



# **HC Surgical Specialists Limited**

**Condensed interim financial statements  
For the six months ended 30 November 2025**

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## A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group		Change %
		6 months ended		
		30 November 2025 (Unaudited) S\$'000	30 November 2024 (Unaudited) S\$'000	
Revenue	4.2	9,778	9,942	-1.6%
<b>Other items of income</b>				
Other income		694	907	-23.5%
Fair value gain on financial assets at FVTPL		906	129	602.3%
<b>Items of expense</b>				
Changes in inventories		(39)	12	N.M.
Inventories, consumables and surgery expenses		(1,480)	(1,553)	-4.7%
Employee benefits expense		(3,874)	(3,566)	8.6%
Depreciation and amortisation		(1,010)	(908)	11.2%
Lease expenses		(13)	(12)	8.3%
Fair value loss on derivative financial instruments		-	(429)	N.M.
Loss arising from deemed disposal in an associate		-	(204)	N.M.
Other expenses		(793)	(816)	-2.8%
Finance costs		(52)	(192)	-72.9%
Share of results of associates, net of tax		293	195	50.3%
Share of results of a joint venture, net of tax		60	304	-80.3%
Profit before income tax	6.1	4,470	3,809	17.4%
Income tax expense	7	(421)	(183)	130.1%
<b>Profit for the financial period, representing total comprehensive income for the financial period</b>		<b>4,049</b>	<b>3,626</b>	<b>11.7%</b>
<b>Profit and total comprehensive income attributable to:</b>				
Owners of the parent		3,971	3,381	17.5%
Non-controlling interests		78	245	-68.2%
		<b>4,049</b>	<b>3,626</b>	<b>11.7%</b>
<b>Earnings per share (in cents)</b>				
- Basic and diluted	9	2.59	2.20	17.7%

N.M. – Not meaningful

## B. Condensed interim statements of financial position

	Note	Group		Company	
		30 November 2025	31 May 2025	30 November 2025	31 May 2025
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Plant and equipment	11	1,024	1,219	14	14
Intangible assets	12	3,394	3,394	-	-
Right-of-use assets	13	2,154	2,527	72	103
Investment in subsidiaries	14	-	-	14,218	14,218
Investment in associates	15	3,055	2,762	3,055	2,762
Investment in joint ventures	16	525	465	525	465
Financial assets at FVTPL	17	7,578	6,725	7,578	6,725
Deferred tax assets		105	105	-	-
Derivative financial instruments	18	1,707	1,707	1,708	1,708
Other receivables	19	19	37	19	81
		19,561	18,941	27,189	26,076
<b>Current assets</b>					
Inventories		380	419	-	-
Trade and other receivables	19	2,100	1,896	2,198	2,863
Prepayments		260	284	129	95
Financial assets at FVTPL	17	651	638	651	638
Cash and bank balances		5,976	5,093	2,299	1,843
		9,367	8,330	5,277	5,439
<b>Total assets</b>		<b>28,928</b>	<b>27,271</b>	<b>32,466</b>	<b>31,515</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	20	17,231	17,231	17,231	17,231
Treasury shares		(1,120)	(1,120)	(1,120)	(1,120)
Merger reserve		(815)	(815)	-	-
Capital reserve	21	(14,434)	(14,434)	(164)	(164)
Other reserve	22	(594)	(594)	-	-
Retained earnings		22,844	20,683	14,885	13,894
<b>Equity attributable to owners of the parent</b>		<b>23,112</b>	<b>20,951</b>	<b>30,832</b>	<b>29,841</b>
Non-controlling interests		(321)	(203)	-	-
<b>Total equity</b>		<b>22,791</b>	<b>20,748</b>	<b>30,832</b>	<b>29,841</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities		64	75	-	-
Derivative financial instruments	18	28	28	28	28
Provisions		185	185	8	8
Lease liabilities		1,074	1,386	11	85
		1,351	1,674	47	121
<b>Current liabilities</b>					
Trade and other payables		2,580	2,882	1,170	1,130
Lease liabilities		1,326	1,397	171	192
Current income tax payable		880	570	246	231
		4,786	4,849	1,587	1,553
<b>Total liabilities</b>		<b>6,137</b>	<b>6,523</b>	<b>1,634</b>	<b>1,674</b>
<b>Total equity and liabilities</b>		<b>28,928</b>	<b>27,271</b>	<b>32,466</b>	<b>31,515</b>

## C. Condensed interim statements of changes in equity

### Group (Unaudited)

		Share capital	Treasury shares	Merger reserve	Capital reserve	Other reserve	Retained earnings	Equity attributable to owners of the Company	Non- controlling interests	Total equity
	Note	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 June 2025		17,231	(1,120)	(815)	(14,434)	(594)	20,683	20,951	(203)	20,748
<b>Profit for the financial period</b>		-	-	-	-	-	3,971	3,971	78	4,049
<b>Total comprehensive income for the financial period</b>		-	-	-	-	-	3,971	3,971	78	4,049
<b>Distributions to owners</b>										
Dividends	8	-	-	-	-	-	(1,810)	(1,810)	-	(1,810)
<b>Total transactions with owners</b>		-	-	-	-	-	(1,810)	(1,810)	-	(1,810)
<b>Transactions with non-controlling interests</b>										
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	(196)	(196)
<b>Total transactions with non-controlling interests</b>		-	-	-	-	-	-	-	(196)	(196)
Balance at 30 November 2025		17,231	(1,120)	(815)	(14,434)	(594)	22,844	23,112	(321)	22,791

### Group (Unaudited)

		Share capital	Treasury shares	Merger reserve	Capital reserve	Other reserve	Retained earnings	Equity attributable to owners of the Company	Non- controlling interests	Total equity
	Note	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 June 2024		17,231	(996)	(815)	(13,652)	(1,629)	14,551	14,690	(216)	14,474
<b>Profit for the financial period</b>		-	-	-	-	-	3,381	3,381	245	3,626
<b>Total comprehensive income for the financial period</b>		-	-	-	-	-	3,381	3,381	245	3,626
<b>Distributions to owners</b>										
Dividends	8	-	-	-	-	-	(1,077)	(1,077)	-	(1,077)
<b>Total transactions with owners</b>		-	-	-	-	-	(1,077)	(1,077)	-	(1,077)
<b>Transactions with non-controlling interests</b>										
Acquisition of non-controlling interests without a change in control		-	-	-	(738)	1,035	-	297	87	384
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	(245)	(245)
<b>Total transactions with non-controlling interests</b>		-	-	-	(738)	1,035	-	297	(158)	139
Balance at 30 November 2024		17,231	(996)	(815)	(14,390)	(594)	16,855	17,291	(129)	17,162

