COMPETENCE CONFIDENCE EXCELLENCE

ANNUAL REPORT 2025

HC SURGICAL SPECIALISTS LIMITED

TABLE OF CONTENTS

01 Corporate Profile

02 Chairman's Message

04 CEO's Statement

08 FY2025 Year In Review

10 Performance Review

12 Board of Directors

16 Key Management

17 Group Structure

18 Our Services

28 Our Specialists

34 Our General Practitioners

36 Our Team

38 Locations of Clinics

40 Our Endoscopy Centres

41 Financial Contents

Corporate Information

This annual report 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 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

HC Surgical Specialists Limited operates a **wide network of clinics and endoscopy centres throughout Singapore, providing specialist healthcare at your doorstep in both residential areas and central areas**, making it conveniently accessible, with less waiting time and lower costs. As members of the same group, the clinics are dedicated to provide endoscopic procedures including gastroscopies and colonoscopies. Most of our clinics are equipped with the facilities to perform general surgery services with a focus on colorectal surgery procedures on site. Our endoscopy centres aim to provide maximum comfort, efficiency and safety to all our patients. Most of our clinics are also Medisave and Medishield Life accredited, enabling us to further enhance our services to our patients.

CHAIRMAN'S MESSAGE

We are very delighted that the new orthopaedics segment the Group expanded in FY2024 under its associated company had performed very well in FY2025 within a short span of time, a testament to our investment foresights. Moving forward, the Group will stay committed in its core competencies - continuous improvement in its medical service delivery to all its patients and driving operational efficiencies amidst the economic uncertainty both locally and globally.

MR. CHONG WENG HOE
Non-Executive Chairman and Independent Director

CHAIRMAN'S MESSAGE

DEAR SHAREHOLDERS,

On behalf of the Directors and Management of HC Surgical Specialists Limited ("**HCSS**" or "**Company**", and together with its subsidiaries, collectively, the "**Group**"), I am pleased to present the Annual Report for HCSS for the financial year ended 31 May ("**FY**") 2025.

In FY2024, the Group announced expansion into a new segment under its associated company - orthopaedics, with a total of 3 orthopaedic surgeons and 3 orthopaedic centres, to provide a holistic care for our patients. We are very delighted that this new segment had performed very well in FY2025 within a short span of time, a testament to our investment foresights.

In FY2025, the Group had consolidated internally with the: (a) acquisition of remaining 49% equity interest in GMH Endoscopy & Surgery Pte. Ltd.; (b) acquisition of remaining 20% equity interest in HC (Ming) Pte. Ltd.; and (c) acquisition of additional equity interest in Medistar Services Pte. Ltd., the Group's former associate. In addition, the Group also restructured its premises at Camden Centre for improved efficiency of space for the existing endoscopy centre while retaining the GP clinic. These measures are carried out with the aim of enhancing the long-term returns to shareholders.

FY2025 concluded with the final repayment of the Temporary Bridging Loan drawn down in FY2020. This paved the way for the Group to build up its cash reserves, which will be more effectively utilised for better returns.

MOVING FORWARD

Moving forward, the Group will stay committed in its core competencies - continuous improvement in its medical service delivery to all its patients and driving operational efficiencies amidst the economic uncertainty both locally and globally.

APPRECIATION

Last but not least, I would like to take this opportunity to thank our valued Shareholders, patients and business partners for their unwavering support to HCSS, my fellow Directors for their valuable insights throughout the past years, especially Mr. Ooi Seng Soon and Mr. Gjan Lim who will be retiring at the upcoming Annual General Meeting, and the staff and Management for their dedication and commitment.

CEO'S STATEMENT

"HCSS remains focused on sustainable growth, operational excellence, and delivering high-quality surgical care across our network of clinics. As a day surgery group with a strong presence in heartland communities, we are committed to staying true to our mission: offering private healthcare at your doorstep."

DR. HEAH SIEU MIN
Executive Director and
Chief Executive Officer

CEO'S STATEMENT

DEAR SHAREHOLDERS, PARTNERS AND PATIENTS,

As we navigate the dynamic landscape of healthcare in Singapore and beyond, I am pleased to provide this update on recent developments impacting HC Surgical Specialists Limited ("**HCSS**"), and the broader environment in which we operate. This past year has presented both global challenges and local milestones, reinforcing the importance of resilience, innovation, and service to our community.

GLOBAL TRADE TENSIONS AND TARIFF IMPACT ON HEALTHCARE

Recent geopolitical shifts, particularly the renewed Trump-era tariffs, have had wide-ranging effects across the healthcare industry worldwide. These tariffs, particularly on medical devices and pharmaceuticals, have created upstream cost pressures that reverberate across supply chains-including in Singapore.

At HCSS, we have taken proactive measures to mitigate these effects. Our team has worked closely with our vendors to diversify supply sources, and implemented tighter cost controls to ensure we continue to provide high-quality services while managing expenses prudently. We remain committed to protecting patient care standards amidst global economic headwinds.

CEO'S STATEMENT

ORTHOPAEDICS

HCSS acquired the services of 3 orthopaedic surgeons:

1) Dr. Benjamin Seah, who joined the group in June 2023

   Dr. Seah was a consultant orthopaedic surgeon as well as the shoulder and elbow service lead in the department of Orthopaedic Surgery at Sengkang General Hospital.

2) Dr. Huang Yilun, who joined the group in April 2024

   Dr. Huang completed his fellowship training in endoscopic spinal surgery in 2022 in Busan, Korea and was a consultant spine surgery service lead in the department of Orthopaedic Surgery at Sengkang General Hospital. His main subspecialty is in performing minimally invasive endoscopic spinal surgery.

3) Dr. Hamid Razak, who joined the group in April 2024, was a consultant orthopaedic surgeon as well as the sports surgery service lead in the department of Orthopaedic Surgery at Sengkang General Hospital.

   Dr. Hamid Razak was appointed as Member of Parliament in May 2025.

We are honoured to highlight the continued public service of our esteemed colleague, Dr. Hamid Razak. Dr. Hamid Razak's commitment to both medicine and public service is a testament to his dedication and the values we hold as a Group-not only in clinical care but also in leadership, civic responsibility, and national contribution.

The 3 Orthopaedic Surgeons work out of 3 clinics:

1) **Total Orthopaedic Care & Surgery**
   10 Sinaran Drive, #09-24, Novena Medical Center
   Singapore 307506

2) **HC Orthopaedics & Surgical Centre (Tampines)**
   Blk 801 Tampines Avenue 4, #01-273
   Singapore 520801

3) **Total Orthopaedic Care & Surgery (Orchard)**
   350 Orchard Road, #10-01, Shaw House
   Singapore 238868

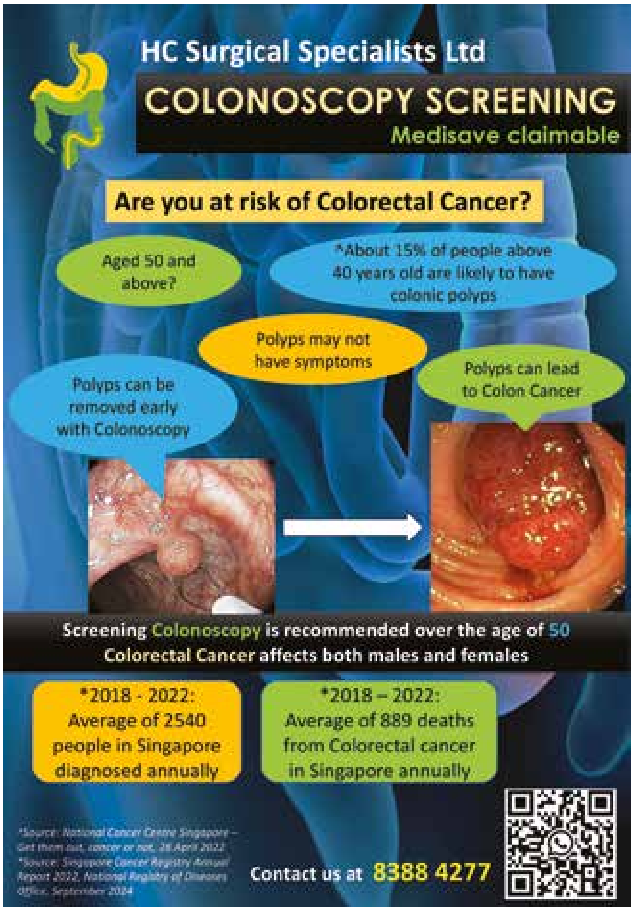
INSURANCE PANELS: ENHANCING ACCESS AND AFFORDABILITY

The Group's inclusion on major insurance panels allows more patients to receive care with increased financial flexibility and ease when seeking consultations and procedures across our network.

Our partnerships with insurers are built on transparency, integrity, and shared values—ensuring that the interests of patients remain central in all aspects of their care.

COMMITMENT TO MINISTRY OF HEALTH ("MOH") BENCHMARK FEES

We remain fully supportive of the MOH's efforts to promote cost transparency and fair billing practices. HCSS continues to align its pricing with MOH benchmark fees, reinforcing our commitment to ethical medical practice and helping patients make informed decisions about their care.



CEO'S
STATEMENT

LOOKING BACK TO FY2025

"HC Surgical Specialists' FY2025 earnings up by 119.4% y-o-y to $8.4 mil"

A final dividend of 1.18 cents has been proposed, bringing the group's full-year dividend to 1.98 cents per share.

The Edge Singapore, Tuesday 29 July 2025

LOOKING AHEAD

HCSS remains focused on sustainable growth, operational excellence, and delivering high-quality surgical care across our network of clinics. As a day surgery group with a strong presence in heartland communities, we are committed to staying true to our mission: offering private healthcare at your doorstep.

As healthcare needs continue to evolve, we will continue adapting our services to meet these changing demands, always placing the well-being of our patients at the heart of everything we do.

On behalf of the Board and management team, I would like to thank our shareholders, partners, staff, and patients for their continued trust and support.

Sincerely,

Dr. Heah Sieu Min
Chief Executive Officer

FY2025 YEAR
IN REVIEW

June 2024
Opening of Total Orthopaedic Care & Surgery (Orchard) at Shaw House

September 2024
Acquired remaining 49% equity interest in GMH Endoscopy & Surgery Pte. Ltd.

September 2024
Acquired additional 45% equity interest in Medistar Services Pte. Ltd.

October 2024
Acquired additional 15% equity interest in Medistar Services Pte. Ltd.

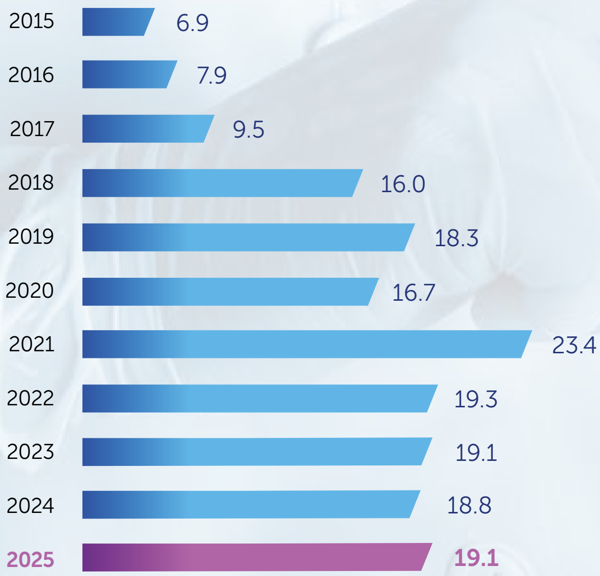
October 2024
Acquired remaining 20% equity interest in HC (Ming) Pte. Ltd.

December 2024
Dr. Julian Ong resumed his medical practice

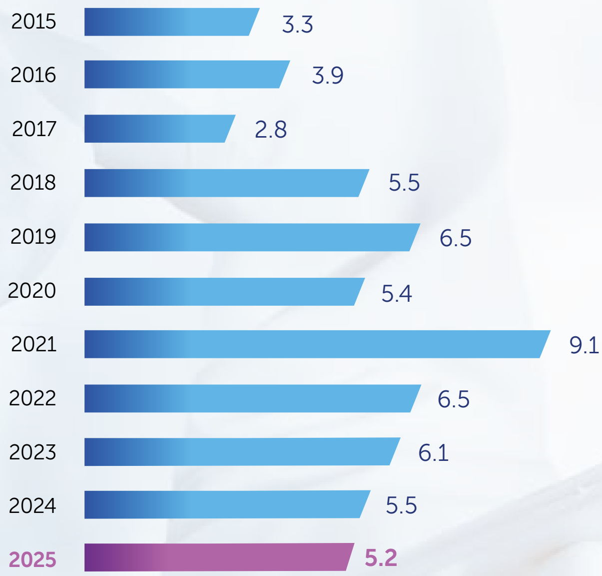
December 2024
Revamped clinics in Camden Centre allocated more space for endoscopy business

FY2025 YEAR IN REVIEW

SALES
(S$ MILLION)

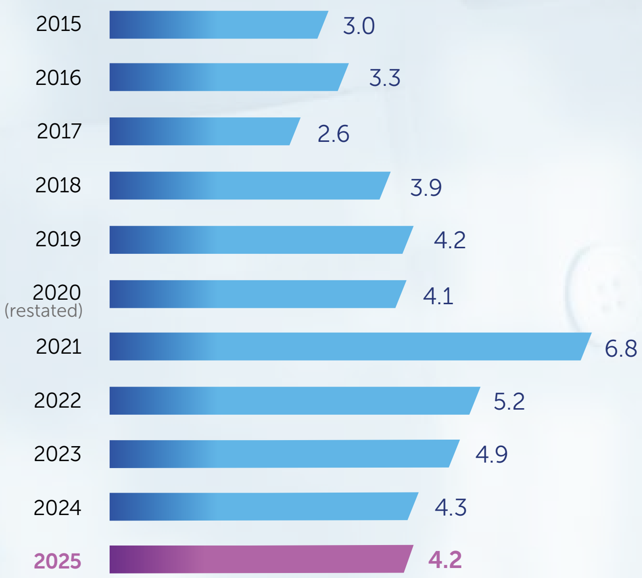


OPERATING INCOME*
(S$ MILLION)

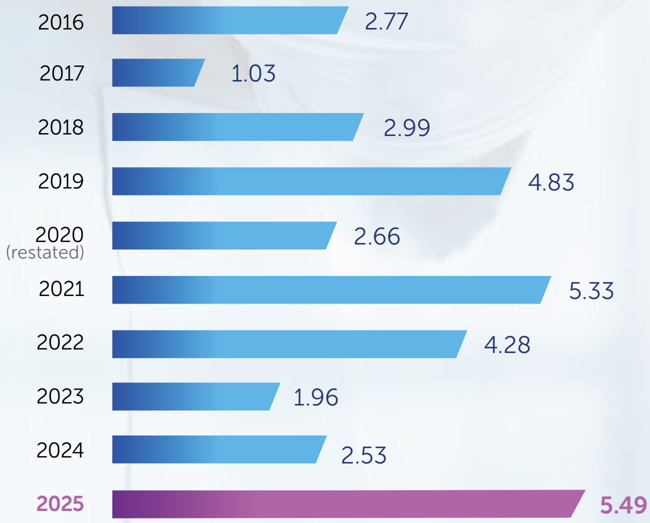


* Profit before tax adjusted for non-recurring items, share of results of an associate and a joint venture, other income and finance costs

ADJUSTED PROFIT AFTER TAX TO OWNERS*
(S$ MILLION)



EARNINGS PER SHARE
(S$ CENTS)



* Adjusted for non-recurring items, share of results of an associate and a joint venture, other income and finance costs

PERFORMANCE
REVIEW

FINANCIAL PERFORMANCE

Revenue increased by approximately S$0.30 million for FY2025 as compared to FY2024 mainly due to increased revenue contribution from a new subsidiary acquired during the current financial year.

