholders' interests to promote long-term success of the Group.

The remuneration paid/payable to Executive Directors and Executive Officers are determined by the Board after considering the following:

(1) Salary - salary is determined based on the complexity of the required responsibilities and tasks, and market comparables.

(2) Variable or performance related bonus - variable remuneration depends on the profit of the Group and relevant individuals' key performance indicators.

The Group's remuneration policy is to ensure that the remuneration offered is competitive and sufficient to attract, retain and motivate the Directors and the key management personnel of the required experience and expertise to successfully manage the Company for the long term. No Director is involved in any discussion relating to his own remuneration, terms and conditions of service, and the review of his performance.

Having reviewed the variable component in the remuneration packages of the Executive Directors and Executive Officers, the RC is of the view that it is not necessary to institute contractual provisions to reclaim incentive components of remuneration from Executive Directors and Executive Officers in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group. The Company believes that there are alternative legal avenues to these specific contractual provisions that will enable the Company to recover financial losses arising from such exceptional events from the Executive Directors and Executive Officers.

The Independent Directors are paid Directors' fees which take into consideration their contribution, effort, time spent and responsibilities. They are not overly remunerated to the extent that their independence may be compromised.

Provision 7.2 of the 2018 Code:

Remuneration of Non-executive Directors dependent on contribution, effort, time spent and responsibilities

Long-term incentive schemes such as SPCH Employee Share Option Scheme and SPCH Performance Share Plan are also available to Non-Executive Independent Directors.

Principle 8: DISCLOSURE ON REMUNERATION

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provisions 8.1 and 8.3 of the 2018 Code:

Remuneration disclosures of Directors and key management personnel

A separate annual remuneration report is not prepared as the matters which need to be disclosed in such annual remuneration report have already been sufficiently disclosed in this report and in the financial statements of the Company.

The Directors, the CEO and other key management personnel are remunerated on an earned basis.

The following table sets out the quantum of Directors' Remuneration for FY2024, together with a breakdown (in percentage terms) of each Director's remuneration earned through base/fixed salary, variable or performance related income/bonuses and Directors' fees:

Name of Director	Directors' fee	Base/Fixed Salary	Variable or performance related income/ bonuses	Total S$'000(3)
Lee Mun Kam Bernard	–	84%	16%	973
Loh Foo Keong Jeffrey	–	95%	5%	831
Lai Chin Yee	100%	–	–	34
Yap Beng Tat, Richard (Ye Mingda, Richard)(1)	100%	–	–	12
Lim Kah Meng	100%	–	–	20
Wong Yee Kong(2)	100%	–	–	4

(1) Resigned on 9 February 2024.

(2) Appointed on 11 April 2024.

(3) Includes employer's CPF contribution.

The Company has less than five key management personnel and the remuneration of the key management personnel of the Company is as follows:

Remuneration band and name of key management personnel	Salary and CPF (%)	Variable or performance related income/ bonus (%)	Total (%)
Below $250,000			
Leow Yong Kin(1)	100	–	100
Lim Mong Ai, Karen(2)	96	4	100
Soh Chiong Siong(3)	100	–	100

Notes:

(1) Leow Yong Kin resigned on 31 August 2023.

(2) Lim Mong Ai, Karen resigned on 16 April 2024.

(3) Soh Chiong Siong resigned on 31 July 2024.

After careful consideration, the Board is of the view that full disclosure of the aggregate remuneration of the key management personnel is not in the best interests of the Company in view of, inter alia, the confidential nature of remuneration matters.

The Company has disclosed the remuneration paid to Key Management Personnel using bands no wider than S$250,000 for transparency.

The Board is of the view that in light of the above and despite its deviation from Provision 8.1 of the Code, the non-disclosure of the exact quantum of the remuneration of the Key Management Personnel will not be prejudicial to the interest of shareholders and complies with Principle 8 of the Code.

Provision 8.2 of the 2018 Code:

Remuneration disclosure of related employees

Save for the Executive Directors who are also substantial shareholders, there are no employees who were substantial shareholders of the Company in FY2024.

The remuneration (including salary, bonus and CPF) paid in FY2024 to Ms. Wong Jing Yi Joyce, spouse of Executive Director and Chief Operating Officer, Dr. Loh Foo Keong Jeffrey, for services rendered to the Group on an individual basis are set out in the following remuneration bands:

Remuneration band and name of related employee	Salary and CPF (%)	Variable or performance related bonus (%)	Total (%)
$100,001-$150,000			
Wong Jing Yi Joyce(1)	100	0	100

(1) Ms. Wong is employed as Senior Clinic Manager at Lian Clinic Pte. Ltd. and has been in charge for the operations of Lian Clinic since January 2006.

Long-term incentive schemes are provided in the form of SPCH Employee Share Option Scheme ("**Singapore Paincare ESOS**") and SPCH Performance Share Plan ("**Singapore Paincare PSP**") for eligible employees including Executive Directors (collectively, the "**Share Plans**"). Details of the Singapore Paincare ESOS and Singapore Paincare PSP are disclosed in the Company's offer document dated 13 July 2020 ("**Offer Document**"). The administration committee for the Singapore Paincare PSP and Singapore Paincare ESOS ("**Administration Committee**") comprises of the members of the RC and NC, namely, Ms. Lai Chin Yee, Dr. Lim Kah Meng and Mr. Wong Yee Kong. During FY2024, no share options and no performance shares were granted, vested or cancelled.

Provision 8.3 of the 2018 Code:

Details of performance share plan and employee share option scheme

Singapore Paincare Holdings Limited Performance Share Plan ("Singapore Paincare PSP")

Summary of the Singapore Paincare PSP	Singapore Paincare PSP is a compensation scheme that promotes higher performance and rewards exceptional achievement. Singapore Paincare PSP is based on the principle of pay-for-performance and is designed to enable Company to reward, retain and motivate employees of the Group to achieve superior performance. The objective of this rewarding scheme is to give the Company greater flexibility to align the interests of employees of our Group especially key executives, with the interests of Shareholders.
Participants of the Singapore Paincare PSP	Singapore Paincare PSP allows for participants by full time employees of the Group (including Executive Directors) and Non-Executive Directors (including independent Directors), controlling shareholders and their associates subject to them meeting the eligibility criteria.
Administration of the Singapore Paincare PSP	The Singapore Paincare PSP shall be managed by the members of the Company's Administration Committee, which has the absolute discretion to determine persons who will be eligible to participate in the Singapore Paincare PSP.
Awards Entitlement	Awards represent the right of a participant to receive fully-shares free of charge ("**Awards**")
Size of Singapore Paincare PSP	The aggregate number of shares which may be offered under the Share Plans should not exceed 15% of the Company's total issued capital (excluding treasury shares) on the date preceding the date of the relevant grant.
Vesting Period	No minimum vesting period is prescribed under Singapore Paincare PSP for Awards and the length of the vesting period in respect of each Award will be determined on a case-by-case basis by the Administration Committee.

There were no Awards granted under Singapore Paincare PSP since the adoption of the Singapore Paincare PSP in 16 June 2020 to 30 June 2024. Accordingly, there were no Awards granted under Singapore Paincare PSP to (i) Directors of the Company; (ii) participants who are controlling shareholders of the Company and their associates; and (iii) participants other than the Directors of the Company and controlling shareholders of the Company and their associates, who received Awards comprising shares representing five per cent (5.0%) or more of the aggregate of the total number of new shares available under the Singapore Paincare PSP since the commencement of the Singapore Paincare PSP since the commencement of the Singapore Paincare PSP.

The Company does not have a parent company.

Singapore Paincare Holdings Limited Employee Share Option Scheme ("Singapore Paincare ESOS")

Summary of the Singapore Paincare ESOS	Singapore Paincare ESOS provides eligible participants an opportunity to participate in the equity of the Company and to motivate employees towards better performance through increased dedication and loyalty. Singapore Paincare ESOS is primarily designed to reward and retain employees whose services are vital to the Company's success.
Participants of the Singapore Paincare ESOS	Singapore Paincare ESOS allows for participation by only confirmed employees of the Group (including Executive Directors) and Non-Executive Directors (including Independent Directors), controlling shareholders and their associates subject to them meeting the eligibility criteria.
Administration of the Singapore Paincare ESOS	The Singapore Paincare ESOS shall be managed by the Company's Administration Committee, which shall have the powers to determine, inter alia, the following: - (a) persons to be granted Singapore Paincare ESOS; (b) number of options to be offered; and (c) recommendations for modification to the Singapore Paincare ESOS
Size of Singapore Paincare ESOS	The aggregate number of shares which may be offered under the Share Plans should not exceed 15% of the Company's total issued capital (excluding treasury shares) on the date preceding the date of the relevant grant.
Exercise Period	No minimum exercise period is prescribed under Singapore Paincare ESOS for options and the length of the exercise period in respect of each option will be determined on a case-by-case basis by the Administration Committee.
Exercise Period of Options under the Singapore Paincare ESOS	The Exercise price for each option shall be determined by the Administration Committee, in its absolute discretion, on the date of grant, at: - (a) a price equal to the market price; or (b) a price which is set at a discount to the market, provided (i) the maximum discount shall not exceed 20% of the Market Price (or such other percentage or amount as may be determined by the Administration Committee and permitted by the SGX-ST); and (ii) the shareholders in general meeting shall have authorised, in a separate option, the making of offers and grants of options under the Singapore Paincare ESOS at a discount not exceeding the maximum discount as aforesaid.

The aggregate number of shares which may be offered under the Share Plans should not exceed 15.0% of the company's total issued share capital (excluding treasury shares) on the date preceding the date of the relevant grant. The Share Plans were adopted on 16 June 2020 for a period of ten years and will expire on 15 June 2030.

There were no options granted under the Singapore Paincare ESOS since the adoption of the Singapore Paincare ESOS on 16 June 2020 to 30 June 2024.

ACCOUNTABILITY AND AUDIT

Principle 9:
RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1 of the 2018 Code:

Board determines the nature and extent of significant risks

Risk analysis and management is undertaken within the Group as a source of sustainable business benefit and competitive advantage. The Board is responsible for the management of the Group's significant risks and is assisted by the AC in the oversight of the risk management and internal control systems of the Group.

The AC, with the assistance of the internal and external auditors, annually reviews the adequacy and effectiveness of the Group's risk management and internal control systems, including financial, operational, compliance and information technology controls.

The internal auditors, RSM Risk Advisory Pte Ltd ("**RSM**"), has carried out an internal audit on the system of internal controls and reported the findings to the AC. In this respect, the AC has reviewed the internal audit findings and noted that the Company is closely monitored to ensure timely and proper implementation of the internal auditors' recommendation. No material internal control weaknesses had been raised by the internal and external auditors in the course of their audits for FY2024 which have not been adequately addressed.

Provision 9.2 of the 2018 Code:

Assurance from CEO, CFO and other key management personnel

The Board has received assurance from the CEO and the Chief Financial Officer/Financial Controller ("**CFO/FC**") that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances.

In addition, the Board received assurance from the CEO, Chief Operating Officer and the CFO/FC that the Company's risk management and internal control systems are adequate and effective.

Based on the reviews carried out by the AC, work performed by the internal and external auditors and assurance from the Management referred to in the preceding paragraphs, the Board, with the concurrence of the AC, is satisfied that the system of internal controls (including financial, operational, compliance and information technology controls) and risk management systems in place are adequate and effective as at 30 June 2024.

The Board notes that no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgement in decision making, human errors, losses, fraud or other irregularities. As such, the Company's risk management and internal controls systems are regularly evaluated and improved to ensure its relevance to the Company's operations.

Principle 10:
AUDIT COMMITTEE

The Board has an Audit Committee which discharges its duties objectively

Provision 10.1 of the 2018 Code:

Duties of AC

As at the end of FY2024, the AC comprises three Independent Directors, namely Ms. Lai Chin Yee, Dr. Lim Kah Meng and Mr. Wong Yee Kong. The Chairman of the AC is Ms. Lai Chin Yee.

In accordance with the requirement of the 2018 Code, all members of the AC are Non-Executive Directors. The members of the AC are appropriately qualified and have relevant accounting or related financial management expertise and experience. They have the necessary experience in business management, finance, audit and valuation to discharge their responsibilities.

Ms. Lai Chin Yee graduated from National University of Singapore with a Bachelor of Accountancy in 1987. She has more than 30 years of experience in the areas of auditing, finance and accounting, taxation and treasury.

Mr. Wong Yee Kong attained the professional qualification of chartered Accountant from The Institute of Chartered Accountants in Australia.

Provisions 10.2 and 10.3 of the 2018 Code:

Composition of AC; AC does not comprise former partners or directors of the Company's auditing firm

The AC does not comprise former partners or directors of the Company's auditing firm.

The AC's responsibilities, as set out in its terms of reference, include the following:

- assisting the Board of Directors in the discharge of its responsibilities on financial reporting matters;
- reviewing the assurance from the CEO and CFO/FC on the financial records and financial statements;
- reviewing with the internal and external auditors, the audit plans, scope of work, evaluation of the system of internal accounting controls, management letter and management's response, and results compiled by the Group's internal and external auditors, and ensure coordination between the internal and external auditors, and the management;
- reviewing the half-yearly and full-year results announcements, annual financial statements and the external auditors' report on those financial statements before submission to the Board of Directors for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory or regulatory requirements;
- reviewing the assistance given by the management to the auditors, and discuss problems and concern, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the management where necessary);

- reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function and assessing the independence and objectivity of the external auditors;
- reviewing and discussing with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;
- making recommendations to the Board of Directors on (a) the proposals to shareholders on the appointment, re-appointment and removal of the external auditors, and (b) the remuneration and terms of engagement of the external auditors;
- reviewing significant financial reporting issues and judgments, with the CFO/FC and the external auditors, so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance, before their submission to the Board of Directors;
- reviewing and report to the Board of Directors at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems with the CFO/FC and the internal and external auditors, including financial, operation, compliance and information technology controls via reviews carried out by the internal auditors;
- reviewing and approve transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);
- reviewing any potential conflicts of interest;
- setting out a framework to resolve or mitigate any potential conflicts of interest, as well as monitor compliance with such framework;
- undertaking such other reviews and projects as may be requested by the Board of Directors and report to the Board of Directors its findings from time to time on matters arising and requiring the attention of the AC;
- reviewing the Group's financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, with the outcome of such review to be disclosed in the annual reports, or if the findings are material, to be immediately announced via Singapore Exchange Network;
- reviewing and establish procedures for receipt, retention and treatment of complaints received by the Group, inter alia, criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group;
- reviewing policies and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, to ensure that such policies and arrangements continue to be in place for independent investigation and appropriate follow-up, and to ensure that the Company publicly discloses, and clearly communicates to employees the existence of a whistle-blowing policy and the procedures for raising such concerns;
- reviewing interested person transactions to ensure that they are on normal commercial terms and do not prejudice the interest of the Company and its minority shareholders; and
- generally undertaking such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time.

The AC is authorised to investigate any matter within its terms of reference, and has full access to, and co-operation of, the Management. The AC has full discretion to invite any Director, Executive Officer or key management personnel to attend its meetings and has access to reasonable resources, including independent professional advice, to enable it to discharge its functions.

The Group has complied with Rules 712 and 715 of the Catalist Rules in relation to the appointment of its external auditors. The aggregate amount of fees paid/payable to the external auditors, BDO LLP, for audit services for FY2024 were $201,780 and there was no non- audit service rendered by BDO LLP for FY2024. The AC, having reviewed the scope and value of the audit services provided by the external auditor, is satisfied that the independence and objectivity of the external auditor is not impaired.

In recommending the re-appointment of BDO LLP as the external auditor for the financial year ending 30 June 2025, the AC had taken into consideration the Audit Quality Indicator Disclosure Framework published by the Accounting and Corporate Regulatory Authority.

Provision 10.4 of the 2018 Code:

Primary reporting line of the internal audit function is to AC; Internal audit function has unfettered access to Company's documents, records, properties and personnel

The Company has outsourced its internal audit function to RSM, a corporate member of the Institute of Internal Auditors Singapore. The primary reporting line of the internal auditors is to the AC and administratively to the CFO/FC. The hiring, removal, evaluation of the internal auditors and compensation to be paid to them is recommended by the AC and approved by the Board.

The internal audit team have unrestricted access to the Company's documents, records, properties and personnel, including the AC. The internal audit team is staffed with personnel with relevant qualifications and experience and takes reference from the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors when performing their reviews. The AC is satisfied that the internal audit function is independent, effective, adequately resourced to perform its functions and have appropriate standing within the Group. Mr Dennis Lee, the head of the internal audit function team of RSM, is highly qualified with almost 18 years of audit, internal audit and risk management experience. RSM carries out its function in accordance with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The internal audit function is independent of the activities it audits. During FY2024, the internal auditors completed an internal control review of the Group's cybersecurity and Personal Data Protection Act. The related internal audit reports, including Management's responses and implementation status, have been communicated to the AC.

Provision 10.5 of the 2018 Code:

AC meets with the auditors without the presence of Management annually

The AC endeavours to meet at least once a year with the external and internal auditors without the presence of the Management so that any concern and/or issue can be raised directly and privately.

The AC most recently met with the internal auditors and external auditors without the presence of Management in August 2024 to discuss, amongst other matters, the conduct of audit for the Group's financial statements for FY2024.

SIGNIFICANT ACCOUNTING MATTERS

In the review of the financial statements for FY2024, the AC has discussed with the Management on the significant accounting principles that were applied and their judgement of items that might affect the accuracy and completeness of the financial statements.

The key audit matters, which are included in the independent auditors' report for FY2024, were discussed with the Management and the external auditors and were reviewed by the AC.

WHISTLE-BLOWING CHANNELS

The Company has in place a whistle-blowing policy and procedures for employees of the Group and other persons to raise concerns about possible improprieties in matters of financial reporting, fraudulent behaviour and other significant matters directly to the AC in confidence and without fear of reprisals. Details of this policy are disseminated to employees of the Group and is made available on the Company's website at https://sgpaincare.com/whistle-blowings.

Possible improprieties such as suspected fraud, corruption, dishonest practices and other significant matters can be reported to AC Chairman, Ms. Lai Chin Yee via email at report@sgpaincareholdings.com.

The Company's whistle-blowing policy aims to (a) provide a trusted avenue for employees, vendors, customers and other stakeholders to report serious wrongdoings or misconducts, particularly to fraud, governance or ethics, without fear; and (b) ensure that robust arrangements are in place to facilitate independent investigation of the reported issues with appropriate follow up actions. The Company will treat all information received confidentially and protect the identity of all whistle-blowers. It is also committed to ensuring that whistle-blowers will be treated fairly, and protected against detrimental or unfair treatment for whistle-blowing in good faith.

All whistle-blowing complaints are independently investigated and appropriate actions will be taken. The AC, which is responsible for oversight and monitoring of whistle-blowing, reviews and ensures that independent investigations and any appropriate follow-up actions are carried out, taking into account factors such as the seriousness of the issues, the credibility of the concern and the likelihood of confirming the allegation from attributable sources. The AC will follow a set of guidelines to ensure proper conduct of investigations and appropriate closure actions following completion of the investigations, including administrative, disciplinary, civil and/or criminal actions and remediation of control weaknesses that may arise to fraud or misconduct. In addition, the AC reviews the whistleblowing policy regularly to ensure that it remains current.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1 of the 2018 Code:

Company provides shareholders with the opportunity to participate effectively and vote at general meetings

The Board ensures that the shareholders are treated fairly and equitably. All material information which would likely affect the price or value of the Company's shares shall be disclosed adequately and in a timely manner. Presentations to shareholders will be made available on SGXNET and the Company's website (if applicable).