### C. Condensed interim statements of changes in equity (continued)

<b>Company (Unaudited)</b>		<b>Share capital S\$'000</b>	<b>Treasury shares S\$'000</b>	<b>Capital reserve S\$'000</b>	<b>Retained earnings S\$'000</b>	<b>Total equity S\$'000</b>
	<b>Note</b>					
Balance at 1 June 2025		17,231	(1,120)	(164)	13,894	29,841
<b>Profit for the financial period</b>		-	-	-	2,801	2,801
<b>Total comprehensive income for the financial period</b>		-	-	-	2,801	2,801
<b>Distributions to owners</b>						
Dividends	8	-	-	-	(1,810)	(1,810)
<b>Total transactions with owners</b>		-	-	-	(1,810)	(1,810)
Balance at 30 November 2025		17,231	(1,120)	(164)	14,885	30,832
<b>Company (Unaudited)</b>		<b>Share capital S\$'000</b>	<b>Treasury shares S\$'000</b>	<b>Capital reserve S\$'000</b>	<b>Retained earnings S\$'000</b>	<b>Total equity S\$'000</b>
	<b>Note</b>					
Balance at 1 June 2024		17,231	(996)	(164)	8,750	24,821
<b>Profit for the financial period</b>		-	-	-	1,020	1,020
<b>Total comprehensive income for the financial period</b>		-	-	-	1,020	1,020
<b>Distributions to owners</b>						
Dividends	8	-	-	-	(1,077)	(1,077)
<b>Total transactions with owners</b>		-	-	-	(1,077)	(1,077)
Balance at 30 November 2024		17,231	(996)	(164)	8,693	24,764

#### D. Condensed interim consolidated statement of cash flows for the Group

	6 months ended	
	30 November 2025	30 November 2024
	(Unaudited)	(Unaudited)
	S\$'000	S\$'000
<b>Operating activities</b>		
Profit before income tax	4,470	3,809
Adjustments for:		
Depreciation of plant and equipment	231	199
Depreciation of right-of-use assets	779	709
Dividend income from financial assets at FVTPL	(505)	(505)
Fair value gain on financial assets at FVTPL	(906)	(129)
Fair value loss on derivative financial instruments	-	429
Interest expense	52	192
Interest income	(10)	(30)
Inventories written off	1	1
Loss arising from deemed disposal in an associate	-	204
Plant and equipment written off	-	21
Reversal of allowance for impairment loss on plant and equipment	-	(6)
Share of results of associates, net of tax	(293)	(195)
Share of results of a joint venture, net of tax	(60)	(304)
Operating cash flows before working capital changes	3,759	4,395
Working capital changes:		
Inventories	39	99
Trade and other receivables	382	481
Prepayments	25	(27)
Trade and other payables	(617)	(1,232)
Cash generated from operations	3,588	3,716
Income tax paid	(122)	(442)
Net cash from operating activities	3,466	3,274
<b>Investing activities</b>		
Acquisition of a subsidiary, net of cash acquired	-	55
Dividend received from financial assets at FVTPL	253	253
Interest received	7	26
Payment of deferred consideration	-	(725)
Proceeds from capital reduction in financial assets at FVTPL	40	40
Purchase of plant and equipment	(36)	(46)
Net cash from/(used in) investing activities	264	(397)
<b>Financing activities</b>		
Acquisition of non-controlling interests in subsidiaries	-	(696)
Dividends paid to owners of the parent	(1,810)	(1,077)
Dividends paid to non-controlling interests	(196)	(245)
Interest paid	-	(10)
Payment of deferred consideration	-	(2,590)
Repayment of bank borrowing	-	(641)
Repayment of principal portion of lease liabilities	(789)	(699)
Repayment of interest portion of lease liabilities	(52)	(63)
Net cash used in financing activities	(2,847)	(6,021)
Net change in cash and cash equivalents	883	(3,144)
Cash and cash equivalents at beginning of financial period	5,093	7,362
Cash and cash equivalents at end of financial period	5,976	4,218

## **E. Notes to the condensed interim consolidated financial statements**

### **1. Corporate information**

HC Surgical Specialists Limited (the “**Company**”) is a public limited company incorporated and domiciled in Singapore. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim consolidated financial statements as at and for the six months ended 30 November 2025 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The primary activity of the Company is that of an investment holding company. The principal activities of the Group are those of providing specialised medical services (including day surgical centres), clinics and other general medical services.

The financial information contained in this announcement has neither been audited nor reviewed by the Company's auditors. The latest audited annual financial statements of the Group were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

### **2. Basis of Preparation**

The condensed interim financial statements for the six months ended 30 November 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the latest audited annual financial statements for the year ended 31 May 2025.

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

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

#### **2.1 New and amended standards adopted by the Group**

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### **2.2 Use of judgements and estimates**

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 May 2025.



## E. Notes to the condensed interim consolidated financial statements (continued)

### 2. Basis of Preparation (continued)

#### 2.2 Use of judgements and estimates (continued)

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

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

- Note 11 – Impairment of plant and equipment
- Note 12 – Goodwill
- Note 13 – Impairment of right-of-use (“ROU”) assets
- Note 14 – Impairment of investment in subsidiaries
- Note 15 – Impairment of investment in associates
- Note 18 – Fair value of derivative financial instruments (“DFI”)
- Note 19 – Loss allowance for non-trade amounts due from subsidiaries, associates and joint venture

### 3. Seasonal operations

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

### 4. Segment and revenue information

#### 4.1 Business and geographical segments

Not applicable, the Group has only a single business segment and one geographical segment.