Fair value gain on DFI of approximately S$1.46 million in FY2025 arose mainly due to re-measurement of fair value for forward purchase contract of an associate; which was partially offset by derecognition of forward purchase contract for Medistar Services Pte. Ltd. ("**MDS**") upon exercise by the Company to acquire additional 45% equity interest, as compared to fair value loss on DFI of approximately S$0.62 million in FY2024 which arose mainly due to the re-measurement of fair value for (i) put option of a subsidiary; and (ii) forward purchase contract of associates.

In FY2025, the fair value gain on financial assets at FVTPL of approximately S$0.70 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 fair value gain on HSN Healthcare Pte. Ltd. ("**HSN**"); and was partially offset by (i) the decrease in share price of Singapore Paincare Holdings Limited ("**SPCH**") in which the Company holds a direct interest of 2.28%; and (ii) 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 FY2024, the fair value gain on financial assets at FVTPL of approximately S$0.17 million arose primarily due to the increase in share price of Medinex and HSN, and was partially offset by the decrease in share prices of SPCH and Aoxin.

Inventories, consumables and surgery expenses increased by approximately S$0.28 million arising from a new subsidiary acquired during the current financial year, in line with the increase in revenue.

Employee benefits expense increased by approximately S$0.33 million in FY2025 as compared to FY2024 due to increased headcount, regular increment and higher locum doctors' fees relating to MDS for the current financial year.

The increase in depreciation and amortisation expenses of approximately S$0.15 million in FY2025 as compared to FY2024 was due to recognition of additional right-of-use ("**ROU**") assets for renewed tenancy agreements entered in the current financial year for clinic premises.

Loss arising from deemed disposal of an associate of approximately S$0.21 million 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.

The decrease in loss allowance for receivables from trade and other receivables of approximately S$0.24 million from FY2024 to FY2025 arose from outstanding amount due from an associate and a joint venture in FY2024, which was no longer applicable for FY2025.

Other expenses decreased by approximately S$0.43 million in FY2025 as compared to FY2024 mainly due to (i) reversal of allowance for impairment loss on plant and equipment of S$0.15 million; (ii) a decrease in professional fees of S$46,000 incurred for the current financial year, and (iii) absence of allowance for impairment loss on investment in an associate of $0.24 million which was incurred in FY2024; which was partially offset by an increase in allowance for impairment loss on ROU of S$0.13 million.

Finance costs decreased by approximately S$0.24 million in FY2025 as compared to FY2024 due to lower deemed interest expense on the deferred consideration payable for the acquisition of Jason Lim Endoscopy and Surgery Pte. Ltd. ("**JLES**") and Total Orthopaedics Pte. Ltd. ("**TOPL**") for FY2025 as compared to FY2024, as the deferred consideration had been settled in FY2025.

Share of results of associates, net of tax of approximately S$0.43 million arose from the Company's share of profits of TOPL and MDS for the current financial year. In FY2024, share of results of an associate, net of tax of approximately negative S$88,000 arose from the Company's share of losses of TOPL.

Share of results of a joint venture, net of tax of approximately S$0.35 million arose from the Company's share of profits of Healthcare Essentials Pte. Ltd. ("**HEPL**") for the previous and current financial year, as the Company adopted equity accounting for HEPL.

Income tax expense decreased by approximately S$1.10 million mainly due to over provision of income tax in prior financial years, resulting from the tax rebate announced by the government in FY2025.

As a result of the above mentioned, profit after income tax increased by approximately S$4.84 million or 122.9% in FY2025 as compared to FY2024.

FINANCIAL POSITION

Plant and equipment increased from approximately S$1.02 million as at 31 May 2024 to S$1.22 million as at 31 May 2025 due to reversal of allowance for impairment loss of S$152,000 and additions of plant and equipment for existing clinics; and was partially offset by depreciation and the write off of plant and equipment.

Intangible assets comprise goodwill and computer software. The increase in intangible assets from approximately S$3.36 million as at 31 May 2024 to S$3.39 million as at 31 May 2025 was primarily due to increase in goodwill of S$36,000 from the acquisition of the additional 45% equity interest in MDS which was completed in September 2024.

ROU assets decreased by approximately S$0.43 million mainly due to allowance for impairment loss and depreciation of ROU assets; and was partially offset by additional ROU assets for (i) existing clinic premises upon lease renewal, and (ii) arising from the acquisition of a subsidiary.

PERFORMANCE
REVIEW

Investment in associates decreased by approximately S$23,000 due to deemed disposal of investment in MDS, and was partially offset by the Company's share of profits of TOPL and MDS. Investment in joint venture increased by approximately S$0.28 million due to the Company's share of profits of HEPL, net of dividends.

Non-current financial assets at FVTPL increased by approximately S$0.65 million mainly due to fair value gain of S$0.73 million which was partially offset by capital reduction of S$80,000.

DFI (non-current and current assets) increased by approximately S$0.88 million due to the fair value gain for the re-measurement of fair value for forward purchase contract of an associate; and was partially offset by the derecognition of the forward purchase contract for MDS upon its exercise by the Company to acquire an additional 45% of equity interest in MDS.

Non-current other receivables of S$37,000 relate to the amount receivable from Dr. Julian Ong ("**Dr. Ong**") as compensation for the damage that the Company suffered as a result of Dr. Ong's Singapore Medical Council complaint.

Current financial assets at FVTPL decreased by approximately S$63,000 mainly due to the disposal of investment in SPCH of S$33,000 and a fair value loss of S$30,000.

Capital reserve decreased by approximately S$0.78 million mainly due to (i) the acquisition of the remaining 49% equity interest in GMH in September 2024; (ii) the acquisition of the remaining 20% equity interest in HC Ming Pte. Ltd. ("**HCMC**") in October 2024; and (iii) JLES's acquisition of 15% equity interest in MDS in October 2024.

Other reserve increased by approximately S$1.04 million and other financial liabilities decreased by approximately S$1.04 million due to the derecognition of other financial liabilities for the forward purchase contract of GMH Endoscopy & Surgery Pte. Ltd. ("**GMH**").

DFI (non-current liabilities) decreased by approximately S$0.58 million due to the fair value gain for the re-measurement of fair value for forward purchase contract of an associate.

Trade and other payables decreased by approximately S$3.18 million mainly due to payments of balance purchase consideration for (i) the acquisition of the remaining 49% equity interest in JLES of S$2.59 million and (ii) the acquisition of 35% equity interest in TOPL of S$0.73 million.

Current and non-current lease liabilities decreased by approximately S$0.27 million due to repayments made in FY2025; which were partially offset by renewal of leases entered for existing clinic premises and leases arising from the acquisition of a subsidiary.

Bank borrowing decreased by approximately S$1.29 million due to repayments made in FY2025. The bank borrowing was fully repaid as at 31 May 2025.

CASH FLOW

The Group recorded net cash from operating activities of approximately S$7.23 million in FY2025 as compared to net cash from operating activities of approximately S$6.30 million in FY2024. This increase of approximately S$0.93 million was mainly due to higher operating receipts and lower taxes paid.

Net cash used in investing activities in FY2025 of approximately S$0.44 million was primarily due to payment of deferred consideration for TOPL of approximately S$0.73 million, and purchase of plant and equipment of approximately S$0.49 million; which was partially offset by (i) the dividends and interest received of approximately S$0.60 million; (ii) proceeds from capital reduction in financial assets at FVTPL of approximately S$80,000; (iii) proceeds from disposal of investment in financial assets at FVTPL of approximately S$35,000; and (iv) acquisition of a subsidiary, net of cash acquired of approximately S$55,000.

Net cash used in financing activities in FY2025 of approximately S$9.06 million was mainly related to (i) the acquisition of non-controlling interests in GMH, HCMC and MDS of approximately S$0.70 million; (ii) payment of deferred consideration for JLES of approximately S$2.59 million; (iii) payment of FY2024 final dividend of approximately S$1.08 million and FY2025 interim dividend of approximately S$1.23 million to shareholders; (iv) dividends paid to non-controlling interests of approximately S$0.44 million; (v) repayment of bank borrowing of approximately S$1.29 million; (vi) repayments of obligations (including the interest portion) under leases of approximately S$1.60 million; (vii) share buy-backs of approximately S$0.12 million; and (viii) interest paid of approximately S$13,000.

As a result, the Group recorded a net decrease in cash and cash equivalents of approximately S$2.27 million in FY2025, resulting in cash and cash equivalents of approximately S$5.09 million as at 31 May 2025.

BOARD OF DIRECTORS

MR. CHONG WENG HOE
Non-Executive Chairman and Independent Director

Mr. Chong Weng Hoe was appointed as our Non-Executive Chairman and Independent Director on 28 September 2016 and was most recently re-elected on 26 September 2024. Since 2016, he has been the Executive Vice President of TÜV SÜD Asia Pacific Pte. Ltd. where he supervised a global network of wireless laboratories. He has held numerous positions within TÜV SÜD PSB Pte. Ltd. since April 1991 where he joined as an engineer and was subsequently promoted to vice president, senior vice president, chief executive officer and a director of the board. Mr. Chong is an independent director of the following companies: (i) ISEC Healthcare Ltd, (ii) Hong Fok Corporation Ltd, (iii) Baker Technology Limited and (iv) Bund Center Investment Ltd. His previous directorships included (i) Keong Hong Holdings Ltd (from 22 November 2011 to 29 February 2024); and (ii) Singapore Paincare Holdings Limited (from 17 June 2020 to 27 October 2022).

Mr. Chong graduated from National University of Singapore with a Bachelor of Engineering (Electrical) in June 1989 and obtained a Master of Business Administration (Accountancy) from the Nanyang Technological University in March 1997. Mr. Chong was also awarded the Standard Council Merit Award by SPRING Singapore (currently known as Enterprise Singapore) in 2004 for his contribution to the national standardisation programme in his industry.

BOARD OF DIRECTORS

DR. HEAH SIEU MIN

Executive Director and
Chief Executive Officer

Dr. Heah Sieu Min was appointed as our Executive Director and Chief Executive Officer on 1 September 2015 and was most recently re-elected on 26 September 2024. Dr. Heah is responsible for the overall management, strategic planning and business development of our Group. Dr. Heah started his career as a houseman in Ireland, before returning to Singapore where he served as a Medical Officer in Tan Tock Seng Hospital from 1992 to 1994. After moving to Singapore General Hospital in 1994, he held various positions including Registrar of the Department of Colorectal Surgery, Associate Consultant of the Department of Colorectal Surgery and Consultant of the Department of Colorectal Surgery until 2004. He then spent approximately 3 years as a Consultant for colorectal surgery at Pacific Colorectal Centre, before starting his own private practice in 2007, the Heah Colorectal Endoscopy & Piles Centre. He has since opened various other clinics including Heah Endoscopy & Piles Centre (Bukit Batok).

Dr. Heah graduated from the National University of Ireland with a Bachelor of Medicine, Bachelor of Surgery in 1990. He is an accredited specialist in general surgery with the Singapore Ministry of Health, a registered specialist in general surgery with the Singapore Medical Council, and a fellow of the Royal College of Surgeons of Edinburgh as well as the Academy of Medicine Singapore. Dr. Heah has also been the recipient of several awards over the years including the Singapore General Hospital Service Quality Award, which he received consecutively for 3 years from 2000 to 2002, and SME Prestige award in 2013. In reservist, Dr. Heah attained the rank of Lieutenant Colonel and was Commanding Officer of the first Combat Support Hospital (1CSH) from 2008 to 2013. In 2012, he was awarded The Commendation Medal (National Day awards). In 2017, he became a Spirit of Enterprise honouree.

BOARD OF DIRECTORS

DR. CHIA KOK HOONG

Executive Director and Medical Director

Dr. Chia Kok Hoong was appointed as our Executive Director on 1 September 2015 and was last re-elected on 26 September 2023. He was appointed as our Medical Director on 6 July 2017. Dr. Chia has spent most of his career in the public healthcare sector, first serving as a Registrar at Alexandra Hospital before being appointed as a Consultant at Singapore General Hospital. He then moved to Tan Tock Seng Hospital where he was appointed as a Senior Consultant before being appointed as Deputy Head of the General Surgery Department. Dr. Chia spent over 20 years in the public healthcare sector before establishing his private practice at Mount Elizabeth Medical Centre in July 2009.