In presenting the Group's financial results to shareholders, it is the aim of the Board to provide shareholders with a balanced and understandable assessment of the Company's performance, position and prospects.

The Company's principal form of dialogue with shareholders takes place at general meetings. Notices of general meetings are dispatched to shareholders, together with the annual report and/or circulars within the notice period as prescribed by the relevant regulations. Where necessary, additional explanatory notes will be provided for relevant resolutions which are to be tabled at general meetings to enable shareholders to exercise their vote on an informed basis. The Company strives to hold general meetings at venues which are accessible to shareholders. At general meetings, shareholders will be given the opportunity to voice their views and direct their questions to the Board regarding the Company.

CORPORATE **GOVERNANCE**

Shareholders will also be briefed during the general meetings on voting procedures of the general meetings.

All resolutions proposed at general meetings shall be put to vote by way of a poll. All votes cast, for or against, and the respective percentages, in respect of each resolution are tallied and disclosed at the meeting and an announcement with the detailed results showing the numbers of votes cast for and against for each resolution and the respective percentage will be released via SGXNET after the general meetings.

The Board notes that the best practice is to have separate resolutions on each substantially separate issue. The Company shall avoid 'bundling' resolutions unless the resolutions are interdependent and linked so as to form one significant proposal. In situations where resolutions are inter-conditional, the Company will provide clear explanations.

Provision 11.2 of the 2018 Code:

Separate resolution on each substantially separate issue

All Directors, including the chairpersons of various Board Committees, and the Executive Officers shall attend general meetings to address shareholders' queries and receive feedback from shareholders.

Provision 11.3 of the 2018 Code:

All Directors attend general meetings

The last AGM of the Company on 27 October 2023 was held at Seletar Country Club. All Directors attended the last AGM of the Company on 27 October 2023.

The external auditors, BDO LLP, shall also be invited to attend general meetings and will assist in addressing queries from the shareholders relating to the conduct of the audit and the preparation and content of the independent auditors' report.

The Chairman of the meeting will facilitate constructive dialogue between shareholders and the Board, the Management, the external auditors and other relevant professionals.

The Company's Constitution allows all shareholders to appoint not more than two proxies to attend and vote on their behalf and also provides that a proxy need not be a shareholder of the Company. Registered shareholders who are unable to attend the general meetings are entitled to appoint up to two proxies, unless the shareholder is a relevant intermediary (as defined in Section 181 of the Companies Act 1967). A relevant intermediary may appoint more than two proxies to participate in shareholders' meetings, but each proxy must be appointed to exercise rights attached to a different share or shares held by such shareholder.

Provision 11.4 of the 2018 Code:

Company's Constitution allows for absentia voting

The Company's Constitution permits voting in absentia only by appointment of proxy. As the authenticity of shareholders' identity and other related integrity issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail or electronic means.

Minutes of general meetings which include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and the Executive Officers will be published on the Company's corporate website at https://sgpaincare.com.

Provision 11.5 of the 2018 Code:

Minutes of general meetings are published on the Company's corporate website as soon as practicable

The Company does not have a fixed dividend policy in place.

Provision 11.6 of the 2018 Code:

Dividend policy

Subject to its Constitution and the Companies Act 1967, the Company may, by ordinary resolution of shareholders, declare dividends at a general meeting, but it may not pay dividends in excess of the amount recommended by the Directors. The declaration and payment of dividends will be determined at the sole discretion of the Directors subject to the approval of the shareholders. Subject to its Constitution and the Companies Act, the Directors may also declare an interim dividend without the approval of the shareholders.

The form, frequency and amount of future dividend of the Company's shares will depend on the earnings, financial position, results of operations, cash flows, capital needs, general business conditions, terms of borrowing arrangements (if any), plans for expansion, and other factors as the Board may deem appropriate.

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.

Principle 12: ENGAGEMENT WITH SHAREHOLDERS

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provision 12.1 of the 2018 Code:

Company provides avenues for communication between the Board and shareholders and discloses steps taken to solicit and understand the views of shareholders

The Company uses various platforms to effectively engage the shareholders and the investment community, with an emphasis on timely, accurate, fair and transparent disclosure of information. In addition to general meetings and where the opportunities arise, the senior Management of the Company will also meet with investors, analysts and the media, as well as participate in investor relations activities to solicit and understand the views of the investment community.

The Company is committed to treating all shareholders fairly and equitably and to keep all its shareholders and other stakeholders informed of its corporate activities which would be likely to materially affect the price or value of its shares, on a timely basis.

The Board is mindful of the obligation to provide shareholders with information on all major developments that affect the Group in accordance with the Catalist Rules and the Companies Act 1967. Information is communicated to shareholders on a timely basis through:

- Annual reports;
- Announcements and press releases via SGXNET;
- Company's website (https://sgpaincare.com); and
- Media meetings.

The investor relations team takes an active role in communications with shareholders and the investment community to address their queries or concerns and to update them on the latest corporate development.

CORPORATE **GOVERNANCE**

The Company has in place an investor relations policy which promotes the timely dissemination of relevant information to the Company's shareholders and prospective investors to enable them to make well-informed investment decisions and to ensure a level playing field. This is to promote regular, effective and fair communication with shareholders and prospective investors. The policy is available at the Company's website under the "Investor Relations" section.

Shareholders and the investment community can contact the Company's investor relations team by telephone at +65-69722256 or email at enquiries@sgpaincareholdings.com.

Provisions 12.2 and 12.3 of the 2018 Code:

Company has in place an investor relations policy; Investor relations policy sets out mechanism of communication between the shareholders and the Company

MANAGING STAKEHOLDERS RELATIONSHIPS

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Principle 13: ENGAGEMENT WITH STAKEHOLDERS

The Company takes pride in meeting and exceeding the expectations of the stakeholders. The Company will ensure that all engagement platforms, among others, customer satisfaction survey forms, webinars, Facebook and health talks are clearly set up and available to stakeholders.

As part of its continuing listing obligations, the Company has, in accordance with the requirements of the Catalist Rules 711A and 711B, included a sustainability report with this Annual Report which sets out its strategy and key areas of focus in relation to the management of stakeholder relationships.

Provisions 13.1 and 13.2 of the 2018 Code:

Engagement with material stakeholder groups

Stakeholders who wish to know more about the Group and the business and governance practices can visit the Company's website at http://www.sgpaincare.com. The website includes an investor relations section containing the Company's financial highlights, annual reports, corporate announcements, whistle-blowing policy and investor relations policy.

Provision 13.3 of the 2018 Code:

Corporate website to engage stakeholders

DEALINGS IN SECURITIES

The Company has adopted policies in line with the requirements under Rule 1204(19) of the Catalist Rules on dealings in the Company's securities. The policies have been made known to Directors, Executive Officers and any other persons as determined by the Management who may possess unpublished material price-sensitive information of the Group.

The Company prohibits its officers from dealing in the Company's shares on short-term considerations or when they are in possession of unpublished price-sensitive information. The Company, its Directors and officers are not allowed to deal in the Company's shares during the periods commencing one month before the release of the Company's half year and full year financial statements, as the case may be, and ending on the date of the announcement of the relevant financial results.

The Company, Directors and employees of the Company are also advised to observe insider trading laws at all times. Directors are required to report all dealings to the company secretary.

INTERESTED PERSON TRANSACTIONS ("IPTs")

The Group has adopted a policy in respect of any transactions with interested persons and requires all such transactions to be at arm's length, on normal commercial terms and not prejudicial to the Company and its minority shareholders. All interested person transactions will be documented and submitted periodically to the AC for their review.

The Company does not have a general shareholders' mandate for interested person transactions pursuant to Rule 920 of the Catalist Rules. The details of IPTs entered into in FY2024 are set out as follows:-

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:

(1) 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.

MATERIAL CONTRACTS

Pursuant to Rule 1204(8) of the Catalist Rules, the Company confirms that save as disclosed in the sections entitled "Interested Person Transactions", "Directors' Statement" and "Notes to the Financial Statements" of this Annual Report, there were no other material contracts and loans of the Company and its subsidiaries involving the interests of the CEO or any Director or controlling shareholder, either still subsisting at the end of FY2024 or if not then subsisting, which were entered into since the end of the previous financial year.

NON-SPONSOR FEES

The Company did not pay any non-sponsor fees to its sponsor, Novus Corporate Finance Pte. Ltd., in FY2024.

UTILISATION OF PROCEEDS

(i) Use of IPO proceeds

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

As at the date of this Annual Report, the status on the use of the IPO Proceeds is as follows:-

Use of net proceeds	Amount allocated ($'000)	Amount allocated after reallocation[(1)] ($'000)	Amount utilised as at the date of this Annual Report ($'000)	Balance of net proceeds as at the date of this Annual Report ($'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 Anesthesia Services Pte. Ltd. amounting to $2.4 million, and (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 of the net proceeds from the Company's listing is in accordance with the intended use as stated in the Company's IPO Offer Document.

(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 ($'000)	Amount allocated pursuant to the reallocation ($'000)	Amount utilised ($'000)	Balance ($'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**

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 Pte. Ltd. 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.

DIRECTORS' **STATEMENT**

The directors of Singapore Paincare Holdings Limited (the "Company") present their statement to the members together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the financial year ended 30 June 2024 and the statement of financial position of the Company as at 30 June 2024.

1. Opinion of the Directors

In the opinion of the Board of Directors,

(a) the consolidated financial statements of the Group and the statement of financial position of the Company together with the notes thereon are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year then ended; and

(b) 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.

2. Directors

The directors of the Company in office at the date of this statement are as follows:

Ms. Lai Chin Yee	(Lead Independent Non-Executive Director)
Dr. Lee Mun Kam Bernard	(Executive Chairman and Chief Executive Officer)
Dr. Loh Foo Keong Jeffrey	(Executive Director and Chief Operating Officer)
Dr. Lim Kah Meng	(Independent Non-executive Director)
Mr. Wong Yee Kong	(Independent Non-executive Director) (Appointed on 11 April 2024)

3. Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

4. Directors' interests in shares or debentures

The directors of the Company holding office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967 (the "**Act**"), except as follows:

	Shareholdings registered in the name of Directors		Shareholdings in which Directors are deemed to have an interest	
	Balance at 1 July 2023	**Balance at 30 June 2024**	**Balance at 1 July 2023**	**Balance at 30 June 2024**
	Number of ordinary shares			
The Company				
Dr. Lee Mun Kam Bernard	48,701,500	48,701,500	–	–
Dr. Loh Foo Keong Jeffrey	27,853,000	27,853,000	–	–

By virtue of Section 7 of the Act, Dr. Lee Mun Kam Bernard is deemed to have interests in the shares of all subsidiary corporations of the Company at the beginning and end of the financial year.

4. Directors' interests in shares or debentures (Continued)

In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the directors of the Company state that, according to the register of directors' shareholdings, the directors' interest as at 21 July 2024 in the shares of the Company have not changed from those disclosed as at 30 June 2024.

5. Share options

There were no share options granted by the Company or its subsidiary corporations during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option as at the end of the financial year.

Employee Share Option Scheme

The Company has implemented an Employee Share Option Scheme known as the SPCH Employee Share Option Scheme ("**Share Option Scheme**"). The Share Option Scheme was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 16 June 2020. No options have been granted pursuant to the Share Option Scheme as at the date of this report.

Performance Share Plan

The Company has implemented a Performance Share Plan known as the SPCH Performance Share Plan ("**Performance Share Plan**"). The Performance Share Plan was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 16 June 2020. No shares have been granted pursuant to the Performance Share Plan as at the date of this report.

6. Audit committee

The Audit Committee of the Company is chaired by Ms. Lai Chin Yee, the Lead Independent Non-Executive Director, and includes Mr. Wong Yee Kong, an Independent Non-executive Director and Dr. Lim Kah Meng, an Independent Non-executive Director. The Audit Committee has carried out its functions in accordance with Section 201B(5) of the Act, including reviewing the following, where relevant, with the executive directors and external auditors of the Company:

(i) assisting the Board of Directors in the discharge of its responsibilities on financial reporting matters;

(ii) reviewing the assurance from the Chief Executive Officer and Chief Financial Officer/Financial Controller on the financial records and financial statements;

(iii) reviewing with the internal and external auditors, the audit plans, scope of work, evaluation of the system of internal accounting controls, management letter and management's response, and results compiled by the Group's internal and external auditors and ensure coordination between the internal and external auditors, and the management;

(iv) reviewing the half-yearly results announcements, the annual financial statements and the external auditors' report on those financial statements before submission to the Board of Directors for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of the Catalist (the "**Catalist Rules**") and any other statutory or regulatory requirements;

6. Audit committee (Continued)

(v) reviewing the assistance given by the management to the auditors, and discuss problems and concern, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the management where necessary);

(vi) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function and assessing the independence and objectivity of the external auditors;

(vii) reviewing and discussing with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;

(viii) making recommendations to the Board of Directors on (a) the proposals to shareholders on the appointment, re-appointment and removal of the external auditors, and (b) the remuneration and terms of engagement of the external auditors;

(ix) reviewing significant financial reporting issues and judgments, with the Chief Financial Officer/Financial Controller and the external auditors, so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance, before their submission to the Board of Directors;

(x) reviewing and report to the Board of Directors at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems with the Chief Financial Officer/Financial Controller and the internal and external auditors, including financial, operation, compliance and information technology controls via reviews carried out by the internal auditors;

(xi) reviewing and approve transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

(xii) reviewing any potential conflicts of interest;

(xiii) setting out a framework to resolve or mitigate any potential conflicts of interest, as well as monitor compliance with such framework;

(xiv) undertaking such other reviews and projects as may be requested by the Board of Directors and report to the Board of Directors its findings from time to time on matters arising and requiring the attention of the Audit Committee;

(xv) reviewing the Group's financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, with the outcome of such review to be disclosed in the annual reports, or if the findings are material, to be immediately announced via Singapore Exchange Network;

(xvi) reviewing and establish procedures for receipt, retention and treatment of complaints received by the Group, *inter alia*, criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group;

(xvii) reviewing policies and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, to ensure that such policies and arrangements continue to be in place for independent investigation and appropriate follow-up, and to ensure that the Company publicly discloses, and clearly communicates to employees the existence of a whistle-blowing policy and the procedures for raising such concerns;

(xviii) reviewing of interested person transaction to ensure that they are on normal commercial terms and that they do not prejudice the interest of the Company and its minority shareholders; and

(xix) generally undertaking such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time.

6. Audit committee (Continued)

The Audit Committee confirmed that it has undertaken a review of all non-audit services and noted there were no non-audit services provided by the external auditors to the Group.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its functions properly. It also has full discretion to invite any director and executive officer of the Group to attend its meetings. The external auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the Board of Directors the nomination of BDO LLP, for re-appointment as external auditors of the Company at the forthcoming Annual General Meeting.

7. Independent auditors

The independent auditors, BDO LLP, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors,

Dr. Lee Mun Kam, Bernard	**Dr. Loh Foo Keong, Jeffrey**
Director	Director

Singapore
9 October 2024

INDEPENDENT
AUDITORS' REPORT

To the Members of Singapore Paincare Holdings Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Paincare Holdings Limited (the "Company") and its subsidiaries (the "Group") as set out on page 78 to page 140, which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2024;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group for the financial year then ended; and
- notes to the financial statements, including material accounting policy information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2024, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Qualified Opinion

As disclosed in Note 7 to the accompanying financial statements, the Company acquired 25% stake in a partnership registered in the People's Republic of China (PRC) for a consideration of RMB 2million (equivalent to $372,000). Due to the limited information available at the date of our report, we were unable to obtain sufficient appropriate audit evidence to determine the appropriateness of the accounting treatment for this acquisition. Consequently, we were unable to determine whether any adjustments to the statement of financial position of the Group as at 30 June 2024 and consolidated statement of comprehensive income for the year ended 30 June 2024 were necessary, including the relevant disclosures made in the Group's financial statements.

We conducted our audit in accordance with Singapore Standards on Auditing ("SSA"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th colspan="2">KEY AUDIT MATTER</th><th>AUDIT RESPONSE</th></tr>
<tr><td>1</td><td colspan="2">Impairment assessment of goodwill</td></tr>
<tr><td colspan="2">As at 30 June 2024, the Group's goodwill amounted to approximately $13,546,000.

In accordance with SFRS(I) 1-36 Impairment of Assets, the Group is required to test goodwill for impairment annually, or more frequently if there are indicators that goodwill may be impaired.

For the purpose of impairment assessment, the management applied the value-in-use (discounted cash flow forecasts) method to determine the recoverable amounts for the respective cash generating units to which the goodwill belongs. Any shortfall between the recoverable amount and the carrying amount of the respective cash generating unit would be recognised as an impairment loss. Arising from the assessment, no impairment loss of goodwill was recognised during the financial year.

We have determined impairment assessment of goodwill to be a key audit matter as the impairment assessment involved management's significant judgements and estimates with regard to the key assumptions used in estimating the discounted future cash flows, including the revenue growth rates, average gross margin and the discount rate.

Refer to Note 4 to the accompanying financial statements.</td><td>We performed the following audit procedures, amongst others:

● Reviewed the robustness of management's budgeting process by comparing the actual results to previously forecasted results;

● Discussed with management and assessed the reasonableness of management's key assumptions and estimates applied by comparing revenue growth rates, average gross margin and discount rate against historical data and recent trends and market outlook, as appropriate;

● Performed sensitivity analysis of the key assumptions, including the revenue growth rates, average gross margin and discount rate, used in the discounted cash flow forecasts;

● Engaged our internal valuation specialist to evaluate the reasonableness of the discount rate used; and

● Assessed the adequacy of the disclosures in the financial statements with respect to the goodwill impairment assessment.</td></tr>
</table>

KEY AUDIT MATTER	AUDIT RESPONSE
2 Impairment assessment of carrying amounts of investments in subsidiaries	
As at 30 June 2024, the carrying amount of the Company's investments in subsidiaries with indicators of impairment amounted to approximately $5,026,000 which comprise unquoted equity shares and deemed investment arising from advances to subsidiaries. The management carried out an impairment assessment to determine whether an impairment loss in relation to investments in subsidiaries should be recognised in the financial statements. Management determined the recoverable amounts based on the value-in-use calculations by estimating the expected discounted future cash flows to be derived from the investments in those subsidiaries. Arising from the assessment, no impairment loss was recognised on the investments in subsidiaries during the financial year. We focused on the impairment assessment of the subsidiaries as a key audit matter owing to the significant management judgements and estimates involved in the key assumptions used in estimating the expected discounted future cash flows, including the revenue growth rates, average gross margin and the discount rates Refer to Note 5 to the accompanying financial statements.	We performed the following audit procedures, amongst others: ● Reviewed management's assessment for indicators of impairment relating to investments in subsidiaries and determination of the recoverable amount of the subsidiaries if there are such indicators; ● Reviewed the robustness of management's budgeting process by comparing the actual results to previously forecasted results; ● Discussed with management and assessed the reasonableness of management's key assumptions and estimates applied in value-in-use calculations by comparing revenue growth rates, average gross margin and discount rate against historical data and recent trends and market outlook, as appropriate; ● Performed sensitivity analysis of the key assumptions, including the revenue growth rates, average gross margin and discount rate, used in the discounted cash flow forecasts; ● Engaged our internal valuation specialist to evaluate the reasonableness of the discount rate used; and ● Assessed the adequacy of the disclosures in the financial statements with respect to the impairment assessment of investments in subsidiaries.