#### 4.2 Disaggregation of revenue

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>30 November 2025</b>	<b>30 November 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>Type of goods or services</u>		
Provision of medical services	9,778	9,942
<u>Timing of transfer of goods and services</u>		
Point in time	9,778	9,942

## E. Notes to the condensed interim consolidated financial statements (continued)

### 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 November 2025 and 31 May 2025:

	Group		Company	
	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000
<b>Financial Assets</b>				
Fair value through profit or loss				
- Derivative financial instruments	1,707	1,707	1,708	1,708
Financial assets at FVTPL	8,229	7,363	8,229	7,363
Financial assets at amortised cost	8,096	7,026	4,516	4,787
	<u>18,032</u>	<u>16,096</u>	<u>14,453</u>	<u>13,858</u>
<b>Financial Liabilities</b>				
Financial liabilities designated at FVTPL				
- Derivative financial instruments	28	28	28	28
Other financial liabilities at amortised cost	4,640	5,292	1,146	1,169
	<u>4,668</u>	<u>5,320</u>	<u>1,174</u>	<u>1,197</u>

### 6. Profit before income tax

#### 6.1 Significant items

	Group	
	6 months ended	
	30 November 2025 (Unaudited) S\$'000	30 November 2024 (Unaudited) S\$'000
<b>Other income</b>		
Government grants	2	15
Other grants	1	128
Dividend income	505	505
Interest income	10	30
<b>Other expenses</b>		
Administrative charges	62	61
Credit card charges	69	75
IT expenses	44	49
Plant and equipment written off	-	21
Professional fees	118	114
Reversal of allowance for impairment loss on plant and equipment	-	(6)

#### 6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the condensed interim financial statements.

## E. Notes to the condensed interim consolidated financial statements (continued)

### 7. Income tax expense

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>30 November 2025</b>	<b>30 November 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>Current income tax</u>		
- current financial year	438	537
- over provision in prior financial years	(6)	(328)
	432	209
<u>Deferred tax</u>		
- current financial year	(11)	(26)
	(11)	(26)
<b>Total income tax expense recognised in consolidated statement of comprehensive income</b>	<b>421</b>	<b>183</b>

### 8. Dividends

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>30 November 2025</b>	<b>30 November 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Final tax-exempt dividend of S\$0.007 per ordinary share for financial year ended 31 May 2024	-	1,077
Final tax-exempt dividend of S\$0.0118 per ordinary share for financial year ended 31 May 2025	1,810	-
	1,810	1,077
Dividend amount per share (net of tax) (in S\$ cents)	1.18	0.70

### 9. Earnings per share

	<b>Group</b>	
	<b>6 months ended</b>	
	<b>30 November 2025</b>	<b>30 November 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Earnings per share ("EPS")</b>		
Profit attributable to owners of the parent (S\$)	3,971,000	3,381,000
Weighted average number of ordinary shares in issue	153,375,507	153,806,507
Basic EPS (cents per share)	2.59	2.20
Fully diluted EPS (cents per share)	2.59	2.20

The calculations of basic earnings per share for the relevant periods are based on profit attributable to owners of the parent for the financial period ended divided by the weighted average number of ordinary shares in the relevant periods.

The diluted earnings per share for the relevant periods are the same as the basic earnings per share as the Group does not have any dilutive options for the relevant periods.

## E. Notes to the condensed interim consolidated financial statements (continued)

### 10. Net asset value

Net asset value ("NAV")	Group		Company	
	30 November 2025 (Unaudited)	31 May 2025 (Audited)	30 November 2025 (Unaudited)	31 May 2025 (Audited)
NAV (S\$)	23,112,000	20,951,000	30,832,000	29,841,000
Number of ordinary shares in issue (excluding treasury shares)	153,375,507	153,375,507	153,375,507	153,375,507
NAV per ordinary share (S\$ cents)	15.07	13.66	20.10	19.46

### 11. Plant and equipment

During the six months ended 30 November 2025, the Group acquired assets amounting to S\$36,000 (30 November 2024: S\$46,000), wrote off assets amounting to S\$Nil (30 November 2024: S\$21,000), reversed allowance for impairment loss on assets amounting to S\$Nil (30 November 2024: S\$6,000) and depreciation charged amounting to S\$231,000 (30 November 2024: S\$199,000).

As at the end of the reporting period, the Group carried out a review of the recoverable amount of its plant and equipment for clinic premises (cash-generating units) with indications of impairment. The recoverable amount of the relevant assets has been determined based on its value-in-use calculations. The pre-tax discount rate used in measuring value-in-use ranged from 10.4% to 11.9% (31 May 2025: 10.4% to 11.9%) per annum. Following the review, there was no impairment loss in the current financial period (31 May 2025: reversal of impairment loss of S\$152,000).

### 12. Intangible assets

	Group		
	Goodwill S\$'000	Computer software S\$'000	Total S\$'000
<b>At 30 November 2025</b>			
<b>Cost</b>			
Balance at 1 June 2025 and 30 November 2025	5,953	31	5,984
<b>Accumulated amortisation and impairment</b>			
Balance at beginning and end of financial period	2,559	31	2,590
<b>Net carrying amount</b>			
Balance at 30 November 2025	3,394	-	3,394
<b>At 31 May 2025</b>			
<b>Cost</b>			
Balance at 1 June 2024	5,917	31	5,948
Arising from acquisition of a subsidiary	36	-	36
Balance at 31 May 2025	5,953	31	5,984
<b>Accumulated amortisation and impairment</b>			
Balance at beginning and end of financial year	2,559	31	2,590
<b>Net carrying amount</b>			
Balance at 31 May 2025	3,394	-	3,394

## E. Notes to the condensed interim consolidated financial statements (continued)

### 12. Intangible assets (continued)

	Company	
	Computer software	
	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000
<b>Cost</b>		
Balance at beginning and end of financial period/year	13	13
<b>Accumulated amortisation</b>		
Balance at beginning and end of financial period/year	13	13
<b>Net carrying amount</b>		
Balance at end of financial period/year	-	-

Goodwill arising from the business combinations was related to acquisition of subsidiaries, of which, each subsidiary 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	
	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000
<b>Name of subsidiaries</b>		
LAI BEC Pte. Ltd. ("LBPL")	815	815
Medical L & C Services Pte. Ltd. ("MLCS")	640	640
Medical Services @ Tampines Pte. Ltd. ("MST")	344	344
Jason Lim Endoscopy and Surgery Pte. Ltd. ("JLES")	828	828
GMH Endoscopy & Surgery Pte. Ltd. ("GMH")	731	731
Medistar Services Pte. Ltd. ("MDS")	36	36
	3,394	3,394

#### *Impairment test for goodwill*

As at 30 November 2025, the recoverable amount of the CGU has been determined based on value-in-use calculations using management-approved discounted cash flow projections covering a period of 5 years (31 May 2025: 5 years) and projected to terminal year. Management assessed 5 years cash flows and projection to terminal year for the financial forecast of the CGU is appropriate considering management's business plan in the near future. The growth rates did not exceed the long-term average growth rate for the CGU.