Dr. Chia graduated from National University of Singapore with a Bachelor of Medicine, Bachelor of Surgery in 1986. He is an accredited specialist in general surgery and an accredited renal transplant surgeon with the Singapore Ministry of Health, as well as a fellow of the Royal College of Surgeons of Edinburgh and the Academy of Medicine Singapore. Dr. Chia has also participated in numerous educational activities, having served as an Associate Professor at the Yong Loo Lin School of Medicine, NUS, in addition to being regularly invited to give lectures at seminars and panel discussions. Further, Dr. Chia was also a member of several professional committees such as Ministry of Health Specialist Training Committee for General Surgery and was an elected member of the Singapore Medical Council from October 2016 to October 2019. Dr. Chia has been the recipient of numerous awards over the years, including the Singapore General Hospital Service Quality Award (Service with a Heart) in 2002, the Courage Fund Tan Tock Seng for SARS cases Award in 2003, the Tan Tock Seng Hospital Excellent Service Award (Gold) in 2005 and 2006, and the Tan Tock Seng Hospital Service Champion Award in 2006. He was also awarded the Minister's Award for Public Spiritedness in 2010.

MR. LIM CHYE LAI, GJAN

Non-Independent Non-Executive Director

Mr. Lim Chye Lai, Gjan was appointed as our Non-Independent Non-Executive Director on 28 September 2016 and was most recently re-elected on 27 September 2022. Mr. Lim has worked in the medical equipment industry for over 20 years. He started his career at Schmidt BioMedTech Pte. Ltd. in 2000 as a Sale Engineer before moving on to Olympus Medical Ltd. in 2001, where he served as their Regional Product Executive until 2005. In 2005, he joined Minimally Invasive Therapies Group, Medtronic, which is involved in the supply of minimally invasive therapies, and was the Business Unit Director of Singapore and Malaysia until August 2019. Mr. Lim now runs a local company, Healthcare Essentials Pte. Ltd., specialising in the retail sales of pharmaceutical and medical goods and the provision of management consultancy services. Mr. Lim has also been serving as the Chairman of the Business Sub-Committee since 2012, and Vice-Chairman of the Membership Development Sub-Committee since 2024 in the Medical Technology Industry Group, a group formed by various companies operating in the medical technology industry.

Mr. Lim graduated from Temasek Polytechnic with a Diploma in Electronics in 1998.

BOARD OF DIRECTORS

MR. OOI SENG SOON
Independent
Non-Executive Director

Mr. Ooi Seng Soon was appointed as an Independent Non-Executive Director on 28 September 2016 and was last re-elected on 26 September 2023. With more than 24 years of experience in banking and finance, Mr. Ooi had worked in various positions in ABN AMRO Bank from 1974 to 1996, before joining Oversea-Chinese Banking Corporation Ltd., where he headed the Enterprise Banking division of the Bank of Singapore from 1997 to 1998 before his retirement. Mr. Ooi had previously served as independent director of NH Ceramics Limited (now known as Blackgold Natural Resources Limited), a company listed on the Catalist Board of the SGX-ST, and was an independent director of BRC Asia Limited from 2009 to 2018, which is listed on the Main Board of the SGX-ST. He was actively involved in board matters, having acted as Chairman of various board committees such as the audit committee and remuneration committee.

Mr. Ooi graduated from the University of Singapore with a Bachelor of Arts in 1971.

MR. CHAN PENGEE, ADRIAN
Independent
Non-Executive Director
(Appointed on 1 September 2025)

Mr. Chan Pengee, Adrian was appointed as our Independent Non-Executive Director on 1 September 2025. He is the head of corporate and a senior partner at Lee & Lee. He is the vice-chairman of the Singapore Institute of Directors. He is a member of the Legal Service Commission and Singapore Management University's Enterprise Board and serves on the Executive Council of the Association of Small and Medium Enterprises as its honorary secretary. He is an independent director of First REIT Management Limited (the manager of First REIT), Food Empire Holdings Limited, Keppel Infrastructure Fund Management Pte. Ltd. (manager of Keppel Infrastructure Trust) and TeleChoice International Limited. He is also the non-executive non-independent chairman of Hong Fok Corporation Limited.

Mr. Chan holds a Bachelor of Laws from the National University of Singapore and is a member of the Singapore Academy of Law. He has more than 35 years of experience in the legal profession.

MR. LIM JUN XIONG STEVEN
Independent
Non-Executive Director
(Appointed on 1 September 2025)

Mr. Lim Jun Xiong Steven was appointed as an Independent Non-Executive Director on 1 September 2025. Mr. Lim brings with him close to 40 years of experience in the financial, trust and wealth management industry. He has held leading roles in financial organisations during his career, including CEO of SG Trust (Asia) Ltd, a subsidiary of Societe Generale Private Banking. Before that, he was the CEO and Managing Director of HSBC Private Bank Global Wealth Solutions. He started his career at PriceWaterhouse in 1980. Mr. Lim currently serves as an independent director for Baker Technology Limited, Riverstone Holdings Ltd, and CosmoSteel Holdings Limited.

Mr. Lim holds a Bachelor of Commerce in Accounting and Finance from the University of Newcastle, Australia, and is a fellow member of CPA Australia and the Institute of Chartered Accountants of Singapore, as well as a member of the Society of Trust and Estate Practitioners.

KEY MANAGEMENT

MS. SOPHIA ONG
Chief Financial Officer

Ms. Sophia Ong joined our Group on 15 February 2016 as our Chief Financial Officer. She is responsible for managing the Group's financial, taxation and regulatory compliance functions. She also assists the CEO on merger and acquisition activities. Ms. Ong started her career as an Audit Assistant at a local certified public accounting firm, Ng Vun & Co in 2001. She left to join Ernst & Young in 2004 before moving to Sincere Watch Limited, a company previously listed on the Main Board of the SGX-ST, in 2005 where she held various positions including Assistant Finance Manager and Assistant Vice-President of Finance. In 2012, she joined Emperor Watch & Jewellery (S) Pte. Ltd. as their Deputy Head of Finance, before joining our Group in 2016.

Ms. Ong is a chartered accountant with the Institute of Singapore Chartered Accountants with over 24 years of experience in accounting, audit and tax matters. She graduated from Nanyang Technological University with a Bachelor of Accountancy in June 2001.

MS. MELISSA SUSANTIO
Chief Operating Officer

Ms. Melissa Susantio joined our Group in 2017 and was previously our Operations, Marketing & IT Manager. She was appointed as our Chief Operating Officer on 1 May 2022. She is responsible for the overall operation of our Group's clinics including ensuring that every clinic within our Group conforms to a common operating procedure and process, obtains and maintains the necessary regulatory licences, and adheres to stringent standard of procedures, clinical guidelines and safety procedures. She is also responsible for the execution of the Group's business and marketing plans, in addition to the development and implementation of the Group's IT policies and procedures to ensure data security and integrity of patients' information. Ms. Susantio started her career as an auditor in Ernst & Young in 2014. She moved to United Overseas Bank as a personal banker in 2016, before joining our Group in 2017.

Ms. Susantio graduated from University of London with a Bachelor of Science in Accounting and Finance in August 2013.

MS. LEE HUI THENG
Chief Nursing Officer

Ms. Lee Hui Theng has been with our Group since 2009 and was previously our Nurse Manager and Human Resource Manager. She was appointed as our Chief Nursing Officer on 1 May 2023. She is responsible for upholding the Group's nursing standard in accordance with the guidelines under the Ministry of Health. She has 23 years of nursing experience of which about 16 years is with the company, where she has accumulated in-depth experience and knowledge of our Group's operations. Ms. Lee previously worked at Singapore General Hospital in the Neuro Surgical ward and Endoscopy Centre before joining Heah Colorectal Endoscopy & Piles Centre as a Clinic Nurse in 2009.

Ms. Lee graduated from the Institute of Technical Education in January 2003 with a Certificate in Nursing and was the recipient of the Singapore General Hospital Service Quality Award in August 2006.

GROUP
STRUCTURE

HC SURGICAL SPECIALISTS LIMITED

- **100%** Heah Sieu Min (Mt E) Pte. Ltd.
- **100%** Heah Sieu Min (Bukit Batok) Pte. Ltd.
- **100%** Hannah Medical Pte. Ltd.
- **100%** HC (GM) Pte. Ltd.
- **100%** HC (Hillford) Pte. Ltd.
- **100%** Medical Services @ Tampines Pte. Ltd.

- **100%** CKH (Farrer Park) Pte. Ltd.
- **100%** HC (TPY) Pte. Ltd.
- **100%** HC (AMK) Pte. Ltd.
- **100%** HC (Ming) Pte. Ltd.
- **30%** HC (Siglap) Pte. Ltd.

- **100%** Jason Lim Endoscopy and Surgery Pte. Ltd.
- **100%** GMH Endoscopy & Surgery Pte. Ltd.
- **70%** KPO Endoscopy & Surgery Pte. Ltd. (formerly known as Julian Ong Endoscopy & Surgery Pte. Ltd.)
- **51%** LAI BEC Pte. Ltd.
- **100%** Medical L & C Services Pte. Ltd.
- **70%** Medistar Services Pte. Ltd.
- **51%** Malcolm Lim Pte. Ltd.

- **35%** Total Orthopaedics Pte. Ltd.
- **50%** HC Orthopaedics & Surgical Centre Pte. Ltd.

OUR
SERVICES

"Our Group is 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 clinics located throughout Singapore."

OUR SERVICES

Endoscopic procedures are either diagnostic or therapeutic, and can be used to identify and determine how best to treat conditions of the digestive system. During the procedure, a variety of instruments can be passed through the endoscope to diagnose and treat, among others, constipation, loose stools, irritable bowel syndrome, abdominal bloating, or discomfort and bleeding during motion.

Other conditions treated by our Group include:

01	HAEMORRHOIDS
02	ANAL FISSURE
03	ANAL ABSCESS
04	ANAL FISTULA
05	LIPOMAS AND CYSTS
06	HERNIA
07	CHOLECYSTITIS
08	APPENDICITIS
09	COLORECTAL CANCER
10	GASTRIC CANCER

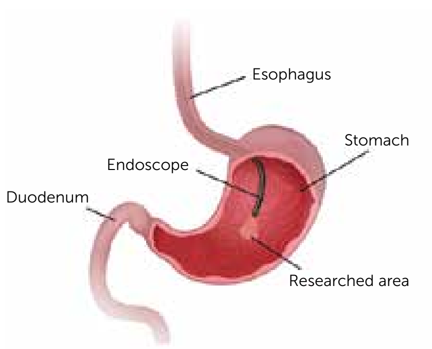
OUR
SERVICES

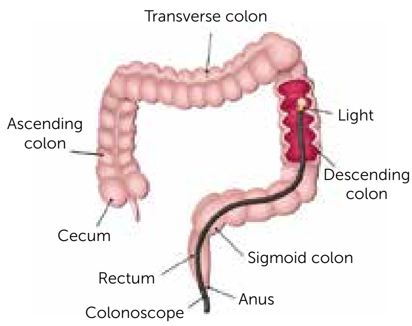
Information on some of the typical endoscopic procedures we perform, the conditions we treat and related treatments commonly carried out by us are set out as follows:

ENDOSCOPIC PROCEDURES

Endoscopy is a non-surgical procedure used to examine the digestive tract. An endoscope or colonoscope is a thin, flexible tube with light and camera attached at one end and is used to view the stomach/colon through a TV monitor. Polypectomies may also be performed during endoscopy to remove polyps (growths) found in the stomach/colon. These are commonly done to evaluate:

- 01 Abdominal pain, bloating or discomfort
- 02 Reflux symptoms, gastritis
- 03 Bleeding in the digestive tract, bleeding per rectum, blood in stools
- 04 Constipation, loose stools, change in bowel habit, irritable bowel syndrome (IBS)
- 05 Nausea, vomiting
- 06 Loss of weight, loss of appetite
- 07 Anaemia
- 08 Family history of stomach/ colon cancer





GASTROSCOPY

Gastroscopy is sometimes referred to as an upper gastrointestinal endoscopy. It allows specialists to view the inside of a patient's oesophagus, stomach and duodenum through the TV monitor.

It is often used to:

- Investigate problems such as difficulty in swallowing or persistent abdominal pain.
- Diagnose conditions such as gastritis, stomach ulcers or gastro-oesophageal reflux diseases and stomach cancer.
- Treat conditions like bleeding ulcers, blockage in the oesophagus, polyps or small benign tumours.

COLONOSCOPY

Colonoscopy is a procedure which enables the specialists to view the inside of the colon (large intestine). It is best known as a screening tool for early detection of colon cancer and is often used to investigate other diseases of the colon, resulting in abdominal discomfort, anaemia, blood in stool, diarrhoea, change in bowel habits, and unexplained weight loss. It can also be used in the treatment of bleeding diverticulitis, and polyps removal (which are the precursors of cancers).

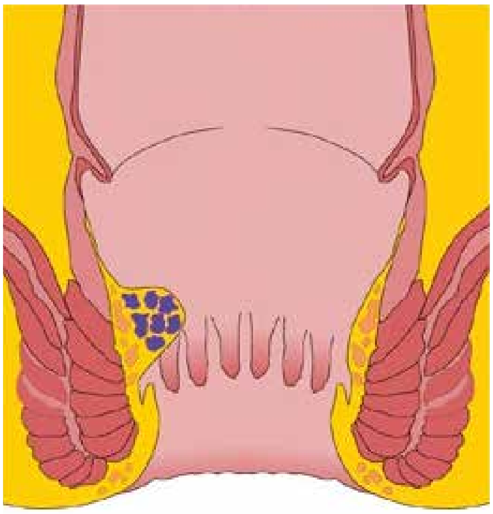
OUR
SERVICES

TYPES OF OTHER DISEASES

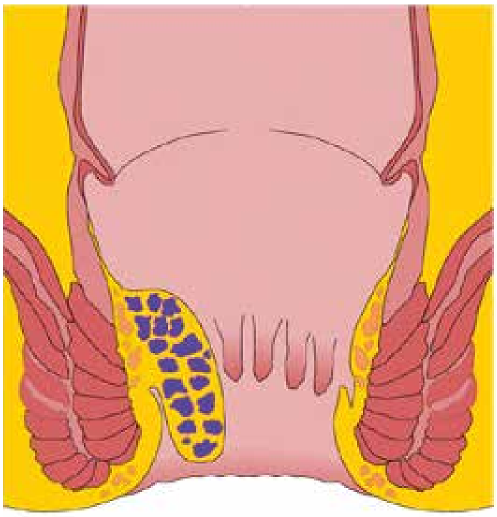
HAEMORRHOIDS

Haemorrhoids, commonly known as piles, are swelling or enlarged blood vessels found inside or around the rectum or anus. Symptoms typically include bleeding when passing motion and/or anal lump. Haemorrhoidectomy using Ligasure, Haemorrhoid Energy Therapy, and Ligation of Piles are some of the treatments done in our centres.