<table>
<tr><th>KEY AUDIT MATTER</th><th>AUDIT RESPONSE</th></tr>
<tr><td colspan="2">3 — Fair value measurement of financial asset at fair value through profit or loss ("FVTPL") held by its joint venture, Singapore Paincare Capital Pte. Ltd. ("SPCC")</td></tr>
<tr><td>Included in the Group's share of results of joint venture, net of tax, amounted to approximately $578,000 was fair value gain arising from financial asset at FVTPL of $690,000.

On 12 June 2023, the Group through its joint venture, SPCC subscribed 2,777,778 Series A+ preferred shares in PuXiang Healthcare Holding Limited ("PUXH") ("Series A+ Shares").

According to the terms of the investment agreement, upon occurrence of certain events, the holder of Series A+ Shares shall have the right to require Key Parties and Founder Holdcos to purchase all or any portion of the Series A+ Shares ("Series A+ Put Option). The Series A+ Shares and Series A+ Put Options (collectively "Investments") are classified as financial asset at FVTPL in SPCC's statement of financial position.

As at 30 June 2024, the fair value of this financial asset recorded in SPCC's statement of financial position was $8,831,000. Accordingly, SPCC recorded a fair value gain of $1,350,000 for the year ended 30 June 2024.

The Group equity accounted for its share of the fair value gain of the financial assets amounting to $690,000 in its consolidated statement of comprehensive income.

We have determined fair value measurement of financial assets at FVTPL held by SPCC to be a key audit matter owing to the significant management judgements and estimations including the probability of a successful initial public offering of PUXH, earnings multiples and volatility rate involved in determining the fair value of financial instrument at FVTPL as at the financial year end, considering that the fair values are measured using significant unobservable inputs (Level 3).

Refer to Note 6 to the accompanying financial statements.</td><td>We performed the following audit procedures, amongst others:

● Reviewed the valuation report issued by the external valuer and, with the assistance of our internal valuation specialist, assessed the appropriateness of valuation methods and reasonableness of the key assumptions used in determination of fair value of financial instrument at FVTPL held by SPCC;

● Assessed the independence and competency of the external valuer which included considering their experiences and qualification in performing valuations for financial instrument at FVTPL; and

● Discussed with the external valuer on the valuation methodologies, key judgements and estimation used and the results of their work.</td></tr>
</table>

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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. As described in the *Basis for Qualified Opinion* section above, we were unable to obtain sufficient appropriate evidence to determine the appropriateness of the accounting treatment for the acquisition. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of 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 Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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.

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT
AUDITORS' REPORT

To the Members of Singapore Paincare Holdings Limited

Report on Other Legal and Regulatory Requirements

In our opinion, except for the matter described in the *Basis for Qualified Opinion* section of our report, the accounting and other records required by the Act to be kept by the Company, and by those subsidiary corporations in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Tan Boon Kai.

BDO LLP
Public Accountants and
Chartered Accountants

Singapore
9 October 2024

STATEMENTS OF
FINANCIAL POSITION

As at 30 June 2024

	Note	Group 30 June 2024 $'000	Group 30 June 2023 $'000 (Restated)	Group 1 July 2022 $'000 (Restated)	Company 30 June 2024 $'000	Company 30 June 2023 $'000 (Restated)	Company 1 July 2022 $'000 (Restated)
ASSETS							
Non-current assets							
Plant and equipment	3	8,653	7,759	5,519	608	759	82
Intangible assets	4	13,577	13,489	10,407	31	71	110
Investments in subsidiaries	5	–	–	–	20,593	19,609	15,541
Investment in joint venture	6	4,625	4,047	–	4,080	4,080	–
Investments in associates	7	946	396	1,239	884	320	1,241
Other receivables	8	24	–	22	2,738	2,115	2,065
Derivative financial assets	9	–	474	2,508	–	474	2,508
		27,825	26,165	19,695	28,934	27,428	21,547
Current assets							
Inventories	10	1,564	1,277	1,023	–	–	–
Trade and other receivables	8	3,081	2,654	2,708	3,636	2,398	4,045
Prepayments	11	277	473	129	58	72	17
Cash and bank balances	12	6,857	9,636	15,173	1,325	4,380	7,715
		11,779	14,040	19,033	5,019	6,850	11,777
Non-current asset classified as held for sale	31	996	–	–	830	–	–
Total current assets		12,775	14,040	19,033	5,849	6,850	11,777
Total assets		40,600	40,205	38,728	34,783	34,278	33,324
EQUITY AND LIABILITIES							
Equity							
Share capital	13	25,684	25,684	25,684	25,684	25,684	25,684
Treasury shares	14	(1,731)	(1,731)	–	(1,731)	(1,731)	–
Merger reserve	15	(5,553)	(5,553)	(5,553)	–	–	–
Other reserves	16	177	177	177	412	412	412
Retained earnings	17	3,922	2,556	5,377	3,977	1,696	2,906
Equity attributable to owners of the Company		22,499	21,133	25,685	28,342	26,061	29,002
Non-controlling interests		529	213	360	–	–	–
Total equity		23,028	21,346	26,045	28,342	26,061	29,002

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

STATEMENTS OF
FINANCIAL POSITION

As at 30 June 2024

	Note	Group 30 June 2024 $'000	Group 30 June 2023 $'000 (Restated)	Group 1 July 2022 $'000 (Restated)	Company 30 June 2024 $'000	Company 30 June 2023 $'000 (Restated)	Company 1 July 2022 $'000 (Restated)
Non-current liabilities							
Bank borrowings	18	600	774	2,176	600	680	1,992
Lease liabilities	19	5,805	4,582	3,794	844	1,130	798
Derivative financial instruments	9	62	–	–	62	–	–
Other payables	20	410	154	43	–	–	–
Deferred tax liabilities	21	718	700	424	85	105	13
Provisions	22	154	129	52	22	21	–
		7,749	6,339	6,489	1,613	1,936	2,803
Current liabilities							
Trade and other payables	20	3,699	4,093	2,986	1,415	694	601
Bank borrowings	18	3,126	5,373	725	3,126	5,312	696
Lease liabilities	19	1,925	1,636	1,200	287	275	222
Contract liabilities	23	81	126	93	–	–	–
Income tax payable		888	1,292	1,190	–	–	–
		9,719	12,520	6,194	4,828	6,281	1,519
Liabilities directly associated with the asset held for sale	31	104	–	–	–	–	–
Total current liabilities		9,823	12,520	6,194	4,828	6,281	1,519
Total liabilities		17,572	18,859	12,683	6,441	8,217	4,322
Total equity and liabilities		40,600	40,205	38,728	34,783	34,278	33,324

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

CONSOLIDATED STATEMENT
OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2024

	Note	2024 $'000	2023 $'000 (Restated)
Revenue	24	26,910	22,081
Other items of income			
Other income	25	576	343
Items of expense			
Changes in inventories		391	254
Inventories and consumables used		(5,576)	(4,061)
Employee benefits expense	26	(12,680)	(9,752)
Depreciation and amortisation expense	27	(2,492)	(1,718)
Loss allowance on receivables, net	8	–	(165)
Impairment loss on investments in associates	7	–	(731)
Impairment loss on plant and equipment	3	(200)	–
Other expenses		(4,287)	(4,877)
Finance costs	28	(503)	(214)
Share of results of joint venture, net of tax		578	(33)
Share of results of associates, net of tax		235	128
Profit before income tax	29	2,952	1,255
Income tax expense	30	(575)	(1,285)
Profit/(Loss) for the financial year, representing total comprehensive income for the financial year		2,377	(30)
Profit/(Loss) and total comprehensive income attributable to:			
- Owners of the Company		1,965	(666)
- Non-controlling interests		412	636
		2,377	(30)
Earnings/(Loss) per share			
- Basic (cents)	32	1.15	(0.39)
- Diluted (cents)	32	1.15	(0.39)

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

CONSOLIDATED STATEMENT **OF CHANGES IN EQUITY**

For the financial year ended 30 June 2024

	Note	Share capital $'000	Treasury shares $'000	Merger reserve $'000	Other reserves $'000	Retained earnings $'000	Equity attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'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)
Balance at 1 July 2023, 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
Transactions with owners									
Dividends paid	33	–	–	–	–	(599)	(599)	–	(599)
Total transactions with owners		–	–	–	–	(599)	(599)	–	(599)
Transactions with non-controlling interests									
Dividends paid to non-controlling interests		–	–	–	–	–	–	(765)	(765)
Deemed capital contribution from non-controlling interests		–	–	–	–	–	–	793	793
Disposal of a subsidiary		–	–	–	–	–	–	(124)	(124)
Total transactions with non-controlling interests		–	–	–	–	–	–	(96)	(96)
Balance at 30 June 2024		25,684	(1,731)	(5,553)	177	3,922	22,499	529	23,028

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

CONSOLIDATED STATEMENT **OF CHANGES IN EQUITY**

For the financial year ended 30 June 2024

	Note	Share capital $'000	Treasury shares $'000	Merger reserve $'000	Other reserves $'000	Retained earnings $'000	Equity attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'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)
Balance at 1 July 2022, as restated		25,684	–	(5,553)	177	5,377	25,685	360	26,045
(Loss)/Profit for the financial year									
- as previously reported		–	–	–	–	(502)	(502)	748	246
- effect of adopting the amendments to SFRS(I)1-12		–	–	–	–	(164)	(164)	(112)	(276)
(Loss)/Profit for the financial year, representing total comprehensive income for the financial year, as restated		–	–	–	–	(666)	(666)	636	(30)
Transactions with owners									
Purchase of treasury shares	14	–	(1,731)	–	–	–	(1,731)	–	(1,731)
Dividends paid	33	–	–	–	–	(2,155)	(2,155)	–	(2,155)
Total transactions with owners		–	(1,731)	–	–	(2,155)	(3,886)	–	(3,886)
Transactions with non-controlling interests									
Dividends paid to non-controlling interests		–	–	–	–	–	–	(783)	(783)
Total transactions with non-controlling interests		–	–	–	–	–	–	(783)	(783)
Balance at 30 June 2023, as restated		25,684	(1,731)	(5,553)	177	2,556	21,133	213	21,346

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

CONSOLIDATED STATEMENT **OF CASH FLOWS**

For the financial year ended 30 June 2024

	2024 $'000	2023 $'000
Operating activities		
Profit before income tax	2,952	1,255
Adjustments for:		
Amortisation of intangible assets	40	39
Depreciation of plant and equipment	501	319
Depreciation of right-of-use assets	1,951	1,360
Fair value loss on derivative financial instruments	62	2,034
Gain on disposal of investment acquired with the intention to dispose	(24)	–
Accruals for litigation	–	10
Impairment loss on investments in associates	–	731
Impairment loss on plant and equipment	200	–
Interest income	(1)	(2)
Interest expense	503	214
Loss on disposal of plant and equipment	–	2
Loss on disposal of subsidiary	150	–
Loss on lease modification	14	–
Allowance for impairment loss on receivables, net	–	165
Share of results of joint venture, net of tax	(578)	33
Share of results of associates, net of tax	(235)	(128)
Operating cash flows before working capital changes	5,535	6,032
Inventories	(391)	(247)
Trade and other receivables	(562)	(116)
Prepayments	191	(300)
Trade and other payables and contract liabilities	(87)	(4)
Cash generated from operations	4,686	5,365
Income tax paid	(956)	(921)
Interest received	1	2
Net cash from operating activities	3,731	4,446
Investing activities		
Acquisition of subsidiaries and business, net of cash acquired	(967)	(2,978)
Advances to joint venture	–	(4,080)
Dividend received from an associate	248	327
Disposal of subsidiary, net of cash disposal	324	–
Disposal of associate	24	–
Proceeds from disposal of plant and equipment	–	1
Investment in associate	(192)	–
Purchase of plant and equipment	(789)	(762)
Net cash used in investing activities	(1,352)	(7,492)

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

CONSOLIDATED STATEMENT **OF CASH FLOWS**

For the financial year ended 30 June 2024

	2024 $'000	2023 $'000
Financing activities		
Advances from non-controlling interests (Note A)	1,090	352
Repayment to non-controlling interests (Note A)	(7)	(457)
Dividends paid	(599)	(2,155)
Dividends paid to non-controlling interests (Note A)	(993)	(236)
Interest paid	(235)	(48)
Proceeds from bank borrowings (Note A)	–	4,000
Purchase of treasury shares	–	(1,731)
Repayment of bank borrowings (Note A)	(2,307)	(754)
Repayment of principal portion of lease liabilities	(1,792)	(1,314)
Repayment of interest portion of lease liabilities	(255)	(148)
Net cash used in financing activities	(5,098)	(2,491)
Net change in cash and bank balances	(2,719)	(5,537)
Cash and bank balances at beginning of financial year	9,636	15,173
Cash and bank balances at end of financial year (Note 12)	6,917	9,636

Note A: Reconciliation of liabilities arising from financing activities:

	Balance at 1 July 2023	Non-cash changes			Cash flows	Balance at 30 June 2024
		Liability discharged during disposal of subsidiary	Dividends payable	Deemed capital contribution by non-controlling interest		
	$'000	$'000	$'000	$'000	$'000	$'000
Non-trade payables due to non-controlling interests	1,069	–	765	(793)	90	1,131
Bank borrowings	6,147	(114)	–		(2,307)	3,726

	Balance at 1 July 2022	Non-cash changes		Cash flows	Balance at 30 June 2023
		Liability assumed during acquisition of subsidiary	Dividends payable		
	$'000	$'000	$'000	$'000	$'000
Non-trade payables due to non-controlling interests	435	192	783	(341)	1,069
Bank borrowings	2,901	–	–	3,246	6,147

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

NOTES TO THE
FINANCIAL STATEMENTS

For the financial year ended 30 June 2024

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

1. General 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.

The Company's registered office and its principal place of business is located at 601 Machpherson 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 that of an investment holding company.

The principal activities of the subsidiaries are set out in Note 5 to the financial statements.

The statement of financial position of the Company as at 30 June 2024 and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the financial year ended 30 June 2024 were authorised for issue in accordance with a Directors' resolution dated 9 October 2024.

2. Basis of preparation of financial statements

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the material accounting policy information in the relevant notes to the financial information.

All accounting policies have been consistently applied to the current financial year and comparative period, unless otherwise stated. Where an accounting policy information is not disclosed in the financial statements, it is considered as not material and mainly standardised accounting requirements.

The individual financial statements of each entity within the Group are measured and presented in the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollar ("$") which is the functional currency of the Company and the presentation currency for the consolidated financial statements and all values presented are rounded to the nearest thousand ("$'000") as indicated.

The preparation of financial statements in conformity with SFRS(I) requires the management to exercise judgement in the process of applying the Group's and the Company's accounting policies and requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period, and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management's best knowledge of historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year, or in the financial year of revision and future years if the revision affects both current and future financial years.

Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are summarised below and detailed disclosures are included in the respective notes to the financial statements.

2. Basis of preparation of financial statements (Continued)

Management is of the opinion that there are no critical accounting judgements (other than those involving estimates) that have a significant effect on the amounts recognised in financial statements, except as disclosed below:

(i) Classification of Singapore Paincare Capital Pte. Ltd. ("SPCC") as investment in joint venture (Note 6)

(ii) Determination of the lease term (Note 19)

Significant accounting estimates and assumptions used:-

(i) Impairment on plant and equipment (Note 3)

(ii) Goodwill (Note 4)

(iii) Impairment of investments in subsidiaries (Note 5)

(iv) Fair value measurement of financial assets held by joint venture, SPCC (Note 6)

(v) Loss allowance on receivables (Note 8)

(vi) Fair value measurement of derivative financial instruments (Note 9)

<u>Changes in accounting policies</u>

New standards, amendments and interpretations effective from 1 January 2023

During the current financial year, the Group and the Company have adopted all the new and revised SFRS(I) that are relevant to their operations and effective for the current financial year. The adoption of these new or revised SFRS(I) did not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior financial years, except as disclosed below :

Amendments to SFRS(I)1-1 *Presentation of Financial Statements: Disclosure of Accounting Policies and SFRS(I) Practice Statement 2*

The amendments change the disclosure requirements with respect to accounting policies from 'significant accounting policies' to 'material accounting policy information'. The amendments provide guidance on when accounting policy is likely to be considered material.

Management has followed the guidance in the amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 in determining when accounting policy information is material.

Amendments 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 under paragraph 15 of SFRS(I) 1-12, 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 and the Company's right-of-use assets and lease liabilities in the scope of SFRS(I) 16 *Leases*.

2. Basis of preparation of financial statements (Continued)

Changes in accounting policies (Continued)

New standards, amendments and interpretations effective from 1 January 2023 (Continued)

Amendments to SFRS(I) 1-12 *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction* (Continued)

The Group and the Company have not previously accounted for the deferred taxes on leases for loss making entities. From management's assessment, the deferred tax assets shall not be recognised as it was not probable that taxable profit will be available against the deductible temporary differences associated with the lease liabilities. Accordingly, the Group and the Company have recognised the deferred tax liabilities associated with right-of-use assets and adopted the amendments to SFRS(I) 1-12 retrospectively. The cumulative effect of initially applying the amendments has been recognised as an adjustment to its opening statements of financial position as at 1 July 2022.

The effect on adoption of the amendments to SFRS(I) 1-12 is summarised as follows:

	As previously reported $'000	Effects of adopting the amendments to SFRS(I) 1-12 *Income Taxes* $'000	As restated $'000
Group			
30 June 2023			
Consolidated statement of financial position			
Equity			
Retained earnings	3,144	(588)	2,556
Non-controlling interests	325	(112)	213
Non-current liabilities			
Deferred tax liabilities	–	700	700
Consolidated statement of comprehensive income			
Income tax expenses	(1,009)	(276)	(1,285)
1 July 2022			
Consolidated statement of financial position			
Equity			
Retained earnings	5,801	(424)	5,377
Non-current liabilities			
Deferred tax liabilities	–	424	424

2. Basis of preparation of financial statements (Continued)

Changes in accounting policies (Continued)

New standards, amendments and interpretations effective from 1 January 2023 (Continued)

Amendments to SFRS(I) 1-12 *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction* (Continued)

The effect on adoption of the amendments to SFRS(I) 1-12 is summarised as follows: (Continued)

	As previously reported $'000	Effects of adopting the amendments to SFRS(I) 1-12 *Income Taxes* $'000	As restated $'000
Company			
30 June 2023			
Statement of financial position			
Equity			
Retained earnings	1,801	(105)	1,696
Non-current liabilities			
Deferred tax liabilities	–	105	105
1 July 2022			
Statement of financial position			
Equity			
Retained earnings	2,919	(13)	2,906
Non-current liabilities			
Deferred tax liabilities	–	13	13

2. Basis of preparation of financial statements (Continued)

Changes in accounting policies (Continued)

SFRS(I) issued but not yet effective

As at the date of authorisation of these financial statements, the following SFRS(I) were issued but not yet effective and have not been early adopted in these financial statements:

			Effective date (annual periods beginning on or after)
SFRS(I) 10 and SFRS(I) 1-28 (Amendments)	:	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
SFRS(I) 1-1 (Amendments)	:	Classification of Liabilities as Current or Non-current	1 January 2024*
SFRS(I) 16 (Amendments)	:	Lease Liability in a Sale and Leaseback	1 January 2024
Various	:	Amendments to SFRS(I) 1-1 Non-current Liabilities with Covenants	1 January 2024
SFRS(I) 1-7, SFRS(I) 7	:	Supplier Finance Arrangements	1 January 2024
SFRS(I) 1-21 and SFRS(I) 1 (Amendments)	:	Lack of Exchangeability	1 January 2025

* The mandatory effective date of this Amendment had been revised from 1 January 2022 to 1 January 2023 issued in July 2020 via Amendment to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current—Deferral of Effective Date* and further revised to 1 January 2024 in December 2022 via Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*.