Key assumptions used for value-in-use calculations:

	Revenue growth rates		Discount rate	
	30 November 2025 (Unaudited)	31 May 2025 (Audited)	30 November 2025 (Unaudited)	31 May 2025 (Audited)
LBPL	2%	2%	10.9%	10.9%
MLCS	4%	4%	10.4%	10.4%
MST	2%	2%	10.9%	10.9%
JLES	5%	5%	10.7%	10.7%
GMH	2%	2%	9.9%	9.9%
MDS	- 8% to 2%	- 8% to 2%	10.2%	10.2%

## E. Notes to the condensed interim consolidated financial statements (continued)

### 12. Intangible assets (continued)

Revenue growth rates – The forecasted growth rates are based on management’s expectations for each CGU with reference to the historical trends as well as average growth rates of the industry.

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

As at the end of the reporting period, the recoverable amount of the CGUs based on value-in-use calculations has been determined to be higher than its carrying amount and accordingly, no impairment loss is required (31 May 2025: S\$Nil).

### 13. Right-of-use (“ROU”) assets

	Group		Company	
	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000
<b>Office and clinic premises</b>				
<b>Cost</b>				
Balance at beginning of financial period/year	7,256	5,578	264	264
Additions	406	420	-	-
Arising from acquisition of a subsidiary	-	1,880	-	-
Written off	(355)	(622)	-	-
Balance at end of financial period/year	7,307	7,256	264	264
<b>Accumulated depreciation and impairment</b>				
Balance at beginning of financial period/year	4,729	2,624	161	97
Arising from acquisition of a subsidiary	-	1,090	-	-
Depreciation for the financial period/year	779	1,502	31	64
Impairment loss for the financial period/year	-	135	-	-
Written off	(355)	(622)	-	-
Balance at end of financial period/year	5,153	4,729	192	161
<b>Net carrying amount</b>				
Balance at end of financial period/year	2,154	2,527	72	103

The Group leases office and clinic premises for the purpose of its operations. There are no externally imposed covenants on these lease arrangements.

As at the end of the reporting period, the Group carried out an impairment assessment to determine if there is any indication of impairment loss or reversal of impairment previously made of its ROU assets for office and clinic premises (CGUs). Following the review, there was no impairment loss in the current financial period (31 May 2025: S\$135,000).

## E. Notes to the condensed interim consolidated financial statements (continued)

### 14. Investment in subsidiaries

	Company	
	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000
Unquoted equity shares, at cost	20,347	20,347
Allowance for impairment loss	(6,129)	(6,129)
	14,218	14,218

#### *Impairment on investments in subsidiaries*

As at the end of the reporting period, the Company carried out a review of the investment in subsidiaries, having regard for indicators of impairment on investment in subsidiaries based on the existing performance of subsidiaries. Following the review, there was no impairment loss in the current financial period (31 May 2025: S\$Nil).

The recoverable amount of the impaired subsidiaries is determined from value-in-use calculations using management-approved discounted cash flow projections covering a period of 5 years and projection to terminal year. The key assumptions for these value-in-use calculations are those regarding the discount rates and revenue growth rates disclosed above.

#### *Acquisition of non-controlling interests in previous financial year*

##### GMH

On 3 September 2024, the Company entered into a sale and purchase agreement to acquire the remaining 49% of the issued and fully paid-up capital in GMH in connection with the exercise of the forward purchase contract. The consideration for the additional acquisition, amounted to approximately S\$636,000, was paid in cash. Upon completion of the acquisition, GMH became a wholly-owned subsidiary of the Company.

##### HC (Ming) Pte. Ltd. ("HCMC")

On 30 October 2024, the Company entered into a sale and purchase agreement to acquire the remaining 20% of the issued and fully paid-up capital in HCMC, with cash consideration of S\$2. Upon completion of the acquisition, HCMC became a wholly-owned subsidiary of the Company.

#### *Acquisition of a subsidiary in previous financial year*

##### MDS

On 16 September 2024, the Company entered into a sale and purchase agreement to acquire an additional 45% of the issued and fully paid-up capital in MDS, an associated company, in connection with the exercise of the forward purchase contract. The consideration for the additional acquisition, amounted to approximately S\$89,000, was paid in cash. Upon completion of the acquisition, MDS became a 70% owned subsidiary of the Company.

## E. Notes to the condensed interim consolidated financial statements (continued)

### 14. Investment in subsidiaries (continued)

#### *Acquisition of a subsidiary in previous financial year (continued)*

The fair value of the previously held 25% equity interest at acquisition date was calculated on a pro-rata basis of the fair value of net assets as at 31 August 2024. The loss of S\$212,000 recognised as a result of re-measurement of previously held equity interest in MDS was included in “loss arising from deemed disposal in an associate” line item in the consolidated statement of comprehensive income for the financial year ended 31 May 2025.

On 30 October 2024, the Company’s wholly-owned subsidiary, JLES entered into a sale and purchase agreement to acquire 15% of the issued and fully paid-up capital in MDS for a cash consideration of S\$60,000. Upon the completion of the acquisition, MDS became an 85% owned subsidiary of the Group.

The fair values of the identifiable assets and liabilities of MDS as at the date of acquisition was:

	<b>Total S\$’000</b>
Plant and equipment	17
Right-of-use assets	789
Inventories	113
Trade and other receivables	109
Prepayments	3
Cash and cash equivalents	144
Total assets	<u>1,175</u>
Trade and other payables	246
Deferred tax liabilities	7
Lease liabilities	811
Total liabilities	<u>1,064</u>
Net identifiable assets acquired	111
Non-controlling interest measured at fair value	(28)
Fair value of previously-held 25% equity interest at acquisition date	(30)
Consideration transferred:	
- purchase consideration	(89)
Goodwill arising from acquisition	<u>(36)</u>

From the date of acquisition, MDS has contributed S\$819,000 and S\$183,000 to the Group’s revenue and profit for the previous financial year respectively. If the combination had taken place at the beginning of the previous financial year, the Group’s revenue for the previous financial year would have been S\$19,475,000 and profit would have been S\$8,797,000.