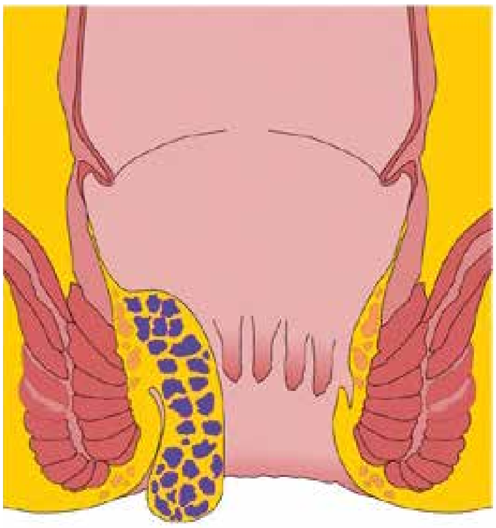
Haemorrhoids can be classified into four stages:



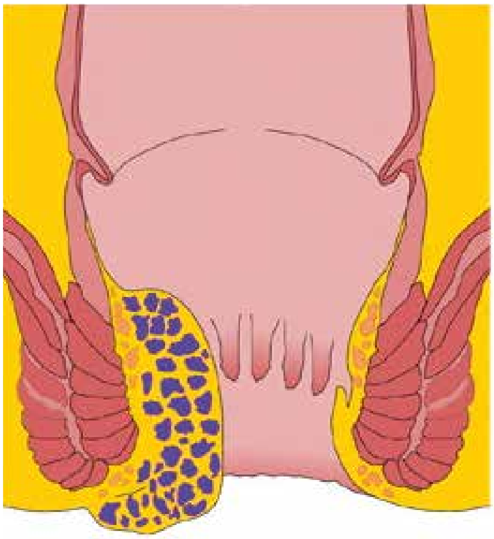
FIRST DEGREE
Internal piles that bleed, but do not prolapse past the anus (or 'pop out').



SECOND DEGREE
Piles that prolapse past the anus during bowel movement but reduce spontaneously.



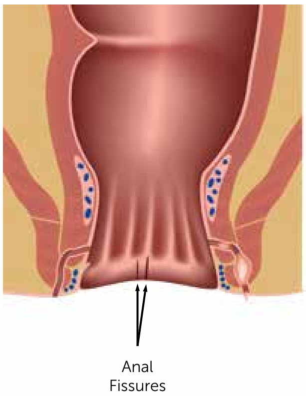
THIRD DEGREE
Piles that are prolapsed and must be manually reduced.



FOURTH DEGREE
Piles that are permanently prolapsed and cannot be reduced, or piles with painful blood clots.

OUR SERVICES

TYPES OF OTHER DISEASES

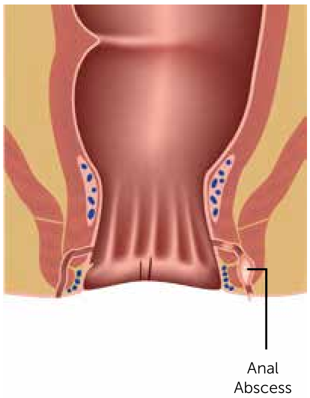


ANAL FISSURE

An anal fissure is a small tear in the mucosa lining of the anus. Anal fissures can be acute or chronic.

This usually occurs after passing out hard stools. Pain is often severe and common symptoms include:

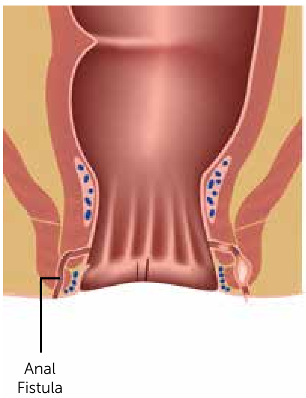
- Sharp anal pain on defecation, especially after hard stools
- Throbbing pain that persists after passing motion
- Blood on passing motion
- Loose skin felt at area of pain (sentinel skin tag)



ANAL ABSCESS

Anal abscess is the build-up of pus in the rectum and anus.

Symptoms include anal pain and fever. If this is not fully treated, it can lead to anal fistula. Treatment usually involves draining the infected fluid and dressing of the wound after the operation.



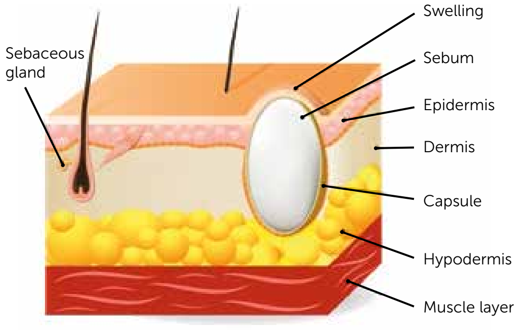
ANAL FISTULA

Anal fistula is a small channel that can develop between the end of the bowel and the skin near the anus, usually the result of an infection near the anus causing a collection of pus in the nearby tissues. When the pus drains away, it leaves behind a small tunnel. Common symptoms can include skin irritation, anal discomfort, smelly anal discharge, swelling and fever.

Fistulectomy is often done as a treatment for anal fistula whereby the surgeon uses a probe to find the fistula's internal opening. Following that, the tract is cut open, scraped and the contents are flushed out. The wound is then dressed till the wound heals.

OUR
SERVICES

TYPES OF OTHER DISEASES

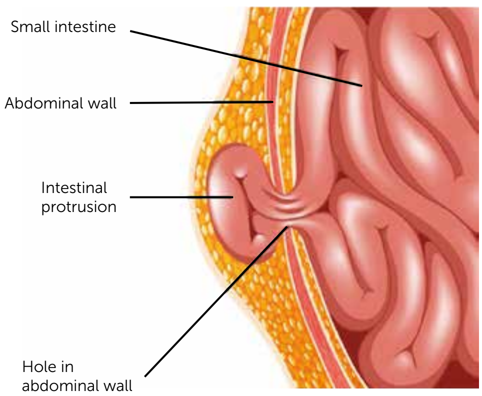


LIPOMAS AND CYSTS

Lipomas are soft, fatty lumps that grow underneath the skin. They are usually harmless and can be left alone. They are benign and are caused by an overgrowth of fat cells. They can grow anywhere in the body, but are commonly seen at the shoulders, neck, chest, arms, back, buttock and thigh.

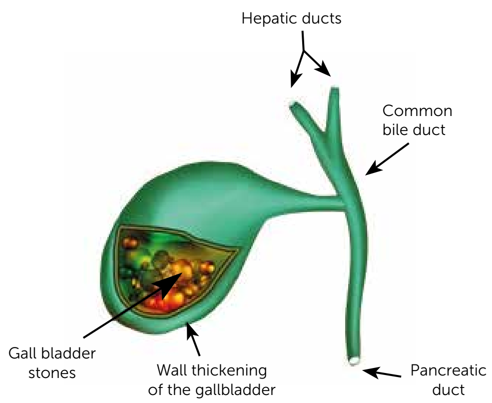
Cysts are sacs under the skin that contains fluids and can be mistaken as a lipoma. Surgical treatments are carried out when they cause pain.

Lipomas and cysts can be removed in our centres under local anaesthesia, by cutting the skin over the lump, removing the lipoma/cyst and stitching it up.



HERNIA

A hernia is a gap or space in the strong tissue that holds muscle in place. It occurs when the inside layers of the abdominal muscle weaken, resulting in a bulge tear. The inner lining of the abdomen pushes through the weakened area of the abdominal wall to form a small sac. Hernia can cause discomfort, severe pain or other potentially serious problems that could require emergency surgery.



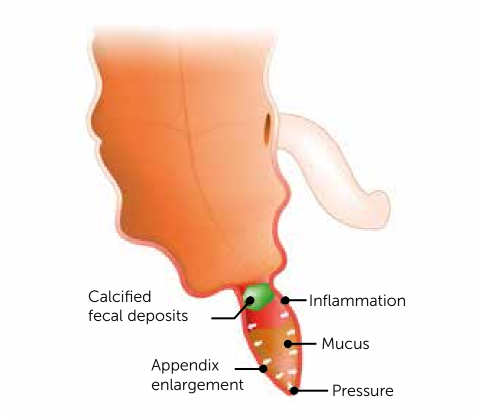
CHOLECYSTITIS

Cholecystitis is the inflammation of the gallbladder, commonly caused by an obstruction of the cystic duct by gallstones arising from the gallbladder (cholelithiasis).

The common symptoms are nausea, vomiting, right upper abdominal pain, and occasionally fever. Cholecystitis can be diagnosed through ultrasound. The treatment for cholecystitis is Laparoscopic Cholecystectomy (making small incisions in the abdomen to remove the gallbladder).

OUR
SERVICES

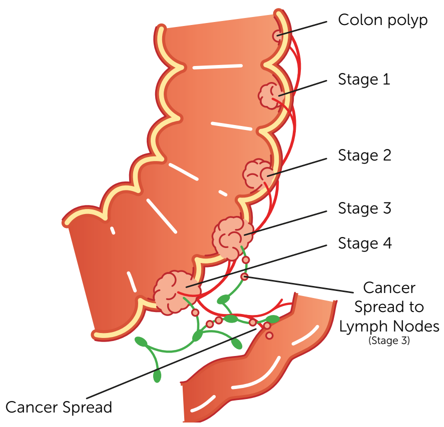
TYPES OF OTHER DISEASES



APPENDICITIS

Appendicitis is the inflammation of the appendix, a finger-shaped pouch that projects from your colon on the lower right side of your abdomen. The appendix does not seem to have a specific purpose. Appendicitis causes pain in your lower right abdomen.

However, in most people, pain begins around the navel and then moves. As inflammation worsens, appendicitis pain typically increases and eventually becomes severe. Although anyone can develop appendicitis, most often it occurs in people between the ages of 10 and 30. Standard treatment is surgical removal of the appendix.

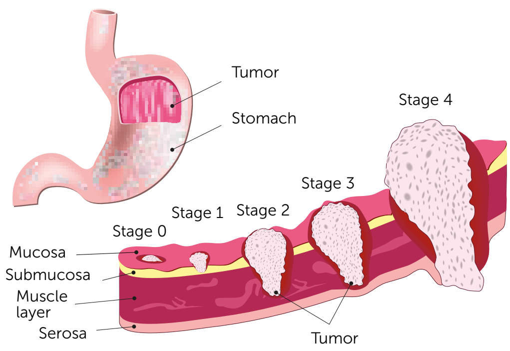


COLORECTAL CANCER

Colorectal cancer is the cancer of the colon and rectum. It develops from polyps that grow on the inner wall of the colon/rectum. Polyps are usually benign lumps. However, certain polyps may develop into cancer overtime. Polyps may be small and usually do not cause any symptom. For this reason, doctors recommend regular screening tests (colonoscopy) as a prevention by removing the polyps before they develop into colon cancer.

The common symptoms of colorectal cancer are:

- rectal bleeding
- change in bowel habits (e.g. constipation and diarrhoea)
- abdominal pain, bloating, symptoms of anaemia (fatigue, breathlessness, dizziness etc.)
- weight loss



GASTRIC CANCER

Stomach cancer, also known as gastric cancer, is cancer developing from the lining of the stomach. Early symptoms may include heartburn, upper abdominal pain, nausea and loss of appetite. The most common cause is infection by the bacterium Helicobacter Pylori, which accounts for more than 60% of cases. Certain types of Helicobacter Pylori have greater risks than others. However, these can be treated medically if detected early.

Gastroscopy is used to diagnose the condition, after which gastrectomy may be done for the treatment (removal of part or whole of the stomach).

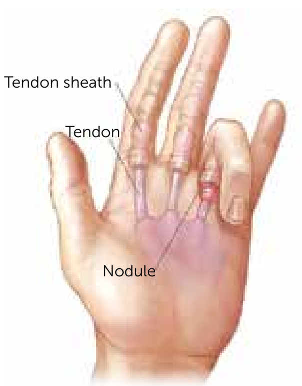
OUR
SERVICES

ORTHOPAEDIC SERVICES

WE ALSO PROVIDE ORTHOPAEDIC SERVICES AS FOLLOWS:

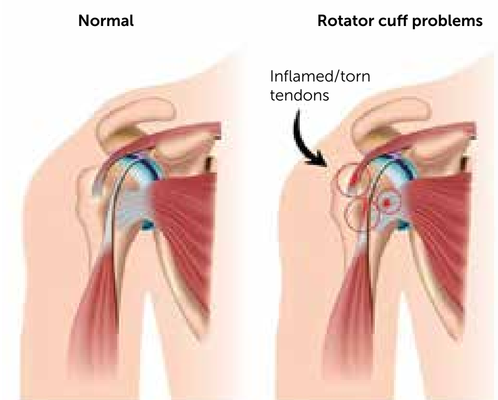
- Joint Pain
- Sports injuries - Shoulder instability, Superior labral tears, Meniscus tears, Knee ligaments injuries, Ankle instability
- Elbow Plica syndrome
- Osteoarthritis
- Rotator Cuff tears
- Trigger Finger
- De Quervain Tenosynovitis
- Carpal Tunnel Syndrome
- Wounds
- Lumps/Bumps
- Joint Replacement (Shoulder/Elbow/Knee)
- Arthroscopic Surgery
- Knee osteotomy/Realignment surgery
- Endoscopic Spine Surgery
- Disc replacements
- Spinal Decompression and stabilisation
- Fractures
- Orthobiologic Injections

TYPES OF OTHER CONDITIONS



CONDITION 1:

Trigger Finger - Trigger finger is a condition that occurs when the tendons in the fingers or thumb become inflamed or irritated, causing the finger or thumb to become stuck in a bent position or click on movement. Management varies, depending on the severity of the condition. In its early stages, it is managed conservatively with anti-inflammatories and a splint to immobilise it. As the condition progresses, alternative management options include a hydrocortisone and lignocaine injection or a surgical release of the A1 pulley.