Consequential amendments were also made to various standards as a result of these new or revised standards.

The management expects that the adoption of the above SFRS(I), if applicable, will have no material impact on the financial statements in the period of initial application.

3. Plant and equipment

	Computer equipment $'000	Medical equipment $'000	Furniture and fittings $'000	Office equipment $'000	Renovation $'000	Premises[1] $'000	Total $'000
Group							
Cost							
Balance at 1 July 2023	86	949	25	16	1,463	9,437	11,976
Arising from acquisition of a subsidiary	–	–	–	–	27	402	429
Additions	5	85	7	–	149	655	901
Lease modification	–	–	–	–	–	2,500	2,500
Disposal of a subsidiary	–	(4)	–	–	(100)	(300)	(404)
Reclassified to non-current asset classified as held for sale (Note 31)	(7)	(10)	–	–	(28)	(233)	(279)
Balance at 30 June 2024	84	1,020	32	16	1,511	12,461	15,123
Accumulated depreciation and impairment loss							
Balance at 1 July 2023	53	244	22	16	490	3,392	4,217
Depreciation for the financial year	20	197	3	–	281	1,951	2,452
Disposal of a subsidiary	–	(3)	–	–	(64)	(103)	(170)
Impairment loss	–	–	–	–	200	–	200
Reclassified to non-current asset classified as held for sale (Note 31)	(8)	(10)	–	–	(6)	(206)	(229)
Balance at 30 June 2024	65	428	25	16	901	5,034	6,470
Net carrying amount							
Balance at 30 June 2024	19	592	7	–	610	7,427	8,653

3. Plant and equipment (Continued)

	Computer equipment $'000	Medical equipment $'000	Furniture and fittings $'000	Office equipment $'000	Renovation $'000	Premises[1] $'000	Total $'000
Group							
Cost							
Balance at 1 July 2022	65	334	30	17	842	6,937	8,225
Arising from acquisition of a subsidiary	2	–	–	–	–	379	381
Additions	25	666	–	–	621	2,196	3,508
Lease modification	–	–	–	–	–	77	77
Lease termination	–	–	–	–	–	(152)	(152)
Disposals	(2)	–	(5)	–	–	–	(7)
Written off	(4)	(51)	–	(1)	–	–	(56)
Balance at 30 June 2023	86	949	25	16	1,463	9,437	11,976
Accumulated depreciation							
Balance at 1 July 2022	42	169	23	16	316	2,140	2,706
Depreciation for the financial year	16	126	2	1	174	1,360	1,679
Lease termination	–	–	–	–	–	(108)	(108)
Disposals	(1)	–	(3)	–	–	–	(4)
Written off	(4)	(51)	–	(1)	–	–	(56)
Balance at 30 June 2023	53	244	22	16	490	3,392	4,217
Net carrying amount							
Balance at 30 June 2023	33	705	3	–	973	6,045	7,759

3. Plant and equipment (Continued)

	Computer equipment $'000	Furniture and fittings $'000	Office equipment $'000	Renovation $'000	Premises[(1)] $'000	Total $'000
Company						
Cost						
Balance at 1 July 2023 and 30 June 2024	8	1	3	163	705	880
Accumulated depreciation						
Balance at 1 July 2023	7	1	3	22	88	121
Depreciation for the financial year	1	–	–	33	117	151
Balance at 30 June 2024	8	1	3	55	205	272
Net carrying amount						
Balance at 30 June 2024	–	–	–	108	500	608

	Computer equipment $'000	Furniture and fittings $'000	Office equipment $'000	Renovation $'000	Premises[(1)] $'000	Total $'000
Company						
Cost						
Balance at 1 July 2022	8	6	3	–	152	169
Additions	–	–	–	163	705	868
Lease termination	–	–	–	–	(152)	(152)
Write-off	–	(5)	–	–	–	(5)
Balance at 30 June 2023	8	1	3	163	705	880
Accumulated depreciation						
Balance at 1 July 2022	5	3	3	–	76	87
Depreciation for the financial year	2	1	–	22	120	145
Lease termination	–	–	–	–	(108)	(108)
Write-off	–	(3)	–	–	–	(3)
Balance at 30 June 2023	7	1	3	22	88	121
Net carrying amount						
Balance at 30 June 2023	1	–	–	141	617	759

(1) The Group and the Company lease office space and clinic premises for the purpose of back office operations and providing medical services respectively. Right-of-use assets arising from the premises' leasing arrangements are presented under 'Premises'.

3. Plant and equipment (Continued)

Plant and equipment are initially recorded at cost. Subsequent to initial recognition, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is calculated using the straight-line method to allocate the depreciable amounts of the plant and equipment over their estimated useful life as follows:

	Years
Computer equipment	1-3
Medical equipment	3-5
Furniture and fittings	3-5
Office equipment	3-5
Renovation	3-5

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. Recoverable amount is determined for individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the recoverable amount is determined for the cash-generating unit to which the assets belong. The fair value less costs to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable willing parties less costs of disposal. Value-in-use is the present value of estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life, discounted at pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the asset or cash-generating unit for which the future cash flow estimates have not been adjusted.

Low value assets items which cost less than $5,000 are recognised as an expense directly in profit or loss in the financial year of acquisition.

Right-of-use assets are initially measured at the amount of lease liabilities, reduced by any lease incentives received and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Right-of-use asset is subsequently measured at cost less any accumulated depreciation, any accumulated impairment loss and, if applicable, adjusted for any remeasurement of the lease liabilities. The right-of-use assets under cost model are depreciated on a straight-line basis over the shorter of either the remaining lease term or the remaining useful life of the right-of-use assets. If the lease transfers ownership of the underlying asset by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise the purchase option, the right-of-use assets are depreciated over the useful life of the underlying asset on the following bases:

	Years
Clinic premises	2-10

The carrying amount of plant and equipment and right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the plant and equipment and right-of-use assets may be impaired.

3. Plant and equipment (Continued)

Reconciliation to consolidated statement of cash flows

For the purpose of consolidated statement of cash flows, the Group's additions to plant and equipment during the financial year were financed as follows:

	2024 $'000	2023 $'000
Additions to plant and equipment	901	3,508
Non-cash transaction on addition of premises	(655)	(2,196)
Increase/(Decrease) in other payables in relation to plant and equipment	543	(550)
Cash payment to acquire plant and equipment	789	762

Impairment of plant and equipment

During the year, the Group carried out a review of the recoverable amount of the plant and equipment for one of the cash generating units due to existence of impairment indicators. The review led to a recognition of an impairment loss on plant and equipment of approximately $200,000 (2023: $Nil), representing write-down of the excess of the carrying amount over the recoverable amount of the relevant plant and equipment. The recoverable amount of the relevant assets has been determined on the basis of their value in use. The average revenue growth rate, average gross margin and discount rate used in measuring the value in use were 40%, 92% and 8.8% respectively.

4. Intangible assets

	Computer software $'000	Goodwill $'000	Trademark $'000	Total $'000
Group				
Cost				
Balance at 1 July 2023	5	13,418	200	13,623
Additions	–	990	–	990
Derecognition (Note 5)	–	(220)	–	(220)
Reclassified to non-current asset classified as held for sale (Note 31)	–	(642)	–	(642)
Balance at 30 June 2024	5	13,546	200	13,751
Accumulated amortisation				
Balance at 1 July 2023	5	–	129	134
Amortisation for the financial year	–	–	40	40
Balance at 30 June 2024	5	–	169	174
Net carrying amount				
Balance at 30 June 2024	–	13,546	31	13,577
Remaining useful life at end of financial year	–	Indefinite	0.8 years	

4. Intangible assets (Continued)

	Computer software $'000	Customer contract $'000	Goodwill $'000	Trademark $'000	Total $'000
Group					
Cost					
Balance at 1 July 2022	5	166	10,297	200	10,668
Additions	–	–	3,121	–	3,121
Written off	–	(166)	–	–	(166)
Balance at 30 June 2023	5	–	13,418	200	13,623
Accumulated amortisation					
Balance at 1 July 2022	5	166	–	90	261
Amortisation for the financial year	–	–	–	39	39
Written off	–	(166)	–	–	(166)
Balance at 30 June 2023	5	–	–	129	134
Net carrying amount					
Balance at 30 June 2023	–	–	13,418	71	13,489
Remaining useful life at end of financial year	–	–	Indefinite	1.8 years	

	Company 2024 $'000	Company 2023 $'000
Trademark		
Cost		
Balance at beginning and end of financial year	200	200
Accumulated amortisation		
Balance at beginning of financial year	129	90
Amortisation for the financial year	40	39
Balance at end of financial year	169	129
Net carrying amount		
Balance at end of financial year	31	71
Remaining useful life at end of financial year	0.8 years	1.8 years

Amortisation expense was included in “depreciation and amortisation expenses” line item of profit or loss.

4. Intangible assets (Continued)

Goodwill arising from the business combinations was related to acquisition of subsidiaries and businesses, of which, each subsidiary or business is an individual cash-generating unit ("CGU") that are expected to benefit from the business combinations. The carrying amount of goodwill had been allocated as follows:

	Group	
	2024	2023
	$'000	$'000
Name of subsidiaries		
Lian Clinic Pte. Ltd. ("LCPL")	3,295	3,295
HMC Medical Pte. Ltd. ("HMC")	1,422	1,422
AE Medical Sengkang Pte. Ltd. ("AESK")	644	644
AE Medical Fernvale Pte. Ltd. ("AEF")	–	642
CS Yoong Anaesthesiology and Pain Services Pte. Ltd. ("CSY")	250	250
GM Medical Paincare Pte. Ltd. ("GMMP")	–	220
Medihealth Clinic Pte. Ltd. ("MHC")	560	560
Centre for Screening and Surgery Pte. Ltd. ("CSS")	3,264	3,264
PTL Spine & Orthopaedics Private Limited ("PTL")	3,121	3,121
Boon Lay Clinic & Surgery Pte. Ltd. ("BLC")	990	–
	13,546	13,418

Derecognition of goodwill

The Group had derecognised goodwill amounted to $220,000 (2023: $Nil) during the financial year ended 30 June 2024 followed by the disposal of GMMP on 1 March 2024 as disclosed in Note 5 to the financial statements.

Impairment test for goodwill

As at 30 June 2024, the recoverable amount of each 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.

Key assumptions used for value-in-use calculations:

	Average revenue growth rates		Average gross margin		Discount rate	
	2024	2023	2024	2023	2024	2023
LCPL	2%	5%	65%	75%	8.8%	12%
HMC	7%	3%	78%	78%	8.8%	12%
AESK	11%	5%	75%	65%	8.8%	12%
AEF	–	6%	–	75%	–	12%
CSY	2%	6%	85%	85%	8.8%	12%
GMMP	–	4%	–	75%	–	12%
MHC	5%	8%	80%	85%	8.8%	12%
CSS	2%	5%	90%	90%	8.8%	12%
PTL	21%	11%	80%	80%	8.8%	12%
BLC	9%	–	80%	–	8.8%	–

4. Intangible assets (Continued)

Impairment test for goodwill (Continued)

Terminal growth of 2% (2023: 2.0%) was applied to all CGUs in the cash flows projection to terminal year.

Average revenue growth rates– Average revenue growth rates are calculated based on average of estimated revenue growth rates for each CGU over the forecasted period, considering both historical trends and average industry growth rates.

Average gross margin – The average gross margin is 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.

With regards to the assessment of value-in-use for goodwill, management believes no reasonably possible changes in any key assumptions would cause the carrying value of the respective CGUs to materially exceed its recoverable amounts.

As at the end of the reporting period, the recoverable amount of the CGU was determined to be higher than its carrying amount and thus, no impairment loss was recognised.

5. Investments in subsidiaries

	Company	
	2024	**2023**
	$'000	**$'000**
Unquoted equity shares, at cost	18,833	18,663
Deemed investment arising from advances to subsidiaries	1,656	871
Deemed investment arising from discount on non-current receivables from subsidiaries (Note 8)	104	75
	20,593	19,609

Movement in unquoted equity shares, at cost were as follows:

	Company	
	2024	**2023**
	$'000	**$'000**
Unquoted equity shares, at cost		
Balance at beginning of financial year	18,663	15,541
Additions	1,000	3,122
Disposal	(–)*	–
Reclassified to non-current asset classified as held for sale (Note 31)	(830)	–
Balance at end of financial year	18,833	18,663

* Amount less than $1,000

5. Investments in subsidiaries (Continued)

The deemed investment arising from advances to subsidiaries of $1,656,000 (2023: $871,000), which are unsecured and interest-free, form part of the Company's net investments in subsidiaries as the settlement of these balances are not likely to occur in near future. The currency profile of the non-trade amount due from subsidiaries as at the end of the reporting period is Singapore dollar.

The deemed investment arising from discounting of non-current receivables from subsidiaries (2023: a subsidiary) is representing the difference between the advances provided and the fair value of the non-current receivables which determined using market borrowing rate ranging from 6.18% to 6.22% (2023: 6.22%).

As at the end of the reporting period, the Company carried out a review of the recoverable amount of investment in subsidiaries with impairment indicators carrying amount of approximately $5,026,000, as a result of indicators of impairment based on the existing performance of certain subsidiaries during the financial year. The estimates of the recoverable amounts are determined based on value-in-use calculations. The key assumptions used in measuring value-in-use included average revenue growth rates from 9% to 40% (2023: 11% to 26%), average gross margin of 78% to 92% (2023: 80% to 96%) and discount rate of 8.8% (2023: 12%). Arising from the assessment, no impairment loss was recognised on the investments in subsidiaries during the financial year.

With regards to the assessment of value-in- use for investments in subsidiaries, management believes no reasonably possible changes in any key assumptions would cause the carrying value of the respective CGUs to materially exceed its recoverable amounts.

The details of the subsidiaries held by the Company are as follows:

Name of company	Principal place of business	Principal activities	Proportion of ownership interest held by the Company		Proportion of ownership interest held by the non-controlling interests	
			2024	2023	2024	2023
			%	%	%	%
Paincare Center Pte. Ltd.[1]	Singapore	Operation of medical clinic and the provision of medical services	100	100	–	–
Singapore Paincare Center @Novena Pte. Ltd.[1]	Singapore	Operation of medical clinic and the provision of medical services	100	100	–	–
AE Medical Sengkang Private Limited[1]	Singapore	Operation of medical clinic and the provision of medical services	100	100	–	–
AE Medical Fernvale Pte. Ltd.[1]	Singapore	Operation of medical clinic and the provision of medical services	100	100	–	–
HMC Medical Pte. Ltd.[1]	Singapore	Operation of medical clinic and the provision of medical services	100	100	–	–
Lian Clinic Pte. Ltd.[1]	Singapore	Operation of medical clinic and the provision of medical services	100	100	–	–
GM Medical Paincare Pte. Ltd.[1]	Singapore	Operation of medical clinic and the provision of medical services	–	51	–	49
Ready Fit Physiotherapy Private Limited[1]	Singapore	Provision of physiotherapy services	51	51	49	49

5. Investments in subsidiaries (Continued)

The details of the subsidiaries held by the Company are as follows: (Continued)

Name of company	Principal place of business	Principal activities	Proportion of ownership interest held by the Company		Proportion of ownership interest held by the non-controlling interests	
			2024 %	2023 %	2024 %	2023 %
CS Yoong Anaesthesiology and Pain Services Pte. Ltd.[(1)]	Singapore	Providing anaesthesia services and paincare management services	100	100	–	–
Singapore Paincare Wellness Pte. Ltd.[(1)(2)]	Singapore	Dormant	100	100	–	–
Health Network Asia Pte. Ltd.[(1)]	Singapore	Management consultancy services for healthcare organisations	100	100	–	–
Medihealth Clinic Pte. Ltd.[(1)]	Singapore	Operation of medical clinic and the provision of medical services	60	60	40	40
Kovan Medical and Paincare Clinic Pte. Ltd.[(1)]	Singapore	Operation of medical clinic and the provision of medical services	60	60	40	40
Singapore Paincare TCM Wellness Pte. Ltd.[(1)]	Singapore	Operation of clinics and other general medical services (Non-Western)	100	100	–	–
Tampines Medical and Paincare Clinic Pte. Ltd.[(1)]	Singapore	Operation of medical clinic and the provision of medical services	100	100	–	–
Center for Screening and Surgery Pte. Ltd.[(1)]	Singapore	Specialised medical services (including day surgical centres)	51	51	49	49
Dermatology & Laser Specialist Clinic Pte. Ltd.[(1)]	Singapore	Specialised Medical Services	51	51	49	49
Hougang Medical and Paincare Clinic Pte. Ltd.[(1)]	Singapore	Operation of medical clinic and the provision of medical services	55	55	45	45
East Coast Medical and Paincare Clinic Pte. Ltd.[(1)]	Singapore	Operation of medical clinic and the provision of medical services	55	55	45	45
PTL Spine & Orthopaedics Private Limited[(1)]	Singapore	Specialised medical services (including day surgical centres)	100	100	–	–
Boon Lay Clinic & Surgery Pte. Ltd.[(1)]	Singapore	Operation of medical clinic and the provision of medical services	100	–	–	–
Alexandra Medical and Paincare Clinic Pte. Ltd.[(1)]	Singapore	Operation of medical clinic and the provision of medical services	60	–	40	–

(1) Audited by BDO LLP, Singapore

(2) Struck off on 8 July 2024

5. Investments in subsidiaries (Continued)

Incorporation of subsidiaries

On 13 December 2022, the Company and a third party incorporated a subsidiary, Dermatology & Laser Specialist Clinic Pte. Ltd. ("DLSC"), a company incorporated in Singapore and the Company subscribed for 51 ordinary shares at $1 each, which represented an equity interest of 51%.

On 18 January 2023, the Company incorporated a wholly-owned subsidiary, Hougang Medical and Paincare Clinic Pte. Ltd. ("HMPC"), a company incorporated in Singapore with a cash consideration of $100. Subsequently on 8 June 2023, the Company disposed its 45% equity interest to a third party for cash consideration of $45.

On 30 January 2023, the Company incorporated a wholly-owned subsidiary, Singapore Paincare Capital Pte. Ltd. ("SPCC"), a company incorporated in Singapore with a cash consideration of $100. Subsequently on 5 June 2023, the Company disposed its 49% equity interest in SPCC to two third parties. The Company lost its control over SPCC upon entering into shareholders' agreement with the two third parties on 6 June 2023 and reclassified to investment in joint venture.

On 24 February 2023, the Company and a third party incorporated a subsidiary, East Coast Medical and Paincare Pte. Ltd. ("ECMP"), a company incorporated in Singapore and the Company subscribed for 55 ordinary shares at $1 each, which represented an equity interest of 55%.

On 3 October 2023, the Company and a third party incorporated a subsidiary, Alexandra Medical and Paincare Clinic Pte. Ltd. ("ALX"), a company incorporated in Singapore and the Company subscribed for 60 ordinary shares at $1 each, which represented an equity interest of 60%.

Acquisition of subsidiaries

On 14 March 2023, the Company entered into a sale and purchase agreement to acquire the entire equity interest of PTL Spine & Orthopaedics Private Limited ("PTL") for a cash consideration of approximately $3,122,000.

On 1 July 2023, the Company entered into a sale and purchase agreement to acquire the entire equity interest of Boon Lay Clinic & Surgery Pte. Ltd. ("BLC") for a cash consideration of approximately $1,000,000.