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

	<b>Total S\$’000</b>
Total purchase consideration	89
Less: Cash and cash equivalents of MDS acquired	<u>(144)</u>
Net cash inflow on acquisition	<u>55</u>



## E. Notes to the condensed interim consolidated financial statements (continued)

### 14. Investment in subsidiaries (continued)

#### *Acquisition of a subsidiary in previous financial year (continued)*

Trade and other receivables acquired comprise gross trade and other receivables amounting to S\$109,000 which approximates fair value. It is expected that full contractual amount of receivables can be collected.

Goodwill of S\$36,000 arising from the acquisition is attributable to expected synergies that can be achieved in combining the operations of the subsidiary with the Group such as expanding the Group's presence in Singapore and tapping on the subsidiary's workforce expertise. These intangibles identified are subsumed into goodwill as they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill is expected to be deductible for tax purposes.

Transaction costs related to the acquisition of MDS amounting to S\$20,000 have been recognised in the "Other expenses" line item of the consolidated statement of comprehensive income for the financial year ended 31 May 2025.

### 15. Investment in associates

	<b>Group and Company</b>	
	<b>30 November 2025 (Unaudited) S\$'000</b>	<b>31 May 2025 (Audited) S\$'000</b>
Unquoted equity investments, at cost	2,762	3,116
Deemed disposal of associate	-	(484)
Dividend declared	-	(216)
Share of results, net of tax	293	346
	<b>3,055</b>	<b>2,762</b>

Movement in allowance for impairment loss was as follows:

	<b>Group and Company</b>	
	<b>30 November 2025 (Unaudited) S\$'000</b>	<b>31 May 2025 (Audited) S\$'000</b>
Balance at beginning of financial period/year	-	243
Reversal of impairment loss upon derecognition of the associate	-	(243)
Balance at end of financial period/year	-	-

#### *Impairment on investment in associates*

As at the end of the reporting period, the Group and the Company carried out a review of the investment in associates, having regard for indicators of impairment based on the existing performance of associates. Following the review, there was no impairment loss in the current financial period (31 May 2025: S\$Nil).

On 16 September 2024, the Company acquired an additional 45% equity interest in MDS. The total impairment loss was reversed upon the derecognition of the associate in previous financial year.

## E. Notes to the condensed interim consolidated financial statements (continued)

### 15. Investment in associates (continued)

#### *Impairment on investment in associates (continued)*

The recoverable amount of the investment in associates is determined from value-in-use calculations covering a period of 5 years and projection to terminal year using the following key assumptions:

	Group and Company			
	Revenue growth rates		Pre-tax discount rate	
	30 November 2025 (Unaudited)	31 May 2025 (Audited)	30 November 2025 (Unaudited)	31 May 2025 (Audited)
Total Orthopaedics Pte. Ltd. ("TOPL")	2%	2%	10.9%	10.9%

#### *Derecognition of investment in an associate in previous financial year*

On 16 September 2024, the Company acquired an additional 45% equity interest in MDS. Following the completion of the acquisition, MDS became a 70% subsidiary of the Company as disclosed in Note 14 above. The management has determined the acquisition cut-off date as 31 August 2024 due to no material transactions between the two dates. The investment in MDS is accounted for using the equity method in these consolidated financial statements up to 31 August 2024.

The summarised financial information below reflects the amounts presented in the financial statements of the associates, not adjusted for the proportion of ownership interest held by the Group.

	TOPL	
	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000
<b>Income and expenses</b>		
Revenue	2,806	4,410
Profit for the financial period/year	838	1,228
Other comprehensive income	-	-
Total comprehensive income	838	1,228
<b>Assets and liabilities</b>		
Non-current assets	601	714
Current assets	1,692	1,463
Non-current liabilities	(277)	(338)
Current liabilities	(819)	(1,480)
Net assets	1,197	359

## E. Notes to the condensed interim consolidated financial statements (continued)

### 15. Investment in associates (continued)

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

	<b>TOPL</b>	
	<b>30 November 2025 (Unaudited) S\$'000</b>	<b>31 May 2025 (Audited) S\$'000</b>
Net assets of the associate	1,197	359
Proportion of equity interest in the associate	35%	35%
Group's share of interest in associate	419	126
Add: Goodwill on acquisition date	2,313	2,313
Add: Fair value of derivative financial instruments	323	323
Carrying amount	3,055	2,762

### 16. Investment in joint ventures

	<b>Group and Company</b>	
	<b>30 November 2025 (Unaudited) S\$'000</b>	<b>31 May 2025 (Audited) S\$'000</b>
Unquoted equity investments, at cost	465	182
Dividend received	-	(63)
Share of results, net of tax	60	346
	525	465

	<b>Healthcare Essentials Pte. Ltd. ("HEPL")</b>	
	<b>30 November 2025 (Unaudited) S\$'000</b>	<b>31 May 2025 (Audited) S\$'000</b>
<b>Summarised statement of financial position</b>		
Non-current assets	616	345
Current assets	2,341	2,421
Non-current liabilities	-	(28)
Current liabilities	(846)	(926)
Net assets	2,111	1,812
<i>Included in the above amounts are:</i>		
Cash and cash equivalents	941	1,122
Non-current financial liabilities (excluding trade and other payables and provision)	-	28

## E. Notes to the condensed interim consolidated financial statements (continued)

### 16. Investment in joint ventures (continued)

	HEPL	
	30 November 2025	31 May 2025
	(Unaudited)	(Audited)
	S\$'000	S\$'000
<b>Summarised statement of comprehensive income</b>		
Revenue	1,593	3,078
Profit from continuing operations	302	803
Total comprehensive income	302	803
Dividends received from joint venture	-	63
<i>Included in the above amounts are:</i>		
Depreciation and amortisation	55	87
Interest expense	1	4
Income tax expense	75	128

The information above reflects the amounts presented in the financial statements of the joint venture (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and the joint venture.

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

	HEPL	
	30 November 2025	31 May 2025
	(Unaudited)	(Audited)
	S\$'000	S\$'000
Net assets of the joint venture	2,111	1,812
Proportion of equity interest in the joint venture	20%	20%
Group's share of interest in joint venture	422	362
Add: Goodwill on acquisition date	103	103
Carrying amount	525	465

#### *Unrecognised share of losses*

The Group has not recognised its share of losses of HC Orthopaedics & Surgical Centre Pte. Ltd. amounting to approximately S\$9,000 for the current financial period (31 May 2025: S\$12,000) because the Group's share of losses exceeds its interest in the joint venture and the Group has no obligation in respect of those losses. The cumulative unrecognised losses with respect to this joint venture amounted to approximately S\$228,000 as at the end of the current reporting period.