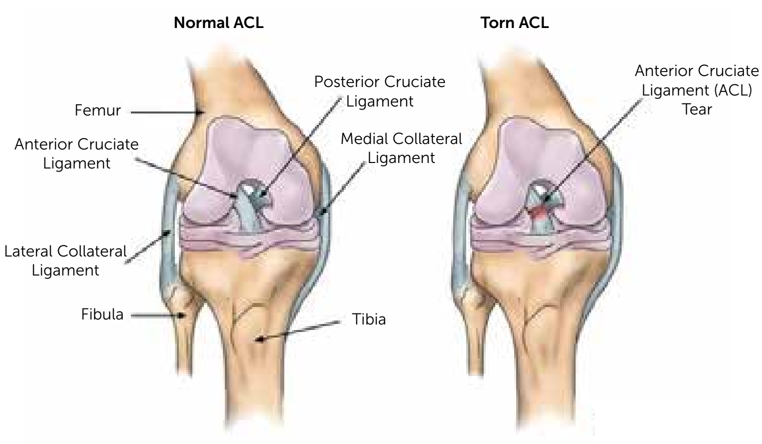


CONDITION 2:

Shoulder Rotator cuff tears - The rotator cuff is a group of muscles around the shoulder joint that hold it in place and work together to control shoulder movements. Symptoms like pain, weakness and limitations in shoulder movement occur when it gets injured or torn due to overuse or acutely after an injury, typically a high energy fall. Management varies depending on various factors like patient age, functional limitations and size of tear. Surgical management options commonly involve a shoulder arthroscopy and repair if conservative management fails.

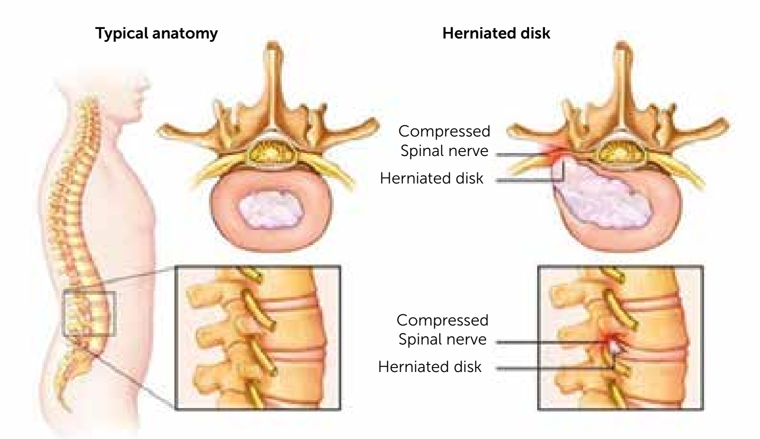
OUR
SERVICES

TYPES OF OTHER CONDITIONS



CONDITION 3:

Knee Anterior Cruciate ligament (ACL) tears - The ACL is a ligament that is involved in knee stabilisation, in particular anterior movement of the tibia (shinbone) in relation to the femur (thigh bone). Injuries tend to occur in high demand athletes who sustain a rotational force when they change their direction during sports or from a direct impact when they get tackled during a game. Typical symptoms include knee swelling, pain, instability and difficulty walking. Diagnosis is usually confirmed with a detailed history, physical examination and a MRI scan. In young patients, surgical reconstruction of the ACL is usually recommended with a dedicated rehabilitation programme post-surgery.

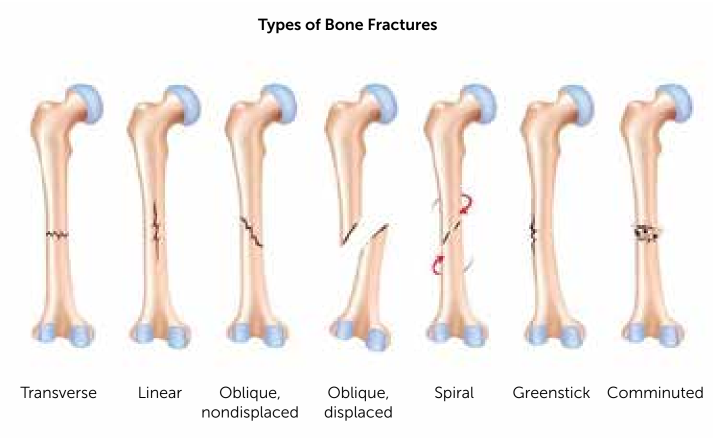


CONDITION 4:

Prolapsed Intervertebral Discs (Spine) - An intervertebral disc sits between the vertebrae (bone) in the spine. It allows some mobility between individual segments of the spine, links each level of the spine together and also acts as a shock absorber. It is contained by anterior and posterior longitudinal ligaments. With injury, it can prolapse through a weakness in the posterior ligament and potentially compress the nerves of the spine. When this occurs, patients typically experience pain, numbness and weakness. In some instances, where the prolapsed disc is large and compresses many nerves, it can lead to incontinence and this constitutes a surgical emergency. In a simple prolapsed disc, typical first line management involves NSAIDS and physiotherapy. If this fails, surgical decompression and removal of the prolapsed disc is needed.

OUR
SERVICES

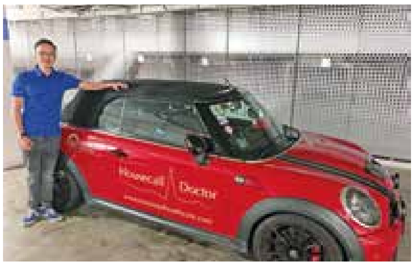
TYPES OF OTHER CONDITIONS



CONDITION 5:

Fractures - A fracture is a complete (or partial) break in a bone. This tends to occur when a large force hits the bone e.g. fall, car accidents etc. A fracture can be closed (skin intact) or open (break in skin with exposed bone). If an open fracture occurs, urgent surgery is needed to clean the wound and fix the fracture. In closed fractures, where appropriate, some can be managed by immobilisation with a cast or alternatively, by surgical fixation with plates and screws or with nails/rods.

OTHER SERVICES



HOME CARE SERVICES

Home care is providing supportive care in the home, thereby allowing a person with special needs to receive the care they need within the comfort of their home. It is usually meant for people who are getting older, chronically ill, recovering from surgery, or disabled. The home care services provided by HCSS are:

- Home Medical Services
- Home Nursing Services
- Home Physiotherapy Sessions
- Home Speech Therapy Services
- Home Occupational Therapy Visits
- Private Ambulance Services

PHPC / SASH / CHAS / COVID-19 SWAB TEST SERVICES

Our general practitioner clinic, ACMS Medical Clinic, is located in central Orchard area and provides a range of services, including:

- health screening
- management of acute and chronic conditions
- pre-employment check-up

In addition, it is also enrolled in the following:

- Public Health Preparedness Clinic (PHPC) scheme
- Swab and Send Home (SASH) Programme
- Community Health Assist Scheme (CHAS)
- Pre-departure COVID-19 Swab Test
- COVID-19 PCR Swab Test

OTHER ANCILLARY SERVICES

We also provide general consultation and diagnostic services for patients to aid in our diagnosis. This includes a range of diagnostic tests including blood tests, X-Rays, Ultrasound, CT Scans and MRIs.

OUR SPECIALISTS

- GENERAL SURGERY

DR. HEAH SIEU MIN

MBBCh,
FRCSEd (General Surgery),
FAMS General Surgeon

Dr. Heah graduated from the National University of Ireland in 1990 with a Bachelor's degree in Medicine and Surgery. After completing his housemanship in Ireland, he returned to Singapore where he worked in various hospitals, including Tan Tock Seng Hospital, Singapore General Hospital and KK Women's and Children's Hospital. He obtained his FRCSEd in general surgery in 1994, and was accredited as a specialist in general surgery by the Ministry of Health and the Singapore Medical Council in 1999. Dr. Heah obtained his FAMS in general surgery in 2000. Dr. Heah established his private practice in 2007.

DR. CHIA KOK HOONG

MBBS (Singapore),
FRCSEd (General Surgery),
FAMS General Surgeon

Dr. Chia graduated from the National University of Singapore in 1986 with a Bachelor's degree in Medicine and Surgery. He obtained his FRCSEd in 1991, and in 1998, he was accredited as a specialist in General Surgery by the Ministry of Health. Dr. Chia had subspecialty training in vascular surgery and renal transplant surgery. He obtained his FAMS in 2000. After spending 23 years in the public healthcare sector, Dr. Chia established his private practice in 2009.

Dr. Chia had served as a member of professional committees such as the Ministry of Health Specialist Training Committee for General Surgery and was an elected member of the Singapore Medical Council from October 2016 to October 2019.

OUR SPECIALISTS

- GENERAL SURGERY

DR. LAI JIUNN HERNG

MBBS (Singapore),
MRCSEd (Surgery),
M.Med (Surgery),
FRCSEd (General Surgery)

Dr. Lai obtained his Bachelor's degree in Medicine and Surgery (MBBS) from the National University of Singapore in 1998. He went on to obtain his Membership in Surgery from the Royal College of Surgeons of Edinburgh (MRCSEd) in 2004, and received his Master of Medicine in Surgery (M.Med) from the National University of Singapore in 2005.

He completed his advanced surgical training and was awarded the Fellowship in General Surgery from the Royal College of Surgeons of Edinburgh (FRCSEd) in 2009. He specialises in colorectal and general abdominal surgery, endoscopy and proctology. His subspecialties include minimally invasive and robotic colorectal surgery, advanced endoscopy (endoscopic mucosal resection) and new techniques in piles and anal fistula surgery.

Dr. Lai is Past President of the Society of Colorectal Surgeons, Singapore (SCRS). He completed his stint on the Mt Elizabeth Hospital Medical Advisory Board as the General Surgery Representative (July 2021-June 2023). He sits on the Board of Directors of Asia Pacific Endo-Laparoscopy Group (APELS) and is a lifetime member of the Endoscopic and Laparoscopic Surgeons of Asia (ELSA). Dr. Lai is actively involved in post-graduate surgical teaching as well as endo-laparoscopic workshops for surgeons in the Asia Pacific region. Dr. Lai joined our Group in November 2016.

DR. JASON LIM

MBBS (Singapore),
M.Med (Surgery),
FRCSEd (General Surgery),
FAMS

Dr. Lim graduated from the Faculty of Medicine, National University of Singapore in 2006 with a Bachelor of Medicine and Bachelor of Surgery (MBBS). After completing his housemanship in Singapore General Hospital and his National Service in the Singapore Armed Forces, Dr. Lim commenced on his general surgical specialist training in 2009. He obtained the position of Registrar in the Department of Colorectal Surgery, Singapore General Hospital in 2011, and subsequently completed his Master of Medicine (Surgery) in 2012.

Dr. Lim was admitted as a Fellow of the Royal College of Surgeons, Edinburgh in 2015 and undertook a fellowship in Advanced Proctology, Functional Bowel Disorders and Pelvic Floor Disorders in Aarhus University Hospital, Denmark. He was a Consultant Surgeon in the Department of Colorectal Surgery, Singapore General Hospital prior to leaving for private practice. Dr. Lim was a member of the Medical Board and Department Quality Officer at Singapore General Hospital. Dr. Lim was also a Clinician Lead, Same Day Admission Centre. He was a co-Chair for both Clinical Quality Improvement Committee and Clinical Learning Environment Review Committee at SingHealth Surgical Residency Program. Dr. Lim joined our Group in August 2018.

OUR SPECIALISTS

- GENERAL SURGERY

DR. GOH MINGHUI

MBBS (Singapore),
M.Med (Surgery),
FRCSEd (General Surgery)

Dr. Goh graduated from Yong Loo Lin School of Medicine, National University of Singapore in 2007 and started her surgical training at Singapore General Hospital in 2008.

In 2016, Dr. Goh received her Specialist Accreditation with Ministry of Health in General Surgery and in 2018, she was made Consultant Surgeon in the Department of Colorectal Surgery at Singapore General Hospital. Dr. Goh was awarded the SingHealth Manpower Development Plan award in 2018 and embarked on a one-year fellowship at Prince of Wales Hospital in Hong Kong where she was trained in minimally invasive techniques for colorectal surgery.

Dr. Goh joined our Group in July 2020.

DR. ONG KIAN PENG

MBBS (Singapore),
M.Med (Surgery),
FRCSEd (General Surgery),
FAMS

Dr. Ong is a Consultant General and Colorectal Surgeon at KP Ong Endoscopy & Surgery. His areas of interest are in endoscopy and in minimally invasive surgery, particularly in laparoscopic surgery for colorectal cancer. Dr. Ong also focuses on the management of all other colorectal conditions and surgery for perianal conditions. He has performed many colon and rectal surgeries in both laparoscopic and open techniques. He is an accredited console surgeon in robotic-assisted laparoscopic surgery. In addition, Dr. Ong also has an interest in the field of trauma surgery, being an accredited instructor in the Advanced Trauma Life Support (ATLS) training program.

After graduating with a medical degree from the National University of Singapore, Dr. Ong fulfilled his years of residency and proceeded to complete his fellowships in the Royal College of Surgeons of Edinburgh. He earned his Master's Degree of Medicine (Surgery) from the National University of Singapore, Faculty of Medicine. He is also a Fellow of the Academy of Medicine, Singapore, Chapter of General Surgeons.

Dr. Ong was Associate Consultant at the Department of Colorectal Surgery, Singapore General Hospital (2009 – 2011), one of the most progressive colorectal surgical units in the region. He was also Consultant Surgeon at the Pacific Surgical and Colorectal Centre (2011 – 2013), before setting up partnership in Colorectal Surgeons, Inc. (2013-2017). He joined HC Surgical Specialists as a Consultant General and Colorectal Surgeon in 2017.

Aside from his passion for medicine and surgery, Dr. Ong is an all-rounded individual with keen interests in motorsports and sports. He has been actively involved in the Singapore SingTel Formula One Grand Prix since its induction in 2008 and has previously served as Deputy Chief Medical Officer of the event.