5. Investments in subsidiaries (Continued)

Acquisition of subsidiaries (Continued)

The fair values of the identifiable assets and liabilities of BLC as at the date of acquisition during the current financial year were:

	BLC
	$'000
2024	
Plant and equipment	429
Inventories	48
Trade and other receivables	51
Cash and bank balances	33
Total assets	561
Trade and other payables	141
Lease liabilities	402
Deferred tax liabilities	2
Income tax payable	6
Total liabilities	551
Net identifiable assets at fair value	10
Less: Fair value of consideration paid	
- cash consideration	(1,000)
Goodwill arising from acquisition	990

Trade and other receivables acquired comprise gross trade and other receivables amounting to approximately $51,000 (2023: $60,000) which approximates fair value. It is expected that full contractual amount of receivables can be collected.

Goodwill of approximately $990,000 arising from the acquisition is attributable to expected synergies that can be achieved in integrating these subsidiaries into the Group's existing business such as expanding the Group's presence in Singapore and tapping on the subsidiaries' workforce expertise and these are also the primary reasons for the acquisitions. These intangibles identified are subsumed into goodwill as they do not meet the recognition criteria for identifiable intangible assets. The goodwill is not deductible for tax purposes.

From the date of acquisition, BLC has contributed approximately $950,000 to the Group's revenue and incurred loss of approximately $23,000 for the financial year ended 30 June 2024.

The effect of acquisition of subsidiaries on the consolidated statement of cash flows was as follows:

	2024	**2023**
	$'000	**$'000**
Total purchase consideration	1,000	3,122
Less: Cash and cash equivalents of subsidiaries acquired	(33)	(144)
Net cash outflow from acquisitions	967	2,978

5. Investments in subsidiaries (Continued)

Transactions with non-controlling interests

Disposal of interest in a subsidiary without loss of control

On 8 June 2023, the Company disposed of its 45% equity interest in HMPC for a cash consideration of $45 to a third party. The changes in the ownership interest of HMPC had no effect on the equity attributable to owners of the parent during the financial year ended 30 June 2023 as the consideration received from non-controlling interests of $45 is equivalent to the carrying amount of non-controlling interests disposed of.

Disposal of interest in subsidiaries with loss of control

Singapore Paincare Capital Pte. Ltd.

On 5 June 2023, the Company disposed of a 49% equity interest in SPCC for a cash consideration of $49 to two third parties. On 6 June 2023, the Group and the Company entered into shareholders' agreement with shareholders of SPCC to have joint control over the participation in the financial and operating policy decisions (Note 6). Subsequently, the investment in SPCC was reclassified from investment in subsidiary to investment in joint venture. The disposal had no effect on the consolidated statement of cash flows as the consideration received of $49 is equivalent to the share of cash and cash equivalents of subsidiary which the control is lost.

GM Medical Paincare Pte. Ltd.

On 1 March 2024, the Company disposed 51% of equity interest in GMMP for a cash consideration of $453,000 to the non-controlling interest of GMMP. The carrying value of the assets and liabilities of GMMP as at the date when the control is lost was as follows:

	$'000
Net identifiable assets at fair value	33
Add: Goodwill (Note 4)	220
Add: Derivative financial assets over GMMP (Note 9)	474
Less: Non-controlling interests	(124)
Less: Cash consideration received	(453)
Loss of disposal of subsidiary	150

Followed by the disposal of GMMP, the Group had derecognised goodwill amounted to $220,000 during the financial year.

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

	$'000
Cash consideration received	453
Less : Cash & cash equivalents of subsidiary disposal	(129)
Net cash inflow from disposal	324

5. Investments in subsidiaries (Continued)

Non-controlling interests

The Company has material non-controlling interest ("NCI") in Kovan Medical and Paincare Clinic Pte. Ltd. ("KMMP"), CSS, DLSC and ECMP (2023: KMMP, CSS) at end of reporting period ended 30 June 2024. The NCI of all other subsidiaries that are not 100% owned by the Group are considered to be immaterial.

Summarised financial information in relation to KMMP, CSS, DLSC and ECMP for the financial year ended 30 June 2024, before intra-group eliminations, is presented below together with amounts attributed to NCI:

	KMMP $'000	CSS $'000	DLSC $'000	ECMP $'000
Equity interest held by the Company	60%	51%	51%	55%
2024				
Assets and liabilities				
Current assets	1,226	1,124	204	193
Non-current assets	343	126	1,117	404
Current liabilities	766	981	159	152
Non-current liabilities	236	67	459	794
Net assets/(liabilities)	567	202	703	(349)
Accumulated NCI	227	99	345	(176)
Income and expenses				
Revenue	2,206	2,517	452	361
Total comprehensive income	762	1,129	(627)	(252)
Profit/(Loss) allocated to NCI	305	553	(307)	(108)
Total comprehensive income allocated to NCI	305	553	(307)	(108)
Dividends paid to NCI	260	490	–	–
Summarised cash flows				
Net cash from/(used in) operating activities	762	1,152	(290)	(118)
Net cash used in investing activities	–	–	(594)	–
Net cash (used in)/from financing activities	(547)	(1,262)	946	110

5. Investments in subsidiaries (Continued)

Non-controlling interests (Continued)

Summarised financial information in relation to KMMP and CSS for the financial year ended 30 June 2023, before intra-group eliminations, is presented below together with amounts attributed to NCI:

	KMMP $'000	CSS $'000
Equity interest held by the Company	60%	51%
2023		
Assets and liabilities		
Current assets	893	1,183
Non-current assets	430	187
Current liabilities	564	1,176
Non-current liabilities	304	121
Net assets	455	73
Accumulated non-controlling interests	182	36
Income and expenses		
Revenue	1,753	2,429
Total comprehensive income	597	954
Profit allocated to NCI	239	467
Total comprehensive income allocated to NCI	239	467
Dividends paid to NCI	140	539
Summarised cash flows		
Net cash generated from operating activities	550,054	1,146,030
Net cash used in financing activities	(336,704)	(891,517)

6. Investment in joint venture

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Unquoted equity investments, at cost	*	*	*	*
Deemed investment arising from advances to joint venture	4,080	4,080	4,080	4,080
Share of post-acquisition results of joint venture	545	(33)	–	–
	4,625	4,047	4,080	4,080

*Amount is less than $1,000

6. Investment in joint venture (Continued)

At the end of reporting period, the details of the joint venture are as follows:

Name of company	Principal place of business	Principal activities	Effective equity interest	
			2024	2023
			%	%
Singapore Paincare Capital Pte. Ltd. (“SPCC”) [(1)]	Singapore	Investment holding	51	51

(1) Audited by BDO LLP, Singapore

On 30 January 2023, the Group and the Company incorporated SPCC as a wholly owned subsidiary with cash consideration of $100. Subsequently on 5 June 2023, the Company disposed of its 49% equity interest in SPCC to two third parties.

The Group and the Company exercised significant judgement to determine their 51% equity interest in SPCC as investment in joint venture upon entering into shareholders’ agreement with the shareholders of SPCC on 6 June 2023.

Management has made their assessment of the investments, and determined that the Group and the Company have joint control with the other shareholders of SPCC over the relevant activities of SPCC, and therefore SPCC was equity accounted as a joint venture.

SPCC was incorporated as an investment holding company to hold unquoted 2,777,778 Series A+ preferred shares of PuXiang Healthcare Holding Limited (“PUXH”), a company incorporated in Cayman Islands, which was subscribed on 12 June 2023. PUXH is a holding company and through its subsidiaries operates community hospitals in China. The details of this investment are further described in the “Investment in PUXH held by SPCC” section below.

The non-trade amount due from joint venture of $4,080,000 which is unsecured and interest-free forms part of the Group’s and the Company’s net investment in joint venture as the settlement of the interest-free loan is not likely occur in near future.

The currency profile of the non-trade amount due from joint venture as at the end of the reporting period is Singapore dollar.

The financial year end of SPCC is 30 June.

The joint venture had no contingent liabilities and capital commitments as at the end of the reporting period.

6. Investment in joint venture (Continued)

Summarised financial information of joint venture

The summarised financial information below reflects the amounts presented in the financial statements of joint venture (and not the Group's share of those amounts), is as follows:

	2024 $'000	2023 $'000
Assets and liabilities		
Current assets	264	429
Non-current assets	8,831	7,596
Current liabilities	27	90
Net assets	9,068	7,935
The above amounts of assets and liabilities include the following:		
Cash and bank balances	264	429
Financial asset at fair value through profit or loss ("FVTPL")	8,831	7,596
Income and expenses		
Revenue	–	–
Total comprehensive income	1,250	(65)
Dividend received	–	–

Investments in PUXH held by SPCC

Included in the non-current assets held by SPCC is an investment in 2,777,778 Series A+ shares in Puxiang which amounted to approximately $8,831,000 (2023: $7,480,000) as of 30 June 2024. This investment is denominated in Chinese RenMinbi and carried at FVTPL.

SPCC has the right to sell all or any portion of the Series A+ shares to the key parties or founder holdco of Puxiang based on the aggregate of the subscription price paid by SPCC , a simple interest equal to the amount of 11% per annum accrued from the subscription issue date until the date on which the put option price is paid in full to SPCH, and all dividends declared and unpaid with respect to SPCH, should any earliest of any of the following put option events:

(i) the occurrence of a material breach by any group companies of PUXH, any founding shareholders or any of the key parties of any of their respective representations, warranties, covenants or undertakings under the applicable transaction documents;

(ii) the failure by PUXH to complete a qualified initial public offering prior to December 31, 2025, and;

(iii) the occurrence of a material legal change causing the group companies of PUXH material difficulty to carry on its principal business, and such material difficulty to carry on principal business is not reasonably resolved within six months

For the financial year ended 30 June 2024, SPCC recognised a fair value gain arising from this Investment of approximately $1,351,000 (2023: $Nil). As a result, the Group its recognised share of results from the fair value gain of $690,000 (2023: $Nil),

The fair value of the Series A+ shares, including the put options, was valued by an independent valuation firm and the valuation technique used to derive the fair value is probability-weighted expected return method ("PWERM"). It was considered as level 3 fair value measurement. The significant judgements and assumptions to the valuation included the probability of the successful rate of the initial public offering of the PUXH, earnings multiples and volatility rate used in the valuation process.

Further disclosure of the investment in 2,777,778 Series A+ shares in PUXH was presented in SPCC's financial statements which available for public use and the financial statements complies with SFRS(I).

6. Investment in joint venture (Continued)

Reconciliation of summarised financial information

Reconciliation of summarised financial information presented to the carrying amount of the Group's interest in joint venture, is as follows:

	2024 $'000	2023 $'000
Net assets	9,068	7,935
Proportion of Group's ownership	51%	51%
Net carrying amount	4,625	4,047

7. Investments in associates

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Unquoted equity investments, at cost	2,690	2,126	2,690	2,126
Allowance for impairment loss	(1,843)	(1,843)	(1,806)	(1,806)
Share of post-acquisition results of associates, net of dividends	99	113	–	–
	946	396	884	320

Movement in unquoted equity investment, at cost was as follows:

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Balance at beginning of financial year	2,126	2,126	2,126	2,126
Addition	564	–	564	–
Balance at end of financial year	2,690	2,126	2,690	2,126

Incorporation of associate

On 4 July 2023, SPCH and a third party entered into a joint venture agreement ("JVA 1") to agree to set up a limited liability company in Beijing, China. Subsequently on 22 September 2023, Beijing Puxin Hospital Management Limited ("BPHM"), a limited liability Company in the People Republic of China, was incorporated with authorised share capital registered of RMB3,000,000.

On 29 December 2023, SPCH and other third party investors entered into a new joint venture agreement ("JVA 2") to govern the shareholders' relationship over BPHM. JVA 1 was revoked and replaced by JVA 2 entered on 29 December 2023. On 7 February 2024, SPCH injected RMB1.03 million (equivalent to approximately $192,000) for its 34.3% equity interest in BPHM pursuant to the terms and conditions of JVA 2.

Under the JVA 2, SPCH further agreed to provide additional funds of RMB1.47 million (equivalent to $0.27 million) to BPHM that in the event that additional funds are required for the operations of BPHM.

7. Investments in associates (Continued)

Acquisition of associate

On 16 April 2024, the Company executed a transfer agreement with a third party ("Seller") to take over its 25% share subscription in Shanghai Gong Pu Sheng Jia Medical Management Center ("SHGP") with an allocated capital contribution, capped at RMB2,000,000 (equivalent to $372,000). The actual capital contribution paid by the Seller into SHGP prior to 16 April 2024 was RMB500,000 (equivalent to $94,000).

This transfer of 25% share subsription in SHGP from the Seller to the Company was approved by the remaining owners who owns 75% in SHGP on the same day. An amended partnership agreement in SHGP was subsequently formalised with the admission of the Company as a new partner and was signed on 14 May 2024. The amended partnership agreement further stipulated that the allocated capital contribution by all partners are due by 30 June 2029. Based on publicly available records in the People's Republic of China, the Company's ownership in SHGP was indicated as 13 June 2024. Accordingly, the Company determined that the effective date of its ownership in SHGP is on 13 June 2024 and is of the view that that its share of results from 13 June 2024 to 30 June 2024 is not material to the Group's financial performance for the year ended 30 June 2024.

The Company paid RMB2,000,000 representing its allocated capital contribution (which equivalent to $372,000) on 24 September 2024.

The financial year end of SHGP is 31 December.

No further financial information of SHGP being presented in the financial statements as it is not material to the Group.

Movement in allowance for impairment loss was as follows:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Balance at beginning of financial year	1,843	1,112	1,806	885
Impairment loss during the financial year	–	731	–	921
Balance at end of financial year	1,843	1,843	1,806	1,806

At the end of the reporting period ended 30 June 2023, the Group and the Company carried out a review of the recoverable amount of the carrying values of Sen Med Holdings Pte. Ltd. and its subsidiaries ("SMH"), as a result of indicators of impairment during the financial year ended 30 June 2023. The estimates of the recoverable amounts were determined based on value-in-use calculations. The key assumptions used in measuring value-in-use included revenue growth rates from -68% to 25%, average gross margin of 75% to 80% and discount rate of 12%. Arising from the assessment, an allowance for impairment loss of approximately $731,000 and $921,000 was recognised on the Group's and the Company's investments in associates respectively during the financial year ended 30 June 2023.

7. Investments in associates (Continued)

At the end of the reporting period, the details of the associates are as follows:

Name of company	Principal place of business	Principal activities	Effective equity interest	
			2024	2023
			%	%
Sen Med Holdings Pte. Ltd.[(1)]	Singapore	Investment holding	45	45
KCS Anaesthesia Services Pte. Ltd.[(2)]	Singapore	Specialised medical services (anaesthesia service and paincare management)	40	40
Beijing Puxin Hospital Management Limited[(1)]	The People Republic of China	Providing pain treatment and other related services as well as training to doctors	34.3	–
Shanghai Gong Pu Sheng Jia Medical Management Center	The People Republic of China	Investment holding	25	–
Held by Sen Med Holdings Pte. Ltd.				
The Family Clinic @ Towner Pte. Ltd.[(1)]	Singapore	Operation of medical clinic and the provision of medical services	–	45
X-Ray + Medical Screening Pte. Ltd.[(1)]	Singapore	Provision of medical diagnostic imaging centres	–	45
Express Medical Pte. Ltd.[(1)]	Singapore	Operation of medical clinic and the provision of medical services	–	45
Held by Shanghai Gong Pu Sheng Jia Medical Management Center				
Beijing Gong Pu Sheng Jia Medical Management Center	The People Republic of China	Investment holding	20	–
Beijing Jia Yi Jing Shun Hospital Co., Limited	The People Republic of China	Operating of medical center	20	–

(1) Equity accounted based on the management's financial statements aligned to the Group's financial year

(2) Audited by BDO LLP, Singapore

The principal activities of these associates are in line with the Group's strategy to grow in the medical related business.

The financial year end of SMH and BPHM are 31 March and 31 December respectively. For the purposes of applying the equity method of accounting, a realignment of financial statements from period end of respective investee to 30 June 2024 was prepared by the management of SMH and BPHM. The financial year end of KCS Anaesthesia Services Pte. Ltd. ("KCS") is 30 June.

These associates had no contingent liabilities and capital commitments as at the end of the reporting period.

7. Investments in associates (Continued)

Sen Med Holdings Pte. Ltd. and its subsidiaries

On 29 December 2023, SMH disposed its entire interest in the Family Clinic @ Towner Pte. Ltd. ("TFC") and X-ray + Medical Screening Pte. Ltd. ("X-ray"), to a third party for a total cash consideration of $80,000.

On 1 March 2024, SMH transferred 100 units ordinary shares, representing its entire 100% equity interest in Express Medical Pte. Ltd. ("EM") to the Company and its holding company, Medinex Limited ("ML"). SMH transferred 45 units of ordinary shares to the Company for a cash consideration of $45 and 55 units of ordinary shares transferred to Medinex Limited for a cash consideration of $55.

On 11 April 2024, the Group and the Company entered into a sale and purchase agreement with a third party to dispose its equity interest in EM for a cash consideration of approximately $24,000.

Summarised financial information of associates

The summarised financial information below reflects the amounts presented in the financial statements of associates (and not the Group's share of those amounts), is as follows:

	KCS $'000	SMH $'000	BPHM $'000
2024			
Assets and liabilities			
Current assets	607	36	551
Non-current assets	–	–	9
Current liabilities	371	22	*
Non-current liabilities	–	–	–
Net assets	236	14	560
Income and expenses			
Revenue	1,387	348	–
Total comprehensive income	609	(174)	(370)
Dividend received	248	–	–
2023			
Assets and liabilities			
Current assets	620	289	–
Non-current assets	–	158	–
Current liabilities	350	151	–
Non-current liabilities	–	108	–
Net assets	270	188	–
Income and expenses			
Revenue	1,546	802	–
Total comprehensive income	793	(411)	–
Dividend received	327	–	–

7. Investments in associates (Continued)

Summarised financial information of associates (Continued)

Reconciliation of summarised financial information

Reconciliation of summarised financial information presented, to the carrying amount of the Group's interest in associates, is as follows:

	KCS $'000	SMH $'000	BPHM $'000	Total $'000
2024				
Net assets	236	14	560	
Proportion of Group's ownership	40%	45%	34.3%	
Group's share of interest in associate	94	6	192	292
Add: Goodwill	288	1,759	–	2,047
Less: Allowance for impairment loss	–	(1,843)	–	(1,843)
Add: Unrecognised share of losses	–	78	–	78
Net carrying amount	382	–	192	574
2023				
Net assets	270	188	–	
Proportion of Group's ownership	40%	45%	–	
Group's share of interest in associate	108	85	–	193
Add: Goodwill	288	1,758	–	2,046
Less: Allowance for impairment loss	–	(1,843)	–	(1,843)
Net carrying amount	396	–	–	396

* Amount is less than $1,000

The Group has not recognised losses relating to SMH where its share of losses exceeds the Group's carrying amount of its investment in SMH. The Group's cumulative share of unrecognised losses was $57,000 (2023: $Nil) of which was the share of the current year's losses. The Group has no obligation in respect of those losses.

8. Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Non-current				
Other receivables				
- subsidiaries	–	–	2,288	1,492
Lease receivables	24	–	450	623
	24	–	2,738	2,115
Current				
Trade receivables				
- third parties	2,767	2,413	–	–
Less: Loss allowance on doubtful receivables	(168)	(229)	–	–
	2,599	2,184	–	–
Other receivables				
- third parties	13	23	–	18
- subsidiaries	–	–	3,302	2,016
- joint venture	–	29	–	29
- associate	80	80	80	80
Deposits	359	316	80	89
Lease receivables	30	22	174	166
	3,081	2,654	3,636	2,398
Total	3,105	2,654	6,374	4,513

Trade receivables are generally on 30 to 90 (2023: 30 to 90) days credit terms.