## E. Notes to the condensed interim consolidated financial statements (continued)

### 17. Financial assets at fair value through profit or loss ("FVTPL")

Financial assets at FVTPL comprise the following:

	<b>Group and Company</b>	
	<b>30 November 2025</b>	<b>31 May 2025</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Balance at beginning of financial period/year	7,363	6,778
Capital reduction during the financial period/year	(40)	(80)
Disposal during the financial period/year	-	(33)
Fair value gain during the financial period/year	906	698
Balance at end of financial period/year	8,229	7,363
<u>Presented in statements of financial position</u>		
- Non-current	7,578	6,725
- Current	651	638
	8,229	7,363

Financial assets at FVTPL increased mainly due to fair value gain of S\$906,000, which was partially offset by capital reduction of S\$40,000.

#### 17.1 Fair value measurement

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).

The table below classified financial assets at fair value through profit or loss by level of fair value hierarchy as at end of the reporting period:

	<b>Fair value measurements using</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>30 November 2025</b>				
<b>Financial Assets</b>				
Financial assets at FVTPL				
- Quoted equity securities	7,938	-	-	7,938
- Unquoted equity securities	-	-	291	291
	7,938	-	291	8,229
<b>31 May 2025</b>				
<b>Financial Assets</b>				
Financial assets at FVTPL				
- Quoted equity securities	7,032	-	-	7,032
- Unquoted equity securities	-	-	331	331
	7,032	-	331	7,363

## E. Notes to the condensed interim consolidated financial statements (continued)

### 18. Derivative financial instruments

	Group		Company	
	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000
<b>Non-current assets</b>				
Put option	400	400	400	400
Forward purchase contracts/ Option to purchase	1,307	1,307	1,308	1,308
	1,707	1,707	1,708	1,708
<b>Non-current liabilities</b>				
Options to re-purchase	(28)	(28)	(28)	(28)
	1,679	1,679	1,680	1,680
	Group		Company	
	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000
Balance at beginning of financial period/year	1,679	223	1,680	656
Fair value gain recognised during the financial period/year	-	1,456	-	1,024
Balance at end of financial period/year	1,679	1,679	1,680	1,680

During the previous financial year, the forward purchase contracts in connection with GMH and MDS were derecognised upon exercise by the Company to acquire the remaining 49% of the issued and fully paid-up capital of GMH and an additional 45% of the issued and fully paid-up capital in MDS as disclosed in Note 14 above.

#### *Put option*

This pertains to KPO Endoscopy & Surgery Pte. Ltd. ("KPO"), whereby the non-controlling interest granted the Company a put option to require the non-controlling interest to repurchase the issued and fully paid-up share capital held by the Company in KPO, at an amount in excess of the Company's investment, should the doctor's employment be terminated. As at the end of the previous reporting period, the fair value of the put option has been determined using the Binomial Option Pricing model. The significant judgement and assumptions to the valuation include volatility rate and risk-free rate. As at the end of the reporting period, management assessed that the probability of exercising the put option by the Company is low.

#### *Forward purchase contracts and option to purchase*

The derivative financial instruments relate to the forward purchase contracts and option to purchase in connection with the Company's further acquisition of the remaining issued and fully paid-up share capital held by the non-controlling interests of certain subsidiaries and vendors of associates as at the respective date of acquisitions as follows:

## E. Notes to the condensed interim consolidated financial statements (continued)

### 18. Derivative financial instruments (continued)

#### *Forward purchase contracts and option to purchase (continued)*

- (i) The Company's further acquisition of the remaining 30% of issued and fully paid-up share capital of KPO. On 20 January 2023, the Company entered into a revised sale and purchase agreement pertaining to KPO to amend the previous terms of exercising the forward purchase contract to an option to purchase granted to the Company to exercise at any time during the period from and including 1 December 2025 to 30 November 2026, at an amount of ten times the audited profit after tax for the 1 year period commencing from 1 December 2024 to 30 November 2025, multiplied by 0.30. Management is of the opinion that it is highly likely to exercise this option to purchase.
- (ii) The Company's further acquisition of the remaining 65% of issued and fully paid-up share capital of TOPL within six months after 30 September 2028 or 30 September 2030, or such other date to be agreed, at an amount that is ten times the unaudited profit after tax of TOPL for twelve months before the end of 30 September 2028 or 30 September 2030 after adjustments to exclude expenses incurred arising from consultancy fees paid to the Company and doctors' profit-share, multiplied by 0.65.

As at the end of the reporting period, the fair values of these forward purchase contracts have been determined based on the difference between spot price adjusted for the present value of dividends and the present value of the forward price and the fair value of the option to purchase have been determined based on Binomial Option Pricing model. The significant judgement and assumptions to the valuations include estimated profit after tax for future years, risk-free rate and volatility rate.

#### *Options to re-purchase*

The option to re-purchase represents option granted to the non-controlling interest for the acquisition of LBPL. The Company has granted to the non-controlling interest an option to re-purchase up to 20% of the total issued shares in LBPL from the Company, at an exercise price of three times of LBPL's audited profit after tax for the recent financial year (at the time of exercise of the option). As at the end of the reporting period, management assessed that the profitability of exercising the option to re-purchase by the non-controlling interest to be low.

As at the end of the reporting period, the fair value of derivative financial instrument has been determined using the Binomial Option Pricing model. The significant judgement and assumptions to the valuation include the volatility rate and risk-free rate.