OUR SPECIALISTS

- ORTHOPAEDIC SURGERY

DR. BENJAMIN SEAH

MBBS (London), BSc (Ortho Sc), M.Med (Ortho), MRCSEd (Ortho), FRCSEd (Ortho)

Dr. Benjamin Seah graduated from the University College London Medical School (UK) in 2008 and was awarded the University College London-Singapore Undergraduate Scholarship. During his undergraduate years, he dedicated a year towards research at the Royal National Orthopaedic Hospital, Stanmore, United Kingdom, and graduated with First Class Honours in Orthopaedic Sciences (Bachelor of Science) in 2005. He obtained his postgraduate Membership of the Royal College of Surgeons (Edinburgh) in 2011, and his Masters of Medicine (Orthopaedic Surgery) in 2013. He furthered his expertise by obtaining a Fellowship of the Royal College of Surgeons (Edinburgh) in Orthopaedic Surgery in 2017 and completed an Upper Limb Orthopaedic Fellowship in Australia in 2019. Valuable experience in managing Complex Rotator cuff injuries and Shoulder Tendon Transfer Surgeries was also gained during his time at Asan Medical Centre, Seoul (South Korea).

Dr. Seah's contributions extend beyond clinical practice. He actively participates in medical innovation and mentors aspiring healthcare professionals. He currently advocates the use of sensor-based technology in the rehabilitation of shoulder and knee conditions, adopts the use of a Bioinductive patch for augmentation of selected rotator cuff repairs and established a unique 4-Dimensional CT Elbow imaging system for complex elbow injuries. In June 2023, Dr. Seah joined our Group, bringing his wealth of expertise and achievements to our team.

OUR SPECIALISTS

- ORTHOPAEDIC SURGERY

ADJ ASSOC PROF DR. HAMID RAZAK

MBBS (NUS), GDFM (NUS),
MMed (Ortho),
MRCSGlasg FRCSGlasg (Tr&Orth)
FRCSEd (Orth), FAMS (Orth Surg),
MPH (NUS)

Dr. Hamid Razak brings over 15 years of dedicated experience in orthopaedic surgery, specialising in knee preservation and sports medicine. Before entering private practice, Dr. Hamid served as the Lead for Sports & Joint Preserving Osteotomy Services at Sengkang General Hospital and as Site Chief of the SingHealth Sports & Exercise Medicine Centre. He completed research and clinical fellowships at Imperial College London and the London Knee Osteotomy Centre, and was awarded the Royal College of Physicians & Surgeons of Glasgow Travelling Fellowship to train at the Nuffield Orthopaedic Centre in Oxford, where he was trained in utilising the Oxford Partial Knee implant, enhancing treatment options for patients. In 2023, he was awarded the prestigious International Cartilage Regeneration & Joint Preservation Society (ICRS) Clinical Travelling Fellowship, where he visited leading European centres performing state-of-the-art joint preservation procedures.

Dr. Hamid is an accomplished academic and researcher with over 100 peer-reviewed publications and multiple research grants. He is also the Vice-President of the Singapore Knee Preservation Society, which he co-founded. He teaches and mentors regularly as an Adjunct Associate Professor at Duke–NUS Medical School and is also a visiting consultant at Singapore General Hospital, Sengkang General Hospital and Woodlands Health.

Dr. Hamid's service extends beyond medicine. He is the recipient of the Singapore Youth Award (2018), and co-founded IMPROF, a ground-up organization. Dr. Hamid also sits on the boards of SINDA, the National Youth Council, and the Singapore Prison Service.

In May 2025, he was elected as Member of Parliament for West Coast–Jurong West GRC, where he focuses on healthcare accessibility, health literacy, social mobility, and youth engagement.

OUR SPECIALISTS

- ORTHOPAEDIC SURGERY

DR. HUANG YILUN

MBBS, MMED (Ortho),
MRCS (Glasg),
FRCSEd (Orth Surg)

Dr. Huang graduated from the Yong Loo Lin School of Medicine, National University of Singapore (NUS), in 2007. He went on to obtain the Membership of the Royal College of Surgeons (Glasgow) in 2011, a Master of Medicine (Orthopaedic Surgery) in 2013, and completed his Fellowship of the Royal College of Surgeons (Edinburgh) in Orthopaedic Surgery in 2018.

In 2022, Dr. Huang was appointed the Spine Service Site Chief at Sengkang General Hospital (SKH) for the SingHealth Duke Spine Centre. He also served as the Lead for Spine Surgery within the Department of Orthopaedic Surgery at SKH.

An active contributor to medical education, Dr. Huang has been a faculty member at both the Yong Loo Lin School of Medicine (NUS) and Lee Kong Chian School of Medicine (LKCMedicine), Nanyang Technological University (NTU) since 2019. He currently serves as the SKH Education Lead for LKCMedicine and holds the academic title of Clinical Assistant Professor with the SingHealth Duke-NUS Academic Medical Centre.

In 2024, Dr. Huang was appointed Lead of the Endoscopic Spine Surgery Focus Group within the Singapore Spine Society. He also serves as a teaching faculty member for AO Trauma Singapore and the global Endoscopic Spine Surgery Academy (ESPINEA).

Dr. Huang has received multiple accolades in recognition of his contributions to education and patient care. These include the Best Tutor Award from the NUS Medical Society (2016), a Special Recognition Award from LKCMedicine (2022), the Gold Award at the Singapore Health Quality Service Awards (2023), and the prestigious STAR Award (2024).

Dr. Huang's subspecialty is spinal surgery, with a particular focus on minimally invasive techniques involving both the cervical and lumbar spine. He has a strong interest in endoscopic spine surgery and completed fellowship training in this area at Himnaera Hospital in Busan, South Korea.

His other clinical interests include cervical and lumbar spinal disc replacement, spinal injections and pain management procedures (including radiofrequency ablation, nucleoplasty, and annuloplasty). Beyond spinal surgery, he has a passion for the use of external ring fixators in complex trauma and limb deformity correction, as well as minimally invasive pelvic surgery.

OUR GENERAL PRACTITIONERS

Dr. Lim graduated from the Royal College of Surgeons in Ireland with a Licentiate of the Royal College of Physicians of Ireland & Royal College of Surgeons in Ireland, Bachelor of Medicine and Bachelor of Surgery and Bachelor in the Art of Obstetrics in 1992. He completed his housemanship at the Singapore General Hospital and Kandang Kerbau Hospital from 1992 to 1993, after which he served as a medical officer with the Singapore Armed Forces for 2 years. In 1995, he joined Healthway Medical Group as a general practitioner and in 2005, Dr. Lim moved to Pacific Healthcare Holdings where he worked as a general practitioner, before joining our Group in July 2016.

DR. MALCOLM LIM

LRCP & SI,
MB Bch,
BAO (NUI)

Dr. Tan graduated from the Royal College of Surgeons in Ireland with a Licentiate of the Royal College of Physicians of Ireland & Royal College of Surgeons in Ireland, Bachelor of Medicine and Bachelor of Surgery and Bachelor in the Art of Obstetrics in 1991. She started her career in Ireland as a houseman at the James Connolly Memorial Hospital, and at the Letterkenny General Hospital. Dr. Tan served as a medical officer at the National University Hospital from 1993 to 1995 where she received training in general orthopaedic surgery. She later joined Healthway Medical Group as a general practitioner in 1995 and subsequently moved on to Pacific Healthcare Holdings in 2005, before joining our Group in July 2016.

DR. TAN SEE LIN

LRCP & SI,
MB Bch,
BAO (NUI)

OUR GENERAL
PRACTITIONERS

DR. LAI JUNXU

MBBS (Singapore),
Dip (Fam Med),
Dip (Pall Med),
DWD (CAW)

Dr. Lai obtained his Bachelor's Degree in Medicine and Surgery in 2008 from the National University of Singapore. Since November 2013, Dr. Lai has been running the home care programme for patients from Yong-En Care Centre. In 2014, he started his collaboration with Thye Hua Kwan Moral Charities Ensuite home care. Dr. Lai completed his Graduate Diploma in Palliative Medicine in 2016. In 2016, Dr. Lai helped the Agency for Integrated Care's Holistic care for Medically-advanced patients (HOME) programme – a palliative home care service for patients with end-stage organ diseases; and Jurong Health Services with their Sub-acute ambulatory care for Functionally challenged and/or Elderly (SAFE) programme. Concurrently, Dr. Lai expanded his home care service by collaborating with Kwong Wai Shiu Hospital and Home Nursing Foundation. Dr. Lai also clinched the contract to provide nursing home care to the residents at Ren Ci Nursing Home @ Bukit Batok from 2016-2019. Dr. Lai joined our Group in June 2017. In 2017, Dr. Lai also helped to provide medical consultation service to Khoo Teck Phuat Hospital's GeriCare@North Nursing Home patients. From 2018-2024, Dr. Lai also provided in-house medical cover for Pacific Healthcare Nursing Home – Senja Road. In 2019, Dr. Lai expanded his subsidised home medical cover to include the home care arm of THK Nursing Home @ Hougang. In 2023, Dr. Lai expanded this aspect again to cover the home care arm of Ang Mo Kio – Thye Hua Kwan Hospital. As of 2025, he has managed to get three other like-minded doctors to help with his vision of allowing patients to age gracefully and die peacefully at home.

DR. HANNAH CORINTHIANS TAN

MBChB (Glasgow),
Dip (Fam Med)

Dr. Tan graduated from the University of Glasgow (UK) in 2014. She completed her housemanship at the Glasgow Royal Infirmary (UK) before returning back to Singapore for the rest of her training.

From 2015-2021, she worked in various Singapore government institutions as a medical officer - honing her skills in acute medicine in an inpatient, emergency medicine and intensive care unit settings as well as chronic disease management in polyclinic setting, palliative medicine in a home hospice setting, geriatric and community medicine in a community hospital setting. Dr. Tan later went on to complete her Graduate Diploma in Family Medicine in 2022.

Dr. Tan joined our Group in March 2022 with the commitment to bring her energy and enthusiasm to impact patient relationships and communication, to enhance the Group's primary care service. Dr. Tan seeks to touch the lives of the young and old alike - in clinics, nursing homes, hospitals as well as home care. Her vision - serve where it matters.

OUR
TEAM

HC ENDOSCOPY & PILES CENTRE (TPY)

JIA YI, YUJIE, DR. HEAH SIEU MIN, HAZEL, XIN YU

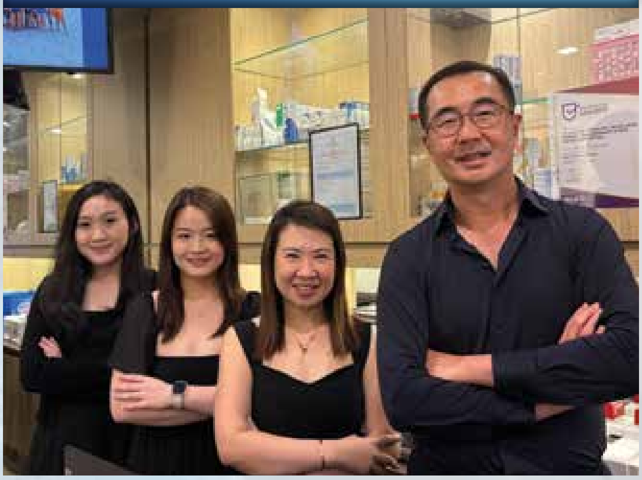
ENDOSCOPY, VEINS & PILES CENTRE

DR. CHIA KOK HOONG, CLOVER, CELINE, ATIKAH

THE MING CLINIC

SABRINA, DR. HANNAH CORINTHIANS TAN, JAMIE, JACQUELINE

HEAH ENDOSCOPY & PILES CENTRE (BUKIT BATOK)



CECILIA, JIA YI, HUI THENG, DR. HEAH SIEU MIN

HEAH COLORECTAL ENDOSCOPY & PILES CENTRE

DR. HEAH SIEU MIN, YUJIE, JIA YI, XIN YU, CARRIE

TOTAL ORTHOPAEDIC CARE & SURGERY

SHU YU, DR. HUANG YILUN, YI JING, YU TING

TOTAL ORTHOPAEDIC CARE & SURGERY (ORCHARD)

VANESSA, HUI PIN, DR. HAMID RAZAK, POH GUN, SHIRLEY

HC ORTHOPAEDICS & SURGICAL CENTRE (TAMPINES)

DR. BENJAMIN SEAH

OUR
TEAM

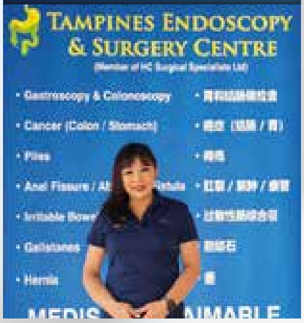
HC ENDOSCOPY & PILES CENTRE (SIGLAP)

LYNN

GOH MINGHUI ENDOSCOPY & SURGERY

HUI MING, DR. GOH MINGHUI, JUSTINA

TAMPINES ENDOSCOPY & SURGERY CENTRE



JOYCE

LAI ENDOSCOPY & COLORECTAL SURGERY

ALICE, CASSANDRA

HC ENDOSCOPY & PILES CENTRE (GM)

EMILY, LIN QI

HC ENDOSCOPY & PILES CENTRE (AMK)

DR. ONG KIAN PENG, SUMMER, YING TING, HUI THENG

HC ENDOSCOPY & PILES CENTRE (HILLFORD)

YUJIE

HC MING ENDOSCOPY & PILES CENTRE

BACK: SHARLENE, JAMIE, FARAH, MELCIA, ELIZABETH
FRONT: JACQUELINE, SABRINA

JASON LIM ENDOSCOPY & PILES CENTRE

JAYDE, YIPING, GERVIAN, DR. JASON LIM, DAPHNE, SEE KHIM, PHEDRE, XUELI

RV POINT (ACCOUNTS AND HR)

BACK: CHERYL, ASHLIN, KIT, MICHELLE, WENDY, SANDY
FRONT: NICHOLE, SOPHIA, THEODORA

LOCATIONS OF CLINICS

1 **HEAH COLORECTAL ENDOSCOPY & PILES CENTRE**
3 Mount Elizabeth
#12-06 Mount Elizabeth
Medical Centre
Singapore 228510
Tel: +65 6737 5335

2 **ENDOSCOPY, VEINS & PILES CENTRE**
1 Farrer Park Station Road #13-13
Connexion
Singapore 217562
Tel: +65 6443 6240

3 **HEAH ENDOSCOPY & PILES CENTRE (BUKIT BATOK)**
Blk 644 Bukit Batok Central
#01-70 (2nd storey)
Singapore 650644
Tel: +65 6665 1355