Deposits mainly relate to refundable rental deposits of clinic and office premises.

The non-trade amounts due from subsidiaries, joint venture and associates are unsecured, non-interest bearing and repayable on demand, except for an amount due from a subsidiary amounting to $243,000 (2023: $360,000;) which is unsecured, bears interest of 2.5% (2023: 2.5%) per annum and is repayable over 60 (2023: 60) monthly instalments comprising principal and interest.

The non-current amounts due from subsidiaries are non-trade in nature, unsecured, non-interest bearing, repayable after 12 months subsequent to the reporting date and are expected to be settled in cash, except for an amount due from a subsidiary amounting to $126,000 (2023: $243,000) which is unsecured, bears interest of 2.5% (2023: 2.5%) per annum, repayable monthly after 12 months subsequent to the report date and are expected to be settled in cash.

8. Trade and other receivables (Continued)

Loss allowance for receivables

Trade receivables

The Group assessed and determined expected credit loss ("ECL") rates, by reference to past default experience and expected credit losses, 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. No expected credit loss allowance has been made as the allowance is insignificant as at 30 June 2024 and 30 June 2023.

However, the management has made ECL allowance for credit impaired customers of approximately $227,000 and $229,000 as at 30 June 2024 and 30 June 2023 respectively on individually impaired receivables after the assessment of the recoverability and extended credit terms being given.

At the end of the reporting period, the analysis of trade receivables and the carrying amount of allowances for impairment loss are as follows:

	ECL Weightage	Gross carrying amount $'000	Loss allowance on receivables $'000	Net carrying amount $'000
Group				
2024				
Other customers collectively assessed				
Not past due	0%	2,129	–	2,129
Past due less than 1 month	0%	246	–	246
Past due 1 to 2 months	0%	60	–	60
Past due 2 to 3 months	0%	86	–	86
Past due over 3 months	0%	78	–	78
		2,599	–	2,599
Credit impaired customers		168	(168)	–
		2,767	(168)	2,599
2023				
Other customers collectively assessed				
Not past due	0%	1,759	–	1,759
Past due less than 1 month	0%	283	–	283
Past due 1 to 2 months	0%	51	–	51
Past due 2 to 3 months	0%	51	–	51
Past due over 3 months	0%	40	–	40
		2,184	–	2,184
Credit impaired customers		229	(229)	–
		2,413	(229)	2,184

8. Trade and other receivables (Continued)

Loss allowance for receivables (Continued)

Trade receivables (Continued)

Movements in the loss allowance on receivables were as follows:

	Group	
	2024	**2023**
	$'000	**$'000**
Credit impaired customers		
Balance at beginning of financial year	229	64
Allowance made during the financial year	43	165
Write-back of allowance during the financial year	(43)	–
Write-off of allowance during the financial year	(2)	–
Reclassified to non-current asset classified as held for sale	(59)	–
Balance at end of financial year	168	229

Non-trade receivables 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 associate's 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 associate, 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 associate's expected cash flows 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 associate. Amounts due from subsidiaries, joint venture and associate 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.

Finance lease receivables

Lease receivables relate to sublease of clinic premises which were classified as finance lease as disclosed in Note 19 to the financial statements.

The Group and the Company enters into finance lease arrangements, for terms of 2 to 6 years (2023: 2 to 6 years) with third party and its subsidiaries, for certain of its clinic premises at terms agreed between the parties. All finance leases are denominated in Singapore dollar.

The Company's finance lease receivables pertain to lease receivables due from a subsidiary at terms agreed between the parties.

8. Trade and other receivables (Continued)

Finance lease receivables (Continued)

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Presented in statements of financial position				
- Current	30	22	174	166
- Non-current	24	–	450	623
	54	22	624	789

	Group			
	Minimum lease payments to be received		Present value of minimum lease payments to be received	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Amount receivable under finance leases				
Within one financial year	32	22	30	22
After one financial year but within five financial years	24	–	24	–
	56	22	54	22
Less: Unearned finance income	(2)	–	–	–
Present value of minimum lease payments receivables	54	22	54	22

	Company			
	Minimum lease payments to be received		Present value of minimum lease payments to be received	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Amount receivable under finance leases				
Within one financial year	186	182	174	166
After one financial year but within five financial years	462	647	450	623
	648	829	624	789
Less: Unearned finance income	(24)	(40)	–	–
Present value of minimum lease payments receivables	624	789	624	789

The currency profile of trade and other receivables as at the end of the reporting period is Singapore dollar.

9. Derivative financial assets/(liabilities)

	Group and Company	
	2024	2023
	$'000	$'000
Non-current assets		
Call options and put options	–	474
Non-current Liabilities		
Call options and put options	(62)	–

	Group and Company			
	Derivative financial assets		Derivative financial liabilities	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Call and put options				
Balance at beginning of financial year	474	2,508	–	–
Fair value loss on re-measurement	–	(2,034)	(62)	–
Derecognition arising from disposal of subsidiary (Note 5)	(474)	–	–	–
Balance at end of financial year	–	474	(62)	–

Call options and put options

Call option and put options of KCS

(i) The Company is granted with call option where the Company has the right to purchase 60% equity interest in KCS from the vendor based on eight times of average earnings per share based on the audited financial statements of KCS for the financial years from 2021 to 2023, during the period between 28 February 2023 to 28 May 2023. The Company did not exercise the call option within the exercisable period, resulting in a fair value loss of $2,158,000 arising from derecognition of the call option for the financial year ended 30 June 2023.

(ii) The Company is granted with put option where the Company has the right to sell the equity interest of KCS to the vendor at a sum of certain percentage of the purchase consideration paid, should KCS fail to meet its profit target. Profit target is agreed at the aggregate net operating profit after tax of KCS for profit target period from 1 March 2020 to 28 February 2023. The Company did not obtain the profit statement for the profit target period before the agreed date, resulting in a fair value loss of $68,000 arising from derecognition of put option for the financial year ended 30 June 2023.

(iii) The Company has the right to sell to the vendor its 40% equity interest in KCS should the vendor terminate his employment contract. This option was derecognised during the financial year ended 30 June 2023 as the Company no longer has right to exercise the option followed by not exercising the call option in (i).

9. Derivative financial assets/(liabilities) (Continued)

Call options and put options (Continued)

Call options and put option of GMMP

(i) The Company is granted with option, where the Company has the right to purchase 49% equity interest in GMMP from the non-controlling interest from the period commencing thirty-six months after the completion of Sale and Purchase Agreement ("SPA") of C.M.C Binjai's acquisition, for thirty-six months. The exercise price is based on (a) number of call option shares multiplied by $200,000 over total number of shares issued as at call option notice if net operating profit is less than $200,000 or (b) 5 times of average earnings per share based on the latest audited financial statements of GMMP if latest audited net operating profit more than $200,000. The fair value gains recognised during the previous year amounted to $192,000.

(ii) The Company is granted with put option, where the Company has the right to sell the Company's 51% equity interest in GMMP to the vendor from the period commencing thirty-six months after the completion of SPA of C.M.C Binjai's acquisition, for thirty-six months.

(iii) The non-controlling interest is granted with a call option where the non-controlling interest has the right to purchase its 51% equity interest in GMMP from the Company should the Company fail to exercise the call option as described in point (i).

The Group and the Company disposed GMMP and lost its control with effective from 1 March 2024. Followed by this disposal, the Group and the Company derecognised the call options and put options of GMMP as disclosed in Note 5 to the financial statements.

Call options of DLSC

(i) The non-controlling interest is granted with a call option where the non-controlling interest has the right to purchase the Company's 51% equity interest in DLSC from the Company within ten business days from the earlier of (a) period commencing three years from commencement date of the appointment of board of directors as required in shareholders' agreement or (b) upon the cessation of the non-controlling interest's employment contract. The exercise price is based on higher of (a) eight times of earnings per share based on the most recent financial statements of DLSC or (b) the sum of the subscription price paid for the shares and all outstanding amounts owing by DLSC to the Company, including any interest that is payable as at the date of exercise.

(ii) The Company is granted with a call option, where the Company has the right to purchase 49% equity interest in DLSC from the non-controlling interest within ten business days from the date of expiry of call options granted to the non-controlling interest should the non-controlling interest fail to exercise the call option as described in point (i).

As at the end of the reporting period, the fair value of the above option has been remeasured using the Monte Carlo Simulation model (2023: Monte Carlo Simulation model) and are considered as level 3 recurring fair value measurements as disclosed in Note 36.5 to the financial statements.

10. Inventories

	Group	
	2024	2023
	$'000	$'000
Medicine supplies	1,564	1,277

Inventories cost is determined on a weighted average basis and includes all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories are stated at the lower of cost and net realisable value. The management estimates the net realisable value of inventories based on assessment of remaining shelf lives provides for excess and obsolete inventories based on historical usage, estimated future demand and related pricing. However, factors beyond its control, such as demand levels and drugs regulations could change from period to period.

The cost of inventories recognised as an expense which amounted to $4,672,000 (2023: $3,456,000) for the financial year ended 30 June 2024 are included in "inventories and consumables used and changes in inventories" line items in profit and loss.

11. Prepayments

Prepayments mainly comprises advance payment for payroll costs, vouchers for purchase of medicine supplies and purchase of medical equipment.

12. Cash and bank balances

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Cash and bank balances	6,857	9,636	1,325	4,380
Add: Cash and cash equivalents included in non-current asset held-for-sale (Note 31)	60	–		
Cash and cash equivalents in the statements of cash flows	6,917	9,636		

The currency profile of cash and bank balances of the Group and the Company as at the end of the reporting period is Singapore dollar.

13. Share capital

	Group and Company	
	2024	2023
	$'000	$'000
Issued and fully-paid		
179,623,416 ordinary shares at beginning and end of financial year	25,684	25,684

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

14. Treasury shares

	Group and Company			
	2024	2023	2024	2023
	Number of ordinary shares ('000)		$'000	$'000
Balance at beginning of financial year	8,617	–	1,731	–
Repurchased during the financial year	–	8,617	–	1,731
Balance at end of financial year	8,617	8,617	1,731	1,731

During the financial year ended 30 June 2023, the Company acquired 8,617,000 of its own shares through purchases in the open market. The total amount paid to repurchase the shares was approximately $1,731,000 and has been presented as a component within shareholders' equity.

15. Merger reserve

Merger reserve represents the difference between the consideration paid and the issued and fully paid share capital of subsidiaries acquired under common control that are accounted for by applying the "pooling-of-interest" method.

16. Other reserves

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Equity component of redeemable convertible loan ("RCL")	177	177	177	177
Other reserve	–	–	235	235
	177	177	412	412

Equity component of RCL

The amount of $177,000 relates to the equity portion of the RCL issued to vendors for issuance of fixed number of the Company's ordinary shares of 20,454,542 in previous financial years.

Other reserve

Other reserve of the Company represents the gain arising from the transfer of the financial asset at FVTPL between the Company and its subsidiary amounted to approximately $235,000 was recognised as other reserve in previous financial years as it is considered as a transaction with owner.

17. Retained earnings

Movements in retained earnings of the Company were as follows:

	Company		
	30 June 2024 $'000	30 June 2023 $'000 (Restated)	1 July 2022 $'000 (Restated)
Balance at beginning of financial year	1,696	2,906	1,638
Total comprehensive income for the financial year	2,880	945	2,615
Dividends	(599)	(2,155)	(1,347)
Balance at end of financial year	3,977	1,696	2,906

18. Bank borrowings

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Current				
Temporary bridging loan I	–	61	–	–
Temporary bridging loan II	696	1,992	696	1,992
Revolving credit facility	1,750	2,000	1,750	2,000
Term loan I	680	1,320	680	1,320
	3,126	5,373	3,126	5,312
Non-current				
Temporary bridging loan I	–	94	–	–
Term loan I	600	680	600	680
	600	774	600	680
	3,726	6,147	3,726	5,992
Effective interest rate per annum				
Bank borrowings	2 - 6.19%	2 – 6.24%	2 - 6.19%	2 - 6.24%

Temporary bridging loan I

Temporary bridging loan I is repayable over 60 monthly instalments comprising principal and interest. It was supported by deed of guarantee provided by the Company and a non-controlling interest. The Company ceased in providing deed of guarantee upon disposal of GMMP.

Temporary bridging loan II

Temporary bridging loan II is repayable over 60 monthly instalments comprising principal and interest. It is supported by deed of guarantee provided by the certain subsidiaries of the Company. The temporary bridging loan II is subject to financial covenants imposed by the bank.

18. Bank borrowings (Continued)

Revolving credit facility

Revolving credit facility bears effective interest rates of 6.17% (2023: 6.24%) per annum during the financial year. The revolving credit facility had maximum tenor of 6 months from drawn down date and during the financial year, the repayment terms was negotiated to 8 quarterly instalment of $250,000 commencing from May 2024. The bank reserved its right to cancel and demand repayment of the outstanding revolving credit facility at any time. It is supported by deed of guarantee provided by the certain subsidiaries of the Company. The revolving credit facility is subject to financial covenants imposed by the bank.

During the financial year, current bank borrowings include an amount of approximately $750,000 (2023: $Nil) which is not scheduled for repayment within twelve months from the end of the financial year but is classified as current liabilities as the Group and the Company do not have the unconditional right at the end of the financial year to defer settlement for at least twelve months after the end of the financial year.

The Group and the Company are up to date with the scheduled repayments of the term loans and does not consider it probable that the bank will exercise its discretion to demand repayment for so long as it continues to meet these requirements. Further details of the Group and the Company's management of liquidity risk are set out in Note 36.2 to the financial statements.

Term loan I

Term loan I is repayable over 18 monthly instalments comprising principal and interest. It is supported by deed of guarantee provided by the certain subsidiaries of the Company.

The carrying amount of the Group's and Company's non-current term loans approximate their fair values as the current lending rate for similar types of lending arrangement are not materially different from the rate obtained by the Group and the Company.

As at the end of the reporting period, the Group and the Company have banking facilities as follows:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Banking facilities granted	7,250	7,800	7,250	7,500
Banking facilities utilised	7,250	7,800	7,250	7,500

The currency profile of bank borrowings as at the end of the reporting period is Singapore dollar.

19. Lease liabilities

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Presented in statements of financial position				
- Current	1,925	1,636	287	275
- Non-current	5,805	4,582	844	1,130
	7,730	6,218	1,131	1,405
Balance at beginning of financial year	6,218	4,994	1,406	1,020
Additions	632	2,141	–	685
Lease modification	2,705	77	–	–
Lease termination	–	(44)	–	(44)
Arising from acquisition of a subsidiary	402	364	–	–
Interest expense	255	148	34	36
Lease payments				
- Principal portion	(1,792)	(1,314)	(275)	(256)
- Interest portion	(255)	(148)	(34)	(36)
Disposal of subsidiary	(407)	–	–	–
Reclassified to non-current asset classified as held for sale (Note 31)	(28)	–	–	–
Balance at end of financial year	7,730	6,218	1,131	1,405

The maturity analysis of lease liabilities of the Group and the Company at the end of the reporting period are as follows:

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Contractual undiscounted cash flows				
- Within one financial year	2,154	1,801	313	309
- After one financial year but within five financial years	5,654	4,208	877	1,158
- After five financial years	517	696	–	31
	8,325	6,705	1,190	1,498
Less: Future interest expense	(595)	(487)	(59)	(93)
Present value of lease liabilities	7,730	6,218	1,131	1,405

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of twelve months or less.

19. Lease liabilities (Continued)

The payments for leases of low value assets and short-term leases are recognised as an expense on a straight-line basis over the lease term. Variable lease payments are only included in the measurement of the lease liability if it is depending on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying amount of lease liabilities also includes:

- a fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group and the Company if it is reasonably certain to assess that option; and
- any penalties payables for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

When the Group and the Company revise their estimate of any lease term (i.e. probability of extension or termination option being exercised), they adjust the carrying amount of the lease liability to reflect the payments over the revised term. The carrying amount of lease liabilities is similarly revised when the variable element of the future lease payment dependent on a rate or index is revised. In both cases, an equivalent adjustment is made to the carrying amount of the right-of-use assets. If the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of lease liability, the remaining amount of the remeasurement is recognised directly in profit or loss.

In determining the lease term, management considers the likelihood of either to exercise the extension option. Management considers all facts and circumstances that create an economic incentive to extend.

Management has included potential cash outflows of $4,767,000 (2023: $3,685,000) and $940,000 (2023: $940,000) in the measurement of the Group's and the Company's lease liabilities respectively for clinic premises and office space, as it is reasonably certain that the extension option will be exercised. The assessment on lease terms is reviewed at the end of each reporting period if there is a significant change in the Group's and the Company's intentions, business plan or other circumstances unforeseen since it was first estimated.

As at 30 June 2024, the incremental borrowing rate applied in the lease range from 2.28% to 4.07% (2023: 2.28% to 4.00%).

All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Rental of storage space of the Group and the Company qualify as low value assets and the Group also leases certain equipment on the short-term basis. The election of short-term leases is made by class of underlying assets with similar nature and use in the Group's operations whereas the low asset value lease exemption is made on lease-by-lease basis.

The Group had total cash outflows for leases of approximately $2,054,000 (2023: $1,470,000).

The currency profile of lease liabilities as at the end of the reporting period is Singapore dollar.

20. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Non-current				
Other payables				
- non-controlling interests	410	154	–	–
Current				
Trade payables				
- third parties	222	174	–	–
Goods and services tax ("GST") payable, net	386	237	76	21
Other payables				
- third parties	348	831	134	42
- non-controlling interests	721	915	–	–
- subsidiaries	–	–	507	119
- associate	278	–	278	–
Accrued expenses				
- employees	445	381	199	139
- directors of the Company	352	367	67	155
- directors of the subsidiaries	483	589	–	–
- others	464	599	154	218
	3,699	4,093	1,415	694
Total	4,109	4,247	1,415	694

Trade payables are unsecured, non-interest bearing and are normally settled between 30 to 60 days (2023: 30 to 60 days) credit terms.

The non-trade payables due to non-controlling interests, subsidiaries and associate are unsecured, non-interest bearing and repayable on demand, except for a non-trade payable due to a non-controlling interest in previous financial year amounted to $19,000 which was secured by a medical equipment with carrying amount of $43,000 (Note 3), bear interest of 3.32% and was repayable monthly until January 2023.

The non-current amounts due to non-controlling interests of subsidiaries are non-trade in nature, unsecured, non-interest bearing, repayable after 12 months subsequent to the reporting date and are expected to be settled in cash. The carrying amount of the non-current amount due to non-controlling interests of subsidiaries approximate their fair value.

Included in trade and other payables, $94,000 of the other payables owing to third parties which is due and $278,000 which is due to associate no later than 30 June 2029, as disclosed in Note 7 to the financial statements.

The accrued expenses mainly relate to provision of bonus and other remuneration for the directors of the Company, directors of the subsidiaries, employees of the Group and other accrued operating expenses. In previous financial year, included in the accrued expenses amounting to $10,000 pertaining to provision for litigation claims as a result of dispute over renovation costs charged by a supplier.