## E. Notes to the condensed interim consolidated financial statements (continued)

### 19. Trade and other receivables

	Group		Company	
	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000
<b>Non-current assets</b>				
Other receivables				
- third party	19	37	19	37
- lease receivables	-	-	-	44
	19	37	19	81
<b>Current assets</b>				
Trade receivables				
- third parties	1,380	1,233	-	-
- subsidiaries	-	-	357	499
- a joint venture	3	2	3	2
Less:				
Loss allowance on trade receivables				
- third parties	(3)	(3)	-	-
	1,380	1,232	360	501
Other receivables				
- third parties	307	112	382	194
- subsidiaries	-	-	2,731	3,284
- associates	70	217	70	217
- a joint venture	244	237	244	237
- lease receivables	-	-	108	127
Less:				
Loss allowance on other receivables				
- subsidiaries	-	-	(1,503)	(1,503)
- a joint venture	(237)	(237)	(237)	(237)
	384	329	1,795	2,319
Deposits	336	335	43	43
	2,100	1,896	2,198	2,863
<b>Total trade and other receivables</b>	<b>2,119</b>	<b>1,933</b>	<b>2,217</b>	<b>2,944</b>

Movement in the loss allowance for third parties trade receivables was as follows:

	Group	
	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000
Balance at beginning of financial period/year	3	-
Loss allowance made	-	3
Balance at end of financial period/year	3	3



## E. Notes to the condensed interim consolidated financial statements (continued)

### 19. Trade and other receivables (continued)

Movement in the loss allowance on other receivables from subsidiaries, associate and joint venture were as follows:

	Group		Company	
	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000	30 November 2025 (Unaudited) S\$'000	31 May 2025 (Audited) S\$'000
Balance at beginning of financial period/year				
- subsidiaries	-	-	1,503	764
- an associate	-	7	-	7
- a joint venture	237	237	237	237
	237	244	1,740	1,008
Loss allowance made during the financial period/year				
- subsidiaries	-	-	-	879
	-	-	-	879
Reversal of loss allowance made				
- subsidiaries	-	-	-	(140)
- an associate	-	(7)	-	(7)
	-	(7)	-	(147)
Balance at end of financial period/year	237	237	1,740	1,740

As at the end of the reporting period, management has performed impairment assessment for the other receivables from subsidiaries, an associate and a joint venture using the three-stage expected credit loss ("ECL") model. Following the review, there was no impairment loss in the current financial period (31 May 2025: a net reversal of ECL allowance of S\$7,000 and a net ECL allowance of S\$732,000 were recognised by the Group and the Company respectively).

### 20. Share capital

	Group and Company			
	30 November 2025 Number of ordinary shares (('000))	31 May 2025	30 November 2025 Amount S\$'000	31 May 2025 S\$'000
<b>Issued and fully-paid:</b>				
Balance at beginning and end of financial period/year (including treasury shares)	156,310	156,310	17,231	17,231

## **E. Notes to the condensed interim consolidated financial statements (continued)**

### **20. Share capital (continued)**

There were 2,934,400 treasury shares (representing 1.91% of the Company's 153,375,507 ordinary shares (excluding treasury shares)) as at 30 November 2025 and 2,503,400 treasury shares (representing 1.63% of the Company's 153,806,507 ordinary shares (excluding treasury shares)) as at 30 November 2024.

The Company's issued and fully paid-up capital (excluding treasury shares) as at 30 November 2025 comprised 153,375,507 (30 November 2024: 153,806,507) ordinary shares.

There were no subsidiary holdings as at 30 November 2025 and as at 30 November 2024.

There were no outstanding convertibles as at 30 November 2025 and as at 30 November 2024.

#### **20.1 Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

	<b>As at 30 November 2025</b>	<b>As at 31 May 2025</b>
Total number of issued shares	153,375,507	153,375,507

#### **20.2 A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

#### **20.3 A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on**

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

### **21. Capital reserve**

Capital reserve relates to the realised gain or loss on subsequent re-issuance of treasury shares pursuant to the acquisition of subsidiaries and the differences between the consideration paid and the carrying amount of non-controlling interests acquired.

### **22. Other reserve**

Other reserve represents the present value of the exercise price for the forward purchase contracts over non-controlling interests of subsidiaries.

### **23. Subsequent events**

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

## **F. Other information required pursuant to Appendix 7C of the Catalist Rules**

### **1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The condensed consolidated statement of financial position of HC Surgical Specialists Limited and its subsidiaries as at 30 November 2025 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### **2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

#### **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

***Review for the performance of the Group for the six months ended 30 November 2025 ("HYFY2026") as compared to the six months ended 30 November 2024 ("HYFY2025").***

Revenue stayed relatively stable for HYFY2026 as compared to HYFY2025.

Other income decreased by approximately S\$0.21 million in HYFY2026 as compared to HYFY2025 mainly due to (i) the decrease in grants of S\$0.14 million, (ii) the decrease in interest income of S\$20,000, and (iii) non-existence of compensation income received from the non-controlling interest of GMH of S\$0.14 million that occurred in HYFY2025; which was partially offset by the increase in consultancy fee income of S\$90,000.

In HYFY2026, the fair value gain on financial assets at FVTPL of approximately S\$0.91 million was due to (i) the increase in share price of Medinex Limited ("**Medinex**") in which the Company holds a direct interest of 22.66% and a deemed interest of 9.39%; and (ii) the increase in share price of Singapore Paincare Holdings Limited ("**SPCH**") in which the Company holds a direct interest of 2.28%; and was partially offset by the decrease in share price of Aoxin Q & M Dental Group Limited ("**Aoxin**") in which the Company holds a direct interest of 0.34%. In HYFY2025, the fair value gain on financial assets at FVTPL of approximately S\$0.13 million arose primarily due to the increase in share price of Medinex, and was partially offset by the decrease in share prices of SPCH and Aoxin.

Employee benefits expense increased by approximately S\$0.31 million in HYFY2026 as compared to HYFY2025 due to increased headcount, regular increment and higher locum doctors' fees relating to MDS for the current financial period.

The increase in depreciation and amortisation expenses of approximately S\$0.10 million in HYFY2026 as compared to HYFY2025 was due to recognition of higher right-of-use ("**ROU**") assets for renewed tenancy agreements entered in the current financial period for clinic premises.

Fair value loss on DFI of approximately S\$0.43 million in HYFY2025 arose mainly due to derecognition of forward purchase contract for MDS upon exercise by the Company to acquire additional 45% equity interest. Accordingly, there was no fair value loss on DFI in HYFY2026.

Loss arising from deemed disposal of an associate of approximately S\$0.20 million in HYFY2025 was related to the re-measurement of previously held equity interest in MDS upon the acquisition of additional 45% equity interest in September 2024, thus resulting in MDS becoming a subsidiary of the Company. As such, there was no loss arising in HYFY2026.

Finance costs decreased by approximately S\$0.14 million in HYFY2026 as compared to HYFY2025 due to non-existence of deemed interest expense on the deferred consideration payable for the acquisition of JLES and TOPL for HYFY2026 as compared to HYFY2025, as the deferred consideration had been settled in HYFY2025.

Share of results of associates, net of tax of approximately S\$0.29 million arose from the Company's share of profits of TOPL for the current financial period. In HYFY2025, share of results of associates, net of tax of approximately S\$0.20 million arose from the Company's share of profits of TOPL and MDS.