4 **HC ENDOSCOPY & PILES CENTRE (GM)**
21 Ghim Moh Road
#01-141 Ghim Moh Gardens
Singapore 270021
Tel: +65 6265 4058

5 **HC ENDOSCOPY & PILES CENTRE (HILLFORD)**
182 Jalan Jurong Kechil #01-66
The Hillford
Singapore 596152
Tel: +65 6463 4506

6 **HC ENDOSCOPY & PILES CENTRE (TPY)**
Blk 190
Toa Payoh Lorong 6
#01-572
Singapore 310190
Tel: +65 6686 6542

7 **TAMPINES ENDOSCOPY & SURGERY CENTRE**
Blk 801
Tampines Avenue 4
#01-273
Singapore 520801
Tel: +65 6786 0080

8 **HC MING ENDOSCOPY & PILES CENTRE**
1 Orchard Boulevard
#04-01/02
Camden Centre
Singapore 248649
Tel: +65 8870 0863

9 **HC ENDOSCOPY & PILES CENTRE (AMK)**
Blk 710A
Ang Mo Kio Ave 8
#01-2629
Singapore 561710
Tel: +65 6337 0449

10 **JASON LIM ENDOSCOPY & PILES CENTRE**
10 Sinaran Drive
#09-12 Novena Medical Center
Singapore 307506
Tel: +65 6553 0115

11 **LAI ENDOSCOPY & COLORECTAL SURGERY**
3 Mount Elizabeth
#05-06 Mount Elizabeth
Medical Centre
Singapore 228510
Tel: +65 6737 0027

12 **GOH MINGHUI ENDOSCOPY & SURGERY**
10 Sinaran Drive
#11-11,
Novena Medical Center
Singapore 307506
Tel: +65 6261 9008

13 **ACMS MEDICAL CLINIC**
1 Grange Road
#06-06
Orchard Building
Singapore 239693
Tel: +65 6262 5052

14 **THE MING CLINIC**
1 Orchard Boulevard
#04-01/02
Camden Centre
Singapore 248649
Tel: +65 6235 8166

15 **HC ENDOSCOPY & PILES CENTRE (SIGLAP)**
697 East Coast Road,
Singapore 459060
Tel: +65 6797 1020

16 **HC ORTHOPAEDICS & SURGICAL CENTRE (TAMPINES)**
Blk 801
Tampines Avenue 4,
#01-273,
Singapore 520801
Tel: +65 6374 1040

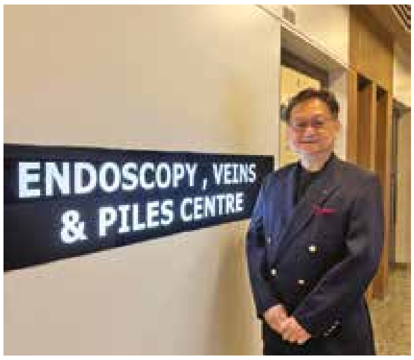
17 **TOTAL ORTHOPAEDIC CARE & SURGERY**
10 Sinaran Drive
#09-24,
Novena Medical Center
Singapore 307506
Tel: +65 6371 0640

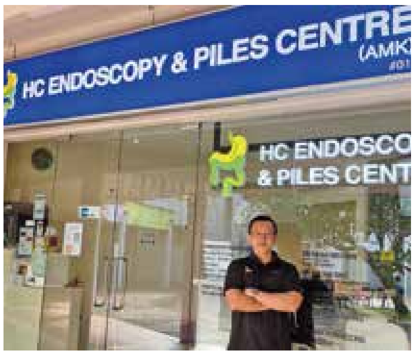
18 **TOTAL ORTHOPAEDIC CARE & SURGERY (ORCHARD)**
350 Orchard Road
#10-01
Shaw House
Singapore 238868
Tel: +65 6654 9800

LOCATIONS OF CLINICS

OUR ENDOSCOPY
CENTRES

> HC Surgical Specialists has eleven Endoscopy centres island-wide with eleven endoscopy rooms in total. Our endoscopy centres consist of a reception, waiting area, a consultation room and an endoscopy room.





Four of our centres are located within Mount Elizabeth Medical Centre Orchard, Farrer Park Medical Centre, Novena Medical Center and Camden Centre. The other centres are strategically located around Singapore, providing healthcare at your doorstep, near to transportation hubs like MRT and bus interchanges.

Each endoscopy centre is licensed and fully equipped for day-case endoscopy and minor colorectal procedures. Our team of experienced administrative staff with trained and dedicated nurses ensure a high standard of patient care for all our patients.

The centre comes with an endoscopy room and a recovery area where patients can rest after procedure is completed. We also have built-in washroom for patients' convenience to prepare their bowels before procedures like Colonoscopy.

FINANCIAL CONTENTS

42	Corporate Governance Report
64	Directors' Statement
68	Independent Auditor's Report
73	Statements of Financial Position
75	Consolidated Statement of Comprehensive Income
76	Consolidated Statement of Changes in Equity
78	Consolidated Statement of Cash Flows
80	Notes to the Financial Statements
144	Statistics of Shareholdings
146	Notice of Annual General Meeting
152	Disclosure of Information on Directors Seeking Re-election
	Proxy Form

CORPORATE GOVERNANCE REPORT

INTRODUCTION

HC Surgical Specialists Limited ("**HC Surgical**" or the "**Company**") and its subsidiaries (collectively, the "**Group**") are committed to maintaining a high standard of corporate governance to protect shareholders' interests and enhance shareholders' value. The Group adopts practices based on the Code of Corporate Governance 2018 (the "**Code**") issued on 6 August 2018. This report describes the Group's corporate governance practices that were in place throughout the twelve months ended 31 May 2025 ("**FY2025**"), with specific reference made to the principles and provisions as set out in the Code and Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of the Catalist (the "**Catalist Rules**") where applicable except where otherwise stated. Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code.

(A) BOARD

The Board's Conduct of its Affairs

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

The primary function of the Board of Directors (the "**Board**") is to provide effective leadership and direction and work with Management to enhance the long-term value of the Group to its shareholders and other stakeholders.

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

The Board has the overall responsibility for reviewing the strategic and financial plans, performance objectives, key operational initiatives, major funding and investment proposals, financial performance reviews and corporate governance practices.

In general, the principal duties of the Board include:–

- Approve the corporate direction and strategy of the Group and monitor the performance of Management;
- Review the adequacy and integrity of the Company's internal controls, risk management systems and financial information reporting system;
- Approve the nomination and appointment of Key Management Personnel;
- Approve the annual budget, major funding proposals and investment proposals, and ensuring the necessary financial and human resources are in place for the Company to meet its objectives;
- Review the financial performance and necessary reporting compliance;
- Set company values and standards (including ethical standards) and ensure that obligations to shareholders and other stakeholders are understood and met;
- Assume responsibility for corporate governance; and
- Consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation.

Directors are required to promptly disclose any conflict or potential conflict of interest, whether directly or indirectly, in relation to any matters, transactions or proposed transactions with the Group as soon as is practicable after the relevant facts have come to their knowledge. Any Director who has a conflict of interest which is likely to impact his independence or conflict with a subject under discussion by the Board is required to immediately declare his interest to the Board and recuse himself from participating in any discussion and voting on the subject matter.

CORPORATE GOVERNANCE REPORT

Directors are constantly kept abreast of developments in the business including changes to laws and regulations, corporate governance, financial reporting standards and industry-related matters that are of relevance to the Group through participation in the relevant training courses, seminars, and workshops conducted by Management and professional advisers. The Company is responsible for arranging and funding the training of Directors, where required.

The Board ensures that incoming new Directors are familiarised with the Group's businesses and corporate governance practices upon their appointment, to facilitate the effective discharge of their duties. Upon appointment, the incoming new Director will receive a formal letter of appointment setting out his/her duties. All newly appointed Directors will undergo an orientation programme where the Director would be briefed on the Group's strategic direction, governance practices, business and organisation structure as well as the expected duties of a Director of a listed company. To get a better understanding of the Group's business, the Director will visit the Group's operational facilities and meet with Key Management Personnel.

The Company has an on-going budget for all Directors to receive relevant training. Board members are encouraged to attend seminars and receive training in connection with their duties as Directors in areas such as accounting and legal knowledge, particularly on latest developments to relevant laws, regulations, accounting standards and changing commercial risks to enable them to make well-informed decisions and to ensure that the Directors are competent in carrying out their expected roles and responsibilities. All Directors are expected to objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company.

First time Directors would have training in areas such as accounting, legal and the industries which the Group operates in. Directors are constantly kept abreast of developments in regulatory, legal, and accounting frameworks that are of relevance to the Group through participation in the relevant training courses, seminars and workshops.

The Directors are also encouraged to attend the relevant courses and programs from the Singapore Institute of Directors to be acquainted with the role and responsibilities of a Director in the context of a listed company.

The table below shows the trainings and briefings attended by the Directors in FY2025:–

Name of Director	Course	Training Provider	Frequency
Mr. Chong Weng Hoe	Behind Closed Doors: Key Decisions and Insights from NRCs	Singapore Institute of Directors	Once
	SID Directors Conference 2024	Singapore Institute of Directors	Once
	A Director's Guide for Navigating Climate Change	Singapore Institute of Directors	Once
	Transatlantic Divide on ESG: Approaches and Implications	Singapore Institute of Directors	Once
Dr. Heah Sieu Min	Directors Sued/Charged: Lessons from Recent cases	Singapore Institute of Directors	Once
	Understanding Directors' Duties in Climate Risk	Singapore Institute of Directors	Once
	A Director's Guide for Navigating Climate Change	Singapore Institute of Directors	Once
Dr. Chia Kok Hoong	A Director's Guide for Navigating Climate Change	Singapore Institute of Directors	Once
Mr. Lim Chye Lai, Gjan	Evolving Global Reporting: Implications for Local Companies	Singapore Institute of Directors	Once
	Understanding Directors' Duties in Climate Risk	Singapore Institute of Directors	Once

The Board has documented internal guidance for matters that require Board approval. The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to the relevant Board Committees, namely the Audit and Risk Management Committee ("**ARMC**"), Nominating Committee ("**NC**"), and Remuneration Committee ("**RC**") (collectively the "**Board Committees**") and/or Management to optimise operational efficiency guided by internal policies and limits of authority. Specifically, matters and transactions which require the Board's approval include major investments exceeding S$1,000,000, corporate restructuring, mergers and acquisitions, material acquisitions or disposal of assets, the release of the Group's financial results announcements, material interested person transactions exceeding S$100,000 and declaration of dividends.

The Board has delegated certain functions to various Board Committees. The Board Committees are constituted with clear written terms of reference setting out their compositions, authorities and duties. While the Board Committees have the authority to examine and may approve certain matters, the Board Committees generally report to the Board with their recommendations for the Board's decisions.

The Board convenes regularly for scheduled meetings and any ad-hoc meetings are arranged when required. If Directors are unable to attend Board meetings physically, such meetings may be conducted via telephone conference, video conference, audio visual or by means of a similar communication equipment. The Board and Board Committees also make decisions by way of written circularized resolutions.

The Directors' attendance at the Board's, the Board Committees' and general meetings of the Company held in FY2025 is as follows:–

	Board Meetings	Audit and Risk Management Committee Meetings	Nominating Committee Meetings	Remuneration Committee Meetings	General Meetings
No. of meetings held	**4**	**2**	**1**	**2**	**2**
Name of Director			**Number of Meetings Attended**		
Mr. Chong Weng Hoe	4	2	1	2	2
Dr. Heah Sieu Min	4	2*	1*	2*	2
Dr. Chia Kok Hoong	4	2*	1*	2*	2
Mr. Lim Chye Lai, Gjan	4	2	1	2	2
Mr. Ooi Seng Soon	4	2	1	2	2

* Executive Directors were invited to sit in the ARMC, NC and RC meetings

The NC assessed each Director's contribution and devotion of time and attention to the Company's affairs, having regard to his attendance at the directors' meetings, directorship in other listed companies, principal commitments, and is of the view that the number of directorships in listed companies and principal commitments are not significant and there was sufficient time and attention to the Company's affairs given by each Director during the course of FY2025.

Each Director's listed company board directorships and principal commitments can be found in the Board of Directors Profile section of the Annual Report.

Management recognises the importance of ensuring the flow of information to the Directors on an ongoing basis to enable them to make informed decisions and to discharge their duties and responsibilities. All Board and Board Committees papers are distributed to Directors in advance to allow sufficient time for Directors to prepare for the meetings.

Management's proposals to the Board for approval provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, regulatory implications, expected outcomes, conclusions and recommendations.

The Board has, at all times, separate and independent access to Management through electronic mail, telephone and face-to-face meetings and may request for any additional information needed at any time to enable them to make informed decisions. Key Management, the Company's auditors and external consultants are invited to attend Board and Board Committees meetings to update and provide independent professional advice on specific issues, if required.

Should Directors, whether as a group or individually, require professional advice, the Group, upon direction by the Board, shall appoint a professional advisor, selected by the Group and approved by the Chairman, to render the advice. The cost of such service shall be borne by the Group.

Directors have separate and independent access to the Company Secretary. The Company Secretary's responsibilities include among other things, assisting in ensuring that Board procedures are observed and that the Company's Constitution, relevant rules and regulations, including requirements of the Securities and Futures Act, Companies Act and Catalist Rules, are complied with.

The Company Secretary and/or her representative attend and prepare minutes for all Board and Board Committees meetings. The Company Secretary assists the Chairman of the Board, the Chairman of the Board Committees and Management in the development of the agendas for their meetings. The appointment and the removal of the Company Secretary are subject to the Board's approval.

Board Composition and Guidance

Principle 2: 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.

The NC is tasked to determine on an annual basis and as and when the circumstances require, whether or not a director is independent in conduct, character and judgement, and has any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

For the purpose of determining each Independent Director's independence, every Independent Director has provided a declaration on their independence for acting as a Director of the Company based on the requirements under the Code and taking into consideration whether the Director falls under any circumstances pursuant to Rule 406(3)(d) of the Catalist Rules, and such declaration has been deliberated upon by the NC and the Board.

The Board confirms that none of the Independent Directors has served on the Board beyond nine years from the date of his appointment. However, both Mr. Chong Weng Hoe and Mr. Ooi Seng Soon will reach the nine years tenure by September 2025. Accordingly, after FY2025, two new Independent Directors, namely Mr. Chan Pengee, Adrian and Mr. Lim Jun Xiong Steven were appointed to serve on the Board with effect from 1 September 2025. More details on their educational qualifications and working experience can be found in the Board of Directors Profile section of the Annual Report.

The NC has assessed the independence of each of the Directors in FY2025. After having considered the declarations made by Mr. Chong Weng Hoe and Mr. Ooi Seng Soon and taking into account the independence criteria set out under the Code and under Rule 406(3)(d) of the Catalist Rules, the NC has determined that the named Directors are independent.

The Board currently has 7 members and comprises:-

Composition of the Board

Composition of the Board Committees
- C – Chairman
- M – Member

Name of Director	Designation	ARMC	NC	RC
Dr. Heah Sieu Min	Executive Director and Chief Executive Officer	–	–	–
Dr. Chia Kok Hoong	Executive Director and Medical Director	–	–	–
Mr. Chong Weng Hoe	Non-Executive Chairman and Independent Director	M	C	C
Mr. Ooi Seng Soon*	Independent Non-Executive Director	C	M	M
Mr. Lim Chye Lai, Gjan*	Non-Independent Non-Executive Director	M	M	M
Mr. Chan Pengee, Adrian**	Independent Non-Executive Director	–	–	–
Mr. Lim Jun Xiong Steven**	Independent Non-Executive Director	–	–	–

Notes:
* To retire at the forthcoming AGM
** Appointed on 1 September 2025

Taking into consideration the size of the current business operations of the Group, the Board considers its current Board size appropriate and has an appropriate level of independence.

Given that the Chairman and the CEO are different persons and not familial related, and that the Chairman is an Independent Director, it is not a requirement for the Company to appoint a Lead Independent Director. In addition, the Non-Executive Directors (the "**NEDs**") of the Company comprise the majority of the Board.

The Company recognises that board diversity is an essential element contributing to its sustainable development and strategic success. The Company believes that board diversity augments decision-making and a diverse board is more effective in dealing with organizational changes and less likely to suffer from group think.

The Group has in place a Board Diversity Policy, which endorses the principle that its Board should have a balance of skill, knowledge, experience and diversity of perspectives appropriate to the Group's business to promote the inclusion of different perspectives and ideas, to mitigate against group think.

The Board's skill matrix, which sets out the expertise, skill and experience of the Board, is as follows:-

Directors' Expertise and Experience Matrix

	Mr. Chong Weng Hoe	Mr. Ooi Seng Soon	Mr. Lim Chye Lai, Gjan	Dr. Heah Sieu Min	Dr. Chia Kok Hoong	Mr. Chan Pengee, Adrian	Mr. Lim Jun Xiong Steven
Accounting, Banking & Finance	✓	✓					✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓	✓
Industry Knowledge	✓	✓	✓	✓	✓		
Entrepreneurial and Management			✓	✓	✓	✓	
Information Technology and Cybersecurity	✓		✓				✓
Marketing			✓				✓
Climate Change	✓	✓	✓	✓	✓	✓	✓
Legal and Regulatory						✓	

More details on the Directors' educational qualifications and working experience can be found in the Board of Directors Profile section of the Annual Report.

The NC reviewed the composition of the Board and the Board Committees during the course of FY2025 and is of the view that the current Board and Board Committees are of an appropriate size and comprise Directors with appropriate balance and mix of skills, knowledge, experience and age except for gender.

Accordingly, one of the objectives of the NC is to identify and recommend suitable female directors, preferably with different skills and knowledge from the current Directors, for appointment to the Board to further diversify its current skill sets and gender representation. In FY2023, the Board had set a target to have at least 1 female director by FY2028. This is still in progress. To achieve this gender diversity, the Group will expand the search and recruitment process to attract a diverse range of candidates for Board positions. Nonetheless, the selection of female candidates will be dependent on the necessary skills, knowledge and experience of the candidates. The ultimate decision will be based on merit and contribution the chosen candidate will bring to the Board.

During the year, the NEDs and Independent Directors, led by the independent Chairman, met once without the presence of Management. The Chairman of the meeting then provided feedback to the Board and/or Management, as appropriate. The Company also benefits from Management's ready access to its Directors for guidance and exchange of views both within and outside the formal environment of the Board and Board Committee meetings.

Chairman and Chief Executive Officer

Principle 3: 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.

In FY2025, the Board was chaired by Mr. Chong Weng Hoe, Non-Executive Chairman ("**Chairman**") and Independent Director of the Company while Dr. Heah Sieu Min is the Chief Executive Officer ("**CEO**") of the Company.

The Chairman and the CEO are not related. Hence, there is a clear division of responsibilities to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for decision-making and representation.

The Chairman is responsible for:–

- leading the Board to ensure its effectiveness;
- managing the Board's business, including supervising the work of the Board Committees;
- setting the Board's agenda and ensuring the information flow and timing are adequate for discussion of all set agenda items, in particular strategic issues;
- setting the tone of Board discussion to promote open and frank debate and effective decision-making;
- facilitating the effective contribution of Non-Executive and Independent Directors;
- promoting high standards of corporate governance;
- ensuring effective communication with shareholders; and
- encouraging constructive relations within the Board and between the Board and Management.

The CEO is responsible for:–

- developing the Group's business and operational strategies;
- managing the present businesses of the Group;
- implementing the Board's decisions;
- providing oversight of the commercial, marketing, business development, quality, health, safety, security and environmental functions; and
- managing and overseeing the ongoing debts and corporate restructuring exercise of the Group.

The Chairman and the CEO positions in the Company are separately held by two unrelated individuals and the Chairman is an independent director. In light of the foregoing, the Board believes that there is currently no need to appoint a lead independent director.

Board Membership

Principle 4: 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.

In FY2025, the NC comprised the following three members, the majority of whom, including the NC Chairman, are Independent Directors:

- Mr. Chong Weng Hoe (NC Chairman), Non-Executive Chairman and Independent Director
- Mr. Ooi Seng Soon, Independent Non-Executive Director
- Mr. Lim Chye Lai, Gjan, Non-Independent Non-Executive Director

The NC's principal functions include:–

- nomination and re-nomination of the Directors of the Company for re-election, having regard to their contribution, performance, and ability to commit sufficient time and attention to the affairs of the Group, taking into account their respective commitments outside the Group;
- determine on an annual basis, whether a Director is independent;
- assess whether a Director is able to and has been adequately carrying out his/her duties as a Director;
- review of Board succession plans for Directors, and in particular, the appointment and/or replacement of the Chairman, the CEO and Key Management Personnel;
- develop and implement a process and criteria for evaluation of the performance of the Board, the Board Committees and Directors;
- assess the effectiveness of the Board as a whole, the Board Committees and each individual Director;
- review of training and professional development programs for the Board and its Directors;
- review and approve new employment of persons related to the Directors and controlling shareholders and the proposed terms of their employment; and
- appointment and re-appointment of directors (including alternate directors, if any).

The Company has no alternate director on its Board.

The NC has put in place a formal process for the selection of new directors to increase transparency of the nomination process in identifying and evaluating nominees for directors. The NC leads the process as follows:–

- evaluates the balance, skills, knowledge, and experience of the existing Board and the requirements of the Group, including taking reference to the board diversity policy. In light of such evaluation, the NC determines the role and the key attributes that an incoming director should have;

- after endorsement by the Board of the key attributes, the NC taps on the resources of Directors' personal contacts and recommendations of the potential candidates and goes through a short-listing process. If candidates identified from this process are not suitable, executive recruitment agencies are appointed in the search process;

- meets the shortlisted candidate(s) to assess suitability and to ensure that the candidate(s) is/are aware of the expectations and the level of commitment required; and

- recommends the most suitable candidate to the Board for appointment as director.

The NC also ensures that new directors are aware of their duties and obligations.

The NC is responsible for recommending retiring Directors for re-election. In its deliberations on the nomination of re-election of existing Directors, the NC takes into consideration the Director's contribution and performance (including his contribution and performance as an Independent Director, if applicable).

The assessment parameters include attendance record and preparedness at meetings of the Board and Board Committees as well as the quality of input to matters arising and any other special contribution.

All Directors submit themselves for re-nomination and re-election at regular intervals of at least once every three years. The Company's Constitution provides that one-third of the Directors (or, if their number is not a multiple of three, the number nearest to but not less than one third) shall retire from office by rotation and be subject to re-election at the Annual General Meeting (''**AGM**'') of the Company.

In addition, the Company's Constitution provides that a newly appointed director by the Board during the financial year must retire and submit himself/herself for election at the next AGM following his/her appointment. Thereafter, he/she is subject to re-election at least once every three years.

Pursuant to Regulation 97 of the Company's Constitution, Mr. Lim Chye Lai, Gjan and Mr. Ooi Seng Soon are subject to retirement by rotation at the forthcoming AGM. Both the above-mentioned retiring Directors will not be seeking re-election as directors of the Company at the forthcoming AGM.

Pursuant to Regulation 103 of the Company's Constitution, Mr. Chan Pengee, Adrian and Mr. Lim Jun Xiong Steven are subject to retirement by rotation at the forthcoming AGM. Both the above-mentioned retiring Directors, being eligible, have offered themselves for re-election as a Director of the Company. The Board is satisfied that the retiring Directors are qualified for re-election by virtue of their skills, experience and their contribution of guidance and time to the Board. Each of the retiring Directors has abstained from deciding on his own nomination.

Mr. Chan Pengee, Adrian ("**Mr. Chan**") will, upon re-election as a Director of the Company, assume the role of the Independent Non-Executive Chairman of the Board. He will also assume the role of the chairman of the RC and NC, and a member of the ARMC. He is considered by the Board to be independent for the purpose of Rule 704(7) of the Catalist Rules.

Mr. Lim Jun Xiong Steven will, upon re-election as a Director of the Company, remain as the Independent Non-Executive Director. He will also assume the role of the Chairman of the ARMC, and a member of the NC and RC. He is considered by the Board to be independent for the purpose of Rule 704(7) of the Catalist Rules.

Pursuant to Rule 720(5) of the Catalist Rules, the information relating to Directors submitting for re-election as set out in Appendix 7F of the Catalist Rules is disclosed on pages 152 to 157 of the Annual Report.

CORPORATE GOVERNANCE
REPORT

The NC determines annually, and as and when circumstances require, based on a Director's Independence Checklist completed, if a director is independent, having regard to the circumstances or independence criteria set forth in provision 2.1 of the Code and Rule 406(3)(d) of the Catalist Rules. The NC determined that, during the course of FY2025, there was no Director whose relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, affect their independence as an Independent Director of the Company. In addition, none of the Directors fall under any circumstances pursuant to Rule 406(3)(d) of the Catalist Rules. The Board is in accord with the NC's determination.

In cases where a Director has multiple Board representations, the NC also assesses whether such Director has been adequately carrying out his duties as a Director of the Company. To address competing time commitments when Directors serve on multiple Boards, the Board had set a maximum limit of six directorships that a Director may hold concurrently for listed companies. The NC also takes into account the principal commitments and assessment results of each director, as well as the respective Directors' actual conduct on the Board.

In view of Mr. Chan's multiple commitments, the NC had, during the selection process, briefed him on the expectations of his roles and duties if he were to be selected. Being an experienced director, Mr. Chan is fully aware of the time and effort required of each role that he currently holds. He had reassured the NC of his ability to commit sufficient time and bandwidth to fulfil his responsibilities as the Independent Non-Executive Director of the Company effectively in view of his concurrent appointments. The NC had also taken into consideration that Mr. Chan is a seasoned director and a very experienced lawyer, and hence, together with the Board, is confident that Mr. Chan is well qualified and has the ability to diligently discharge his duties as Independent Non-Executive Director of the Company.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The NC conducts an annual assessment on the performance of the Board as a whole, the Board Committees and individual Directors and takes into account each Director's contribution and devotion of time and attention given to the Company. It also assesses whether each Director is willing and able to constructively challenge and contribute effectively to the Board.

This process is conducted using a questionnaire designed to assess the performance of the Board and the Board Committees. Individual Directors are assessed on a self-evaluation basis. The responses received from the questionnaires are then tabulated and collated before being given to the chairman of the NC for his review and discussion at the NC meeting. The conclusion of the assessment derived from the consolidated results and recommendations are then presented to the Board for its review and adoption, if deemed necessary.

The Board reviews the evaluation conducted by the NC based on the consolidated results received from the Directors and recommendations put forward by the Directors for improvement of performance and effectiveness of the Board, the Board Committees and individual Directors. Following the review, the Board is of the view that the Board, the Board Committees and individual Directors performed consistently well and operated effectively for FY2025.

The Directors, led by the NC, assessed the performance of the Chairman of the Board for FY2025 at the Board meeting held on 29 July 2025.

There was no external consultant or facilitator involved in the Board evaluation process in FY2025.

The NC performed the following activities in FY2025:–

- review of the current Board size and composition;
- review of the election and re-election of Directors, and made recommendation to the Board for their approval;
- review of the independence of the Independent Directors;

- evaluation of the performance and effectiveness of the Board, the Board Committees, individual Directors and the Chairman;
- review of the training and professional development programs for the Directors;
- review of and set objective performance criteria for the Board, the Board Committees, individual Directors and the Chairman;
- review of matters relating to Board diversity; and
- review of succession plans for the Board and Key Management Personnel.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: 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.

In FY2025, the RC comprised the following three members, all of whom are Non-Executive, and the majority of whom, including the RC Chairman, are Independent Directors:

- Mr. Chong Weng Hoe (RC Chairman), Non-Executive Chairman and Independent Director
- Mr. Ooi Seng Soon, Independent Non-Executive Director
- Mr. Lim Chye Lai, Gjan, Non-Independent Non-Executive Director

The RC is responsible for ensuring 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, including termination terms. No member of the RC is involved in deliberations and voting on any resolution in respect of any remuneration, compensation, options, or any form of benefits to be granted to him or that of employees related to him.

The members of the RC carried out their duties in accordance with the terms of reference which include the following:–

- review and recommend to the Board for endorsement, a framework of remuneration for the Board and Key Management Personnel. The framework covers all aspects of remuneration, including but not limited to, Director's fees, salaries, allowances, bonuses, options and benefits-in-kind;
- review and recommend to the Board, the specific remuneration packages for