20. Trade and other payables (Continued)

The currency profile of trade and other payables as at the end of the reporting period are as follows:

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Singapore dollar	3,737	4,247	1,043	694
Chinese Ren Min Bi	372	–	372	–
	4,109	4,247	1,415	694

21. Deferred tax liabilities

	Group			Company		
	30 June 2024 $'000	30 June 2023 $'000 (Restated)	1 July 2022 $'000 (Restated)	30 June 2024 $'000	30 June 2023 $'000 (Restated)	1 July 2022 $'000 (Restated)
Deferred tax liabilities	718	700	424	85	105	13

The Group and the Company recognised deferred tax liabilities arising from the temporary difference on right-of-use assets as disclosed in Note 2 to the financial statements. The movements in deferred tax liabilities are as follows:

	Group		Company	
	2024 $'000	2023 $'000 (Restated)	2024 $'000	2023 $'000 (Restated)
Right-of-use assets				
Balance at beginning of financial year	700	424	105	13
Charge to profit or loss	18	276	(20)	92
Balance at end of financial year	718	700	85	105

22. Provisions

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Provision for reinstatement cost				
Balance at beginning of financial year	129	52	21	–
Additions	23	55	–	20
Arising from acquisition of a subsidiary	–	21	–	–
Interest arising from unwinding of discount	4	1	1	1
Reclassified to non-current asset classified as held for sale (Note 31)	(2)	–	–	–
Balance at end of financial year	154	129	22	21

The provision for reinstatement cost is the estimated cost of dismantlement, removal or restoration of plant and equipment arising from the acquisition or use of asset, which is capitalised and included in the cost of plant and equipment.

23. Contract liabilities

Contract liabilities primarily relate to the Group's obligation to perform service to the patients for which the Group has received consideration in advance, and are recognised as revenue when the Group performs the services.

The contract liabilities of the Group are provision of medical services within the next 12 months, hence, the allocation of aggregate transaction price to the remaining performance obligations and explanation on when the Group expects the revenue to be recognised are not disclosed.

Changes in contract liabilities are as follows:

	Group	
	2024	**2023**
	$'000	**$'000**
Balance at beginning of financial year	126	93
Amount recognised as revenue	(119)	(66)
Cash received in advance of performance and not recognised as revenue	74	99
Balance at end of financial year	81	126

24. Revenue

	Group	
	2024	**2023**
	$'000	**$'000**
Revenue from contracts with customers, recognised at point in time	19,927	16,308
Revenue from contracts with customers, recognised over time	6,983	5,773
	26,910	22,081

Revenue from the provision of medical services generally relate to performance obligations to provide consultations, clinical treatments, surgery and related products, net of discounts to customers. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied performance obligation. There are no variable considerations nor significant financing component arising from the rendering of those services.

Revenue from the provision of general consultation and medical care together with the prescription of medicine is recognised at a point in time when the services have been rendered and medicine are despatched.

Revenue from the provision of procedural treatment services or services that sold in packages, are recognised upon completion of the distinct services rendered over the course of the services or packages, based on each utilisation allocated using the relative stand-alone selling prices.

The revenue of the Group are all generated within Singapore.

25. Other income

	Group	
	2024	2023
	$'000	$'000
Government grants	340	240
Sponsorship income	54	1
Interest income	1	2
Chronic disease consultation incentive	90	47
Gain on disposal of investment acquired with the intention to dispose	24	–
Rental income	28	23
Others	39	30
	576	343

Grants are recognised at the fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grants relate to expenditures, which are not capitalised, the fair value of grants are credited to profit or loss as and when the underlying expenses are included and recognised in profit or loss to match such related expenditures.

26. Employee benefits expense

	Group	
	2024	2023
	$'000	$'000
Directors' fee	66	76
Salaries, bonuses and other short-term benefits	11,759	9,004
Employer's contributions to defined contribution plans	855	672
	12,680	9,752

Included in the employee benefits expense were the remuneration of directors of the Company, directors of the subsidiaries and other key management personnel of the Group, as set out in Note 34 to the financial statements.

27. Depreciation and amortisation expense

	Group	
	2024	2023
	$'000	$'000
Depreciation of plant and equipment	501	319
Depreciation of right-of-use assets	1,951	1,360
Amortisation of intangible assets	40	39
	2,492	1,718

28. Finance costs

	Group	
	2024	2023
	$'000	$'000
Bank borrowings	235	65
Interest arising from unwinding of the discount of provision of reinstatement cost	4	1
Lease interest expense	255	148
Others	9	–
	503	214

29. Profit before income tax

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the above includes the following charges:

	Group	
	2024	2023
	$'000	$'000
Other expenses		
Audit fee		
- auditors of the Company	201	198
Adminstrative charges	740	496
Consultancy fees	126	131
Marketing fees	237	167
Fair value loss on derivative financial instruments	62	2,034
Loss on disposal of subsidiary	150	–
GST expenses	37	81
Entertainment expenses	43	42
Credit card charges	117	70
Information technology expenses	99	95
Locum fee	1,145	317
Advertising and promotion expenses	60	30
Printing and stationery	58	61
Professional fees	502	504
Low value asset expensed off	66	120
Subscription fees	110	54
Loss on lease modification	14	–
Short term leases expenses	2	1
Low value leases expenses	5	7

30. Income tax expense

	Group	
	2024	2023
	$'000	$'000
		(Restated)
Current income tax		
- current financial year	838	973
- (over)/under provision in prior financial years	(280)	36
Total income tax expense recognised in profit or loss	558	1,009
Deferred tax		
- current financial year	17	276
Total income tax expense recognised in profit or loss	575	1,285

Reconciliation of effective income tax rate

	Group	
	2024	2023
	$'000	$'000
		(Restated)
Profit before income tax	2,952	1,255
Share of results of joint venture, net of tax	(578)	33
Share of results of associates, net of tax	(235)	(128)
	2,139	1,160
Income tax calculated at Singapore's statutory income tax rate of 17% (2023: 17%)	363	197
Tax effect of income not subject to tax	–	(10)
Tax effect of non-deductible expenses for income tax purposes	73	501
Tax effect of tax-exempt income	(165)	(200)
Tax losses not able to carry forward	210	236
Deferred tax asset not recognised	406	530
Utilisation of unrecognised deferred tax asset	(32)	(5)
(Over)/Under provision of current income tax in prior financial years	(280)	36
	575	1,285

30. Income tax expense (Continued)

Unrecognised deferred tax assets

	Group	
	2024	**2023**
	$'000	**$'000**
		(Restated)
Balance at beginning of financial year	1,003	478
Addition during the financial year	406	530
Utilisation of deferred tax assets not recognised	(32)	(5)
Balance at end of financial year	1,377	1,003

Unrecognised deferred tax assets are attributable to the following temporary differences computed at statutory income tax rate of 17% (2023: 17%):

	Group	
	2024	**2023**
	$'000	**$'000**
		(Restated)
Excess of depreciation over capital allowance	47	5
Lease liabilities	778	724
Provision	20	50
Unutilised tax losses	501	224
Others	30	–
	1,377	1,003

As at 30 June 2024, the Group has unutilised tax losses of approximately $2,947,000 (2023: $1,318,000) and other deductible temporary differences of $5,153,000 (2023: $4,576,000) that are available to offset against future taxable profits of the Group, subject to the agreement of the tax authority and compliance with certain provisions of the tax legislation. No deferred tax asset has been recognised on these tax losses and other deductible temporary differences as there is no certainty that there will be sufficient future taxable profits to realise these future benefits.

Uncertainty over tax treatments

As at 30 June 2024, included in income tax payables, there was additional income tax of $308,000 relating to the Inland Revenue Authority of Singapore's ("IRAS") review of one of the Group's subsidiary business operational structure which was indemnified and paid by one of the directors of the Group.

31. Non-current asset classified as held for sale

During the financial year ended 30 June 2024, the management had taken necessary action to dispose of one of the Group's wholly owned subsidiary, AEF. whose principal activities were those of operation of medical clinic and the provision of medical services. The assets and liabilities related to AEF, were classified as non-current asset held for sale in the statements of financial position.

The major classes of assets and liabilities in the Group's non-current asset held for sale of AEF as at 30 June 2024 are as follows:

	Group 2024 $'000
Assets	
Plant and equipment (Note 3)	50
Intangible asset (Note 4)	642
Cash and bank balances (Note 12)	60
Trade and other receivables	120
Prepayment	6
Inventories	118
Income tax recoverable	*
Total assets in non-current asset classified as held for sale	996
Liabilities	
Trade and other payables	74
Lease liabilities (Note 19)	28
Provisions (Note 22)	2
Total liabilities directly associated with non-current asset classified as held for sale	104

Details of assets in the Company's non-current asset classified as held for sale are as follows:

	Company 2024 $'000
Investment in subsidiary	830

* Amount less than $1,000

32. Earnings/(Loss) per share

The calculation for earnings/(loss) per share is based on:

	Group	
	2024	**2023**
Profit/(Loss) attributable to owners of the Company ($'000)	1,965	(666)
Weighted-average number of ordinary shares used in issue during the financial year applicable to earnings/(loss) per share ('000)	171,006	175,048
Earnings/(Loss) per share		
- Basic (cents)	1.15	(0.39)
- Diluted (cents)	1.15	(0.39)

Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on profit/(loss) for the financial year attributable to owners of the Company divided by the weighted-average number of ordinary shares in issue during the financial year.

Diluted earnings/(loss) per share

As the Group has no dilutive potential ordinary shares, the diluted earnings/(loss) per share is equivalent to basic earnings/(loss) per share for the financial year.

33. Dividends

	Group	
	2024	**2023**
	$'000	**$'000**
Final tax exempt dividend of $0.0035 per ordinary share for the financial year ended 30 June 2023	599	–
Final tax exempt dividend of $0.012 per ordinary share for the financial year ended 30 June 2022	–	2,155
	599	2,155

In previous financial year, the Board of Directors proposed that a final tax exempt dividend of $ 0.0035 per ordinary share amounting to approximately $599,000 to be paid for the financial year ended 30 June 2023.

The Directors did not propose any final dividend for the financial year ended 30 June 2024.

34. Significant related party transactions

For the purpose of these consolidated financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the financial statements, the following were significant related party transactions at rates and terms agreed between the Group and the Company with their related parties during the financial years:

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
With associates				
Sales of medical supplies	–	1	–	–
Purchases of medical supplies	–	5	–	–
Dividend income	–	–	248	240
With joint venture				
Advances to	–	4,080	–	4,080
With subsidiaries				
Payment made on behalf by	–	–	1,781	1,324
Payment made on behalf of	–	–	375	307
Advances to	–	–	1,212	1,106
Advances from	–	–	1,400	1,100
Management fee income	–	–	1,922	1,264
Salary recharge to	–	–	60	51
Salary recharge from	–	–	92	176
Dividend income	–	–	4,085	5,227
With related party*				
Rental fee expense	572	420	–	–
With directors of the Company				
Rental fee expense	35	35	–	–

* Related parties refer to entities where the Company's directors have beneficial interests.

The outstanding balances as at 30 June with related parties in respect of the above transactions are disclosed in Notes 8 and 20 to the financial statements. There are no outstanding balances with key management personnel.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly and indirectly.

34. Significant related party transactions (Continued)

The remuneration of directors and other key management personnel of the Group and the Company during the financial years ended 30 June 2024 and 30 June 2023 were as follows:

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Short-term employee benefits	1,934	1,767	119	182
Post-employment benefits	44	52	13	16
Directors' fees	67	76	67	76

35. Segment information

Business segment

Management monitors the operating results of the segment separately for the purposes of making decisions about resources to be allocated and assessment of performance. Segment 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.

Major customers

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

36. Financial instruments, financial risks and capital management

The Group's and the Company's activities expose them to credit risks, liquidity risks and market risks (including interest rate risk) arising in the ordinary course of business. The Group and the Company are not subject to significant foreign currency risk as all of their transactions are carried out mainly in Singapore dollar. The Group's and the Company's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's and the Company's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group and the Company. The Group's and the Company's management then establish the detailed policies such as risk identification and measurement, and exposure limits, in accordance with the objectives and underlying principles approved by the Board of Directors.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which the risks are managed and measured. The Group and the Company do not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange rates.

36. Financial instruments, financial risks and capital management (Continued)

36.1 Credit risks

Credit risks refer to the risk that counterparty will default on its contractual obligations resulting in a loss to the Group and the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group and the Company perform ongoing credit evaluation of its counterparties' financial condition and generally does not require collaterals. For lease receivables, the management has performed credit evaluation before entering into the sublease of the office space to the tenants. The Group adopts the policy of dealing only with reputable companies with high credit quality.

The Group's trade receivables are generally from third party administrators, hospitals, government institutions and corporate clients.

As at 30 June 2024, the Group does not have significant credit exposure to any single counterparty or any group of counterparties having similar characteristics except for 6 (2023: 6) customers which represent 77% (2023: 68%) of total trade receivables.

As at 30 June 2024, the Company does not have significant credit exposure arising from non-trade receivables due from subsidiaries except for 14 (2023: 9) subsidiaries which represent 86% (2023: 68%) of total other receivables.

The carrying amounts of financial assets recorded in the financial statements, grossed up for any allowances for losses represents the Group's and the Company's maximum exposure to credit risks.

Further disclosures regarding trade and other receivables, which are neither past due nor impaired are provided in Note 8 to the financial statements.

Credit risk also arises from bank balances deposited with banks. The bank balances are held with banks, which are rated Aa1 (2023: Aa1), based on Moody's ratings. Impairment of bank balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group and the Company consider that their bank balances have low credit risk based on the external credit ratings of the counterparties.

36.2 Liquidity risks

Liquidity risks refer to the risks in which the Group and the Company encounter difficulties in meeting their short-term obligations. Liquidity risks are managed by matching the payment and receipt cycle.

The Group and the Company actively manage their operating cash flows so as to ensure that all payment needs are met. As part of its overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash to meet their working capital requirements.

36. Financial instruments, financial risks and capital management (Continued)

36.2 Liquidity risks (Continued)

Contractual maturity analysis

The following tables detail the Group's and the Company's remaining contractual maturity for their non-derivative financial instruments. The tables have been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group and the Company are expected to pay.

	Within one financial year	After one financial year but within five financial years	After five financial years	Total
	$'000	$'000	$'000	$'000
Group				
2024				
Trade and other payables	3,313	–	–	3,313
Lease liabilities	2,154	5,654	517	8,325
Bank borrowings	2,486	1,374	–	3,860
Total undiscounted financial liabilities	7,953	7,028	517	15,498
2023				
Trade and other payables	3,856	154	–	4,010
Lease liabilities	1,801	4,208	696	6,705
Bank borrowings	5,462	788	–	6,250
Total undiscounted financial liabilities	11,119	5,150	696	16,965
Company				
2024				
Trade and other payables	1,339	–	–	1,339
Lease liabilities	313	877	–	1,190
Bank borrowings	2,486	1,374	–	3,860
Total undiscounted financial liabilities	4,138	2,251	–	6,389
2023				
Trade and other payables	673	–	–	673
Lease liabilities	309	1,158	31	1,498
Bank borrowings	5,398	692	–	6,090
Total undiscounted financial liabilities	6,380	1,850	31	8,261
Financial corporate guarantee	31	48	–	79

36. Financial instruments, financial risks and capital management (Continued)

36.3 Market risks

Interest rate risk

The Group's and the Company's exposure to market risk for changes in interest rates relates primarily to bank borrowings at end of reporting period as disclosed in Note 18 to the financial statements. The Group and the Company were not exposed to cash flow interest rate risk in the previous reporting period as they did not have significant interest bearing liabilities with variable interest as at end of previous reporting period.

The Group's and the Company's results are affected by changes in interest rates due to the impact of such changes on interest expense on bank borrowings which is at floating interest rates. It is the Group's and the Company's policy to obtain quotes from banks to ensure that the most favourable rates are made available to the Group and the Company.

As at the end of the reporting period, if interest rates had been 0.5% (2023: 0.5%) lower or higher with all other variables including tax rate being held constant, the profit after tax of the Group will be lower or higher by approximately $10,000 (2023: $17,000) as a result of higher or lower interest expense on borrowings.

36.4 Capital management policies and objectives

The Group and the Company manage capital to ensure that the Group and the Company are able to continue as a going concern and maintain an optimal capital structure so as to maximise shareholders' value.

The Group and the Company manage their capital structure which consist of equity attributable to owners of the parent, comprising share capital, treasury shares, merger reserve, other reserves and retained earnings as disclosed in Notes 13, 14, 15, 16 and 17 to the financial statements and make adjustments to it, in line with changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, issue new shares or reacquisition of issued shares. No changes were made in the objectives, policies or processes during the financial years ended 30 June 2024 and 30 June 2023.

The Group and the Company monitor capital based on a gearing ratio, which is net debt divided by total equity. The Group's and the Company's net debt includes bank borrowings less cash and bank balances. Equity attributable to the owners of the Company comprises share capital, treasury shares, other reserves and retained earnings.

The gearing ratio of the Group is not presented as the Group is in net cash position. The gearing ratio of the Company is not presented as the gearing ratios for both financial years are insignificant.

The Group and the Company are subject to and have not complied with one of the financial covenants in respect of the bank borrowings (Note 18) for the financial year ended 30 June 2023. Accordingly, one of the bank borrowings which amounted to $1,296,000 was reclassified from non-current to current liabilities at 30 June 2023. The Group and the Company had received waiver from the bank subsequently in December 2024.

Other than the above non-compliance, the Group and the Company are subject to and have complied with financial covenants in respect of the bank borrowings (Note 18) for the financial years ended 30 June 2024 and 30 June 2023.

36. Financial instruments, financial risks and capital management (Continued)

36.5 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			
	Level 1	**Level 2**	**Level 3**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Group and Company				
2024				
Derivative financial liabilities	–	–	(62)	(62)
2023				
Derivative financial assets	–	–	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.

36. Financial instruments, financial risks and capital management (Continued)

36.5 Fair value of financial assets and financial liabilities (Continued)

The valuation technique and significant unobservable inputs used in determining the fair value measurement of level 3 financial instruments, as well as the relationship between key unobservable inputs and fair value, are set out in the table below.

Financial instruments	Valuation techniques used	Significant unobservable inputs	Average rate		Relationship between key unobservable inputs and fair value
			2024	2023	
Call and put options	Monte Carlo Simulation model	Volatility rate	58.6%	57.4%	An increase in the earnings volatility rate would result in an increase in fair value.

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

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 carrying amounts of the bank borrowings approximate their fair values as the interest rate of the borrowings approximates the market lending rate for similar types of lending arrangements as at the end of the reporting period. The fair value of non-current receivables and non-current other payables are disclosed in Notes 8 and 20 to the financial statements.

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.

36. Financial instruments, financial risks and capital management (Continued)

36.6 Categories of financial instruments

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

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Financial assets				
At amortised cost	9,962	12,290	7,700	8,893
Financial assets at FVTPL	–	474	–	474
	9,962	12,764	7,700	9,367
Financial liabilities				
Other financial liabilities, at amortised cost	14,769	16,375	6,196	8,070
Financial liabilities at FVTPL	62	–	62	–
	14,831	16,375	6,258	8,070

37. Events subsequent to the reporting date

37.1 Disposal of AEF

On 16 September 2024, the Company entered into a sale and purchase agreement with a third party to dispose entire equity interest in AEF for a cash consideration of $829,000.

37.2 On 8 July 2024, Singapore Paincare Wellness Pte. Ltd. was struck off by the Accounting and Corporate Regulatory Authority ("ACRA"). The Company has since derecognised the subsidiary.