Share of results of a joint venture, net of tax of approximately S\$60,000 arose from the Company's share of profits of HEPL for the current financial period. In HYFY2025, share of results of associates, nets of tax of approximately S\$0.30 million arose from the Company's share of profits of HEPL for the previous financial period as the Company adopted equity accounting for HEPL in HYFY2025.

Income tax expense increased by approximately S\$0.24 million mainly due to over provision of income tax in prior financial years, resulting from the tax rebate announced by the government.

As a result of the above mentioned, profit after income tax increased by approximately S\$0.42 million or 11.7% in HYFY2026 as compared to HYFY2025.

#### **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

***The comparative performance for both the assets and liabilities are based on the Group's financial statements as at 30 November 2025 and 31 May 2025.***

Plant and equipment decreased from approximately S\$1.22 million as at 31 May 2025 to S\$1.02 million as at 30 November 2025 due to depreciation and the write off of plant and equipment which was partially offset by additions of plant and equipment for existing clinics.

ROU assets decreased by approximately S\$0.37 million from 31 May 2025 to 30 November 2025 mainly due to depreciation and the write off of ROU assets; and was partially offset by addition in ROU assets for existing clinic premises upon lease renewal.

Investment in associates increased by approximately S\$0.29 million due to the Company's share of profits of TOPL.

Investment in joint ventures increased by approximately S\$60,000 due to the Company's share of profits of HEPL.

Current and non-current financial assets at FVTPL increased by approximately S\$0.87 million mainly due to fair value gain of S\$0.91 million which was partially offset by capital reduction of S\$40,000.

Trade and other receivables increased by approximately S\$0.21 million due to an increase in trade receivables outstanding from patients and dividend receivable from Medinex.

Current and non-current lease liabilities decreased by approximately S\$0.38 million due to repayments made in HYFY2026; which were partially offset by renewal of leases entered for existing clinic premises.

Trade and other payables decreased by approximately S\$0.30 million mainly due to lower provision of bonus and audit fee for the current financial period.

## **CONSOLIDATED STATEMENT OF CASH FLOWS**

### ***Review for the performance of the Group for HYFY2026***

The Group recorded net cash from operating activities of approximately S\$3.47 million in HYFY2026 as compared to net cash from operating activities of approximately S\$3.27 million in HYFY2025, this increase of approximately S\$0.19 million was due mainly to lower income tax paid.

Net cash from investing activities in HYFY2026 of approximately S\$0.26 million was primarily due to (i) the dividends and interest received of approximately S\$0.26 million; and (ii) proceeds from capital reduction in financial assets at FVTPL of approximately S\$40,000; which was partially offset by purchase of plant and equipment of approximately S\$36,000.

Net cash used in financing activities in HYFY2026 of approximately S\$2.85 million was mainly related to (i) payment of FY2025 final dividend of approximately S\$1.81 million to shareholders; (ii) dividends paid to non-controlling interests of approximately S\$0.20 million; and (iii) repayments of obligations (including the interest portion) under leases of approximately S\$0.84 million.

As a result, the Group recorded a net increase in cash and cash equivalents of approximately S\$0.88 million in HYFY2026, resulting in cash and cash equivalents of approximately S\$5.98 million as at 30 November 2025.

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

Not applicable as no forecast or a prospect statement was previously disclosed.

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

The Ministry of Health (MOH) has recently introduced new requirements for Integrated Shield Plan (IP) riders to address the rising insurance premiums and private healthcare costs. From 1 April 2026, new IP riders sold will no longer be permitted to cover the minimum IP deductibles set by MOH and the co-payment cap will be raised to a minimum of S\$6,000 per year from the previous cap set at a minimum of S\$3,000 per year, which will potentially lower premiums by 30%. The policy change aims to bring health insurance back to its original objective, which is to protect against larger healthcare bills. The Group is of the view that the introduction of such new requirements for IP riders is unlikely to have an immediate material impact on the Group's financial position.

## 5. Dividend

If a decision regarding dividend has been made: -

- (a) Whether an interim (final) dividend has been declared (recommended); and

Yes.

Name of Dividend	Interim
Dividend Type	Ordinary
Dividend Amount per Share (in S\$ cents)	0.90 cents per ordinary share (one tier tax exempt)
Tax Rate	Tax Exempt

- (b) (i) Amount per share

Please refer to paragraph 5(a).

- (ii) Previous corresponding period

Name of Dividend	Interim
Dividend Type	Ordinary
Dividend Amount per Share (in S\$ cents)	0.80 cents per ordinary share (one tier tax exempt)
Tax Rate	Tax Exempt

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

Please refer to paragraph 5(a).

- (d) The date the dividend is payable.

The dividend will be paid on 13 March 2026.

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

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed at 5.00 p.m. on 3 March 2026 for the purpose of determining shareholders' entitlements to the interim dividends.

Duly completed registrable transfers received by the Company's Share Registrar, Tricor Singapore Pte. Ltd., at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619, up to the close of business at 5.00 p.m. on 3 March 2026, will be registered to determine shareholders' entitlements to the interim dividend.

Shareholders (being depositors) whose securities accounts with the Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 3 March 2026 will be entitled to the interim dividend.

## 6. Interested person transactions

The Group does not have a general mandate from shareholders for interested person transactions (“IPT”).

There were no IPTs of S\$100,000 and above entered into in HYFY2026.

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

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.

## 8. Negative confirmation by the Board Pursuant to Rule 705(5) of the Catalist Rules

The Board of Directors of the Company confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited interim financial statements for HYFY2026 to be false or misleading in any material aspect.

On behalf of the Board of Directors

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**Dr. Heah Sieu Min**  
Executive Director and Chief Executive Officer

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**Dr. Chia Kok Hoong**  
Executive Director and Medical Director

Singapore  
13 January 2026

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## About HC Surgical Specialists Limited

HC Surgical Specialists Limited (the "Company") was incorporated on 1 September 2015 in Singapore and listed on Catalist of the Singapore Exchange Securities Trading Limited on 3 November 2016. The Company, its subsidiaries and associated company are a medical services group primarily engaged in the provision of endoscopic procedures, including gastroscopies and colonoscopies and general surgery services with a focus on colorectal procedures across a network of 18 clinics located throughout Singapore.

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This announcement has been reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the “Sponsor”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “Exchange”) and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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