STATISTICS OF **SHAREHOLDINGS**

As at 16 September 2024

SHAREHOLDERS' INFORMATION

Number of issued shares	:	179,623,416
Number of issued shares (excluding treasury shares)	:	171,006,516
Number of treasury shares	:	8,616,900
Percentage of treasury shares to the total number of issued shares (excluding treasury shares)	:	5.04%
Class of Shares	:	Ordinary Shares
Voting rights (excluding treasury shares)	:	1 vote per share*

* Ordinary shares purchased and held as treasury shares by the Company will have no voting rights. The Company does not have any subsidiary holdings.

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	2	1.05	150	0.00
100 - 1,000	20	10.47	10,200	0.01
1,001 - 10,000	42	21.99	248,600	0.14
10,001 - 1,000,000	112	58.64	12,551,778	7.34
1,000,001 AND ABOVE	15	7.85	158,195,788	92.51
TOTAL	**191**	**100.00**	**171,006,516**	**100.00**

SUBSTANTIAL SHAREHOLDERS

	DIRECT INTEREST	%*	DEEMED INTEREST	%*
Lee Mun Kam Bernard	48,701,500	28.48	–	–
Sian Chay Medical Institution	29,286,725	17.13	–	–
Loh Foo Keong Jeffrey	27,853,000	16.29	–	–
Jitendra Kumar Sen	13,556,650	7.93	2,297,000	1.34

(1) As at 16 September 2024, Jitendra Kumar Sen has a deemed interest (1.34%) through his shareholding interest in Horizon Venture Pte. Ltd.

* The percentage of issued ordinary shares, direct interest and deemed interest is calculated based on the number of issued ordinary shares of the Company as of 16 September 2024, excluding 8,616,900 ordinary shares held as treasury shares as at that date.

STATISTICS OF **SHAREHOLDINGS**

As at 16 September 2024

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	LEE MUN KAM BERNARD	48,701,500	28.48
2	SIAN CHAY MEDICAL INSTITUTION	29,286,725	17.13
3	LOH FOO KEONG JEFFREY	27,853,000	16.29
4	JITENDRA KUMAR SEN	13,556,650	7.93
5	WONG SHING YIP	7,833,690	4.58
6	HUANG GUOLIANG, EUGENE	4,964,730	2.90
7	RAFFLES NOMINEES (PTE.) LIMITED	4,487,600	2.62
8	HC SURGICAL SPECIALISTS LIMITED	4,381,890	2.56
9	LIM EWE GHEE	3,787,878	2.22
10	CHEE HSING GARY ANDREW	2,852,475	1.67
11	UOB KAY HIAN PRIVATE LIMITED	2,430,000	1.42
12	SHINEX CAPITAL PTE LTD	2,338,908	1.37
13	MEDINEX LIMITED	2,272,728	1.33
14	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	2,046,364	1.20
15	LEE PENG KHOW	1,401,650	0.82
16	LEONG KWOK WAH	1,000,000	0.58
17	DBS NOMINEES (PRIVATE) LIMITED	740,800	0.43
18	LIM BEE LENG STEPHANIE	606,151	0.35
19	YEO KHEE SENG BENNY	545,100	0.32
20	HO CHEE KHUN	509,400	0.30
	TOTAL	**161,597,239**	**94.50**

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on information available to the Company as at 16 September 2024, approximately 20.21% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the SGX-ST Listing Manual Section B: Rules of Catalist is complied with.

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**Meeting**") of **SINGAPORE PAINCARE HOLDINGS LIMITED** (the "**Company**") will be held at Seletar Country Club, 101 Seletar Club Road, Singapore 798273 on Friday, 25 October 2024 at 2.00 p.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 30 June 2024 together with the Independent Auditor's Report thereon.
(Resolution 1)

2. To approve the payment of Directors' Fees of up to S$66,630 for the financial year ended 30 June 2024 (FY2023: S$76,452). **(Resolution 2)**

3. To re-elect the following Director of the Company who is retiring pursuant to Regulation 97 of the Constitution of the Company:

   Dr. Loh Foo Keong Jeffrey **(Resolution 3)**
   (*See Explanatory Note (i)*)

4. To note the retirement of Ms. Lai Chin Yee who is retiring as a Director of the Company pursuant to Regulation 97 of the Constitution of the Company.
   (*See Explanatory Note (ii)*)

5. To re-elect the following Director of the Company retiring pursuant to Regulation 103 of the Constitution of the Company:

   Mr. Wong Yee Kong **(Resolution 4)**
   (*See Explanatory Note (iii)*)

6. To re-appoint BDO LLP as the Independent Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

7. To transact any other ordinary business which may properly be transacted at a Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following ordinary resolutions, with or without any modification:

8. **Authority to allot and issue shares**

   (a) That pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Companies Act**") and Rule 806 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), the Directors of the Company be authorised and empowered to:

      (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

      (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

(1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) shall not exceed one hundred per centum (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings, if any) shall be calculated based on the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution, after adjusting for:

(a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities outstanding at the time of passing of this Resolution;

(b) (where applicable) new Shares arising from the exercise of share options or vesting of share awards outstanding or subsisting at the time of passing this Resolution, provided that such share options or share awards (as the case may be) were granted in compliance with the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares.

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.
(See Explanatory Note (iv)) **(Resolution 6)**

9. **Authority to offer and grant options and to allot and issue shares pursuant to the SPCH Employee Share Option Scheme (the "Share Option Scheme")**

That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of options under the Share Option Scheme provided always that the aggregate number of new shares to be allotted and issued pursuant to the Share Option Scheme, and all options granted under any other share option, share incentive, performance share or restricted share plan implemented by the Company shall not exceed fifteen per centum (15%) of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings, if any) on the day immediately preceding the date of offer of the employee share options.
(See Explanatory Note (v)) **(Resolution 7)**

10. **Authority to allot and issue shares under the SPCH Performance Share Plan**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant awards in accordance with the provisions of the SPCH Performance Share Plan and to allot and issue from time to time, such number of shares in the capital of the Company as may be required to be allotted and issued pursuant to the vesting of awards under the SPCH Performance Share Plan, provided always that the aggregate number of shares issued and issuable pursuant to vesting of awards granted under the SPCH Performance Share Plan, when added to (i) the number of shares issued and issuable in respect of all awards granted or awarded thereunder; and (ii) all shares issued and issuable in respect of all options granted or awards granted under the Share Option Scheme, all options granted under any other share option, share incentive, performance share or restricted share plan implemented by the Company for the time being in force, shall not exceed fifteen per centum (15%) of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings, if any) on the day preceding the relevant date of the award.
(See Explanatory Note (v)) **(Resolution 8)**

By Order of the Board

Wong Yoen Har
Company Secretary

10 October 2024

Explanatory Notes:

(i) Dr. Loh Foo Keong Jeffrey will, upon re-election as Director of the Company, remain as Executive Director and Chief Operating Officer of the Company.

(ii) Ms. Lai Chin Yee will, upon retirement as Director of the Company, relinquish her roles of Lead Independent Director, Chairman of the Audit Committee and Remuneration Committee and Member of the Nominating Committee.

(iii) Mr. Wong Yee Kong will, upon re-election as Director of the Company, remain as Non-Executive and Independent Director, Chairman of the Nominating Committee and a member of the Remuneration Committee and Audit Committee. The Board considers Mr. Wong to be independent for the purpose of Rule 704(7) of the Catalist Rules.

Key information on the retiring directors can be found in Board of Directors' section of the Annual Report.

(iv) The Ordinary Resolution 6, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings, if any), of which up to 50% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) will be calculated based on the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

(v) The Ordinary Resolutions 7 and 8, if passed, will empower the Directors to grant options under the Share Option Scheme as well as to offer and award shares pursuant to the SPCH Performance Share Plan and the Share Option Scheme, provided that the aggregate number of shares to be issued shall not exceed fifteen per centum (15%) of the total number of issued shares in capital of the Company (excluding treasury shares and subsidiary holdings, if any) from time to time.

IMPORTANT

Notes:

1. Members of the Company are invited to **physically attend** the Annual General Meeting (the "**Meeting**"). **There will be no option for members to participate virtually**.

2. The Annual Report 2024, Notice of Annual General Meeting, Proxy Form and Request Form (to request a hardcopy of the Annual Report 2024) will be made available to members by electronic means via publication on the Company's corporate website at the URL https://sgpaincare.com/announcements and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements.

3. Printed copies of the Notice of Annual General Meeting, Proxy Form and the Request Form (to request hardcopy of the Annual Report 2024) will be sent to members via post. Members who wish to obtain a printed copy of the Annual Report 2024 should complete the Request Form and return it by post to the registered office address of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632 or via email to srs.requestform@boardroomlimited.com **no later than 5.00 p.m. on 18 October 2024**.

Submission of Instrument Appointing a Proxy ("Proxy Form") to Vote:

1. A member who is not a relevant intermediary, is entitled to appoint one or two proxies to attend and vote at the Meeting. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory. The Chairman of the Meeting, as proxy, need not be a member of the Company.

2. A member who is a relevant intermediary, is entitled to appoint more than two proxies to attend and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

3. For Supplementary Retirement Scheme ("**SRS**") investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act (including holders under depository agents) and who wish to exercise their votes should approach their respective relevant intermediaries (including their respective SRS Operators or depository agents) to submit their voting instructions in the Proxy Forms **at least seven (7) working days before the Meeting (ie. by 15 October 2024 at 5.00 p.m.)**.

4. Members (whether individual or corporate) appointing a proxy or proxies or Chairman of the Meeting as proxy must give specific instructions as to his manner of voting, or abstentions from voting, in the Proxy Form, failing which, the proxy/proxies/Chairman of the Meeting will vote or abstain from voting at his/her discretion. A proxy need not be a member of the Company.

5. The instrument appointing a proxy or proxies or Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

   (a) if submitted by post, be lodged with the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or

   (b) if submitted electronically, be submitted via email to srs.proxy@boardroomlimited.com.

   in either case, **by 2.00 p.m. on 22 October 2024 (being at least 72 hours before the time for holding the Meeting)**.

6. A depositor shall not be regarded as a member of the Company entitled to attend and vote at the AGM unless his/her name appears on the Depository Register not less than seventy-two (72) hours before the time of the Meeting.

7. The instrument appointing a proxy or proxies or Chairman of the Meeting as proxy must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies or Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies or Chairman of the Meeting as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

8. The Company shall be entitled to reject the instrument appointing a proxy or proxies or Chairman of the Meeting as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies or Chairman of the Meeting as proxy.

Submission of Questions in Advance:

(1) Shareholders may also submit questions related to resolutions to be tabled at the Meeting in the following manner:

(a) if submitted by post, to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or

(b) if submitted electronically, be submitted via email to srs.teamE@boardroomlimited.com.

All questions for the Meeting must be submitted by **6.00 p.m. on 17 October 2024**.

(2) A member who wishes to submit the questions in hard copy by mail is required to indicate the full name (for individuals)/ company name (for corporates), NRIC/Passport No./Company Registration No., email address, contact number, shareholding type and number of shares held together with their submission, before submitting it by post to the address provided.

(3) The Board of Directors of the Company will endeavour to address all substantial and relevant questions received from Shareholders prior to the Meeting by publishing the responses to those questions on SGXNET at https://www.sgx.com/securities/company-announcements and the Company's website at https://sgpaincare.com/announcements at least forty-eight (48) hours prior to the closing date and time for the lodgement of the proxy forms. Where substantial and relevant questions submitted by Shareholders are received after the deadline, the Company will address them during the Meeting.

The Company shall only address relevant and substantial questions (as may be determined by the Company in its sole discretion) received. The Company will publish the minutes of the Meeting on SGXNET and the Company's website within one month from the date of the Meeting.

Personal data privacy:

By submitting a proxy form appointing a proxy or proxies or Chairman of the Meeting as proxy to attend, speak and vote at the Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of a proxy or proxies or Chairman of the Meeting as proxy (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings of the Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the Meeting. Accordingly, the personal data of a member of the Company (such as his name, his presence at the Meeting and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

RE-ELECTION
OF DIRECTORS

Pursuant to Catalist Rule 720(5), the information as set out in Appendix 7F relating to the above Directors to be put forward for re-election at the forthcoming Annual General Meeting is disclosed below:

Name of retiring Director	Loh Foo Keong Jeffrey	Wong Yee Kong
Date of appointment	5 July 2019	11 April 2024
Date of last re-appointment	15 October 2021	Not Applicable
Age	47	57
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	The Board, having considered the recommendation of the Nominating Committee and assessed the qualifications and experience of Dr. Loh Foo Keong Jeffrey ("**Dr. Loh**"), is of the view that he has the requisite experience and capabilities to assume the duties and responsibilities as the Executive Director and Chief Operating Officer of the Company.	The Board, having considered the recommendation of the Nominating Committee and assessed the qualifications and experience of Mr. Wong Yee Kong ("**Mr. Wong**"), is of the view that he has the requisite experience and capabilities to assume the responsibilities as the Independent Non-executive Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Executive, His roles and responsibilities are to cover the daily operations of the Group.	Non-executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and Chief Operating Officer	Independent Director, Chairman of Nominating Committee, Member of Audit Committee and Remuneration Committee
Professional qualifications	Dr. Loh graduated from the National University of Singapore with a Bachelor's degree in Medicine and Surgery and obtained a graduate diploma in Occupational Medicine from the National University of Singapore.	Mr. Wong graduated from University of Adelaide with a Bachelor of Economics. He attained the professional qualification of Chartered Accountant from The Institute of Chartered Accountants in Australia. He also obtained a Graduate Diploma in Applied Finance and Investments from The Securities Institute of Australia.
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interest (including any competing business)	None	None
Undertaking submitted to the listed issuer in the form of Appendix 7H (Catalist Rule 720(1))	Yes	Yes
Working experience and occupation(s) during the past 10 years	Please refer to the Board of Directors section in the Company's 2024 Annual Report.	Please refer to the Board of Directors section in the Company's 2024 Annual Report.
Shareholding interest in the listed issuer and its subsidiaries	Yes	No
Shareholding details	27,853,000 ordinary shares (16.29%)	N.A.

RE-ELECTION
OF DIRECTORS

Name of retiring Director	Loh Foo Keong Jeffrey	Wong Yee Kong
Other Principal Commitments (as defined in the Code of Corporate Governance 2018), including Directorships Past (for the last 5 years)	• JVK Pharmaceutical Asia Pte. Ltd.	None
Present	• AE Medical Fernvale Pte. Ltd. • AE Medical Sengkang Private Limited • Boon Lay Clinic & Surgery Pte. Ltd • Centre for Screening and Surgery Pte. Ltd • CS Yoong Anaesthesiology and Pain Services Pte Ltd • Dermatology & Laser Specialist Clinic Pte. Ltd • East Coast Medical and Paincare Clinic Pte. Ltd • Health Network Asia Pte. Ltd • Hougang Medical and Paincare Pte. Ltd • HMC Medical Pte. Ltd • Kovan Medical and Paincare Clinic Pte. Ltd • Singapore Paincare Capital Pte. Ltd • Singapore Paincare Wellness Pte. Ltd • Singapore Paincare TCM Wellness Pte. Ltd • Tampines Medical and Paincare Clinic Pte. Ltd • Lian Clinic Pte. Ltd • Medihealth Clinic Pte. Ltd • Paincare Center Pte. Ltd • PTL Spine & Orthopaedics Pte. Ltd • Ready Fit Physiotheraphy Pte. Ltd • Singapore Paincare Center @ Novena Pte. Ltd • Alexandra Medical and Paincare Clinic Pte. Ltd	• HealthPDM Pte. Ltd.

RE-ELECTION
OF DIRECTORS

Name of retiring Director	Loh Foo Keong Jeffrey	Wong Yee Kong
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

Name of retiring Director	Loh Foo Keong Jeffrey	Wong Yee Kong
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	Yes. He was a director of a private limited company in Malaysia which settled a claim by the Employees Provident Fund in 2008.

RE-ELECTION
OF DIRECTORS

Name of retiring Director	Loh Foo Keong Jeffrey	Wong Yee Kong
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

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

IMPORTANT:

1. The Annual Report 2024, Notice of Annual General Meeting dated 10 October 2024, Proxy Form and Request Form have been made available on SGX website at the URL: https://www.sgx.com/securities/company-announcements and the Company's website at URL: https://sgpaincare.com/announcements.
2. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see note 7 for the definition of "relevant intermediary").
3. The Chairman and proxy need not be a member of the Company.
4. By submitting this proxy form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 10 October 2024.
5. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member's proxy and proxy to attend, speak and vote on his/her/its behalf at the Annual General Meeting.

PROXY FORM
ANNUAL GENERAL MEETING

This proxy form has been made available on the SGXNET and the Company's website and may be accessed at the URLs: https://sgpaincare.com/proxy-forms and https://www.sgx.com/securities/company-announcements

I/We, ______________________________

of ______________________________

being a member/members of Singapore Paincare Holdings Limited (the "**Company**"), hereby appoint:

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or failing the person, or either or both persons referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (the "**Meeting**") of the Company to be held at Seletar Country Club, 101 Seletar Club Road, Singapore 798273 on Friday, 25 October 2024 at 2.00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

All resolutions put to the vote at the Meeting shall be conducted by poll.

No.	**Resolutions relating to:**	**For**	**Against**	**Abstain**
ORDINARY BUSINESS				
1	Adoption of the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 June 2024 together with the Independent Auditor's Report			
2	Approval of the payment of Directors' Fees of up to S$66,630 for the financial year ended 30 June 2024			
3	Re-election of Dr. Loh Foo Keong Jeffrey as Director of the Company			
4	Re-election of Mr. Wong Yee Kong as Director of the Company			
5	Reappointment of BDO LLP as the Independent Auditors of the Company and to authorise the Directors to fix their remuneration			
SPECIAL BUSINESS				
6	Authority to allot and issue ordinary shares			
7	Authority to issue shares under SPCH Employee Share Option Scheme			
8	Authority to issue shares under SPCH Performance Share Plan			

* Voting will be conducted by poll. If you wish your proxy/proxies to vote all your shares "For" or "Against" the relevant resolution, please indicate with a "√" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with a "√" in the "Abstain" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares in the "Abstain" box provided in respect of that resolution.

Dated this ____________ day of ____________ 2024

Total number of shares in:	**No. of shares**
(a) CDP Register	
(b) Register of Members	

____
Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument ("Proxy Form") appointing the Chairman of the Meeting as proxy shall be deemed to relate to all the shares held by you.

2. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.

3. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory. The Chairman of the Meeting, as proxy, need not be a member of the Company.

4. Where a member (whether individual or corporate) appoints a proxy or proxies or Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which, the proxy/proxies will vote or abstain from voting at his/her discretion.

5. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

6. A proxy need not be a member of the Company.

7. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act 1967 (including SRS investors) and who wish to exercise their votes by appointing a proxy or proxies should approach their respective relevant intermediaries to submit their voting instructions by 5.00 p.m. on 15 October 2024 in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint a proxy or proxies to vote on their behalf by 2.00 p.m. on 22 October 2024.

8. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.

9. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:

   (a) if submitted by post, be lodged with the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower Singapore 098632; or

   (b) if submitted electronically, be submitted via email to srs.proxy@boardroomlimited.com.

   in either case, by 2.00 p.m. on 22 October 2024 (being at least 72 hours before the time for holding the Meeting).

PERSONAL DATA PRIVACY:

By submitting a proxy form appointing a proxy or proxies, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 10 October 2024.

GENERAL:

The Company shall be entitled to reject the proxy form appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any proxy form appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

SINGAPORE PAINCARE HOLDINGS

Bringing pain relief closer to you

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Website: www.sgpaincare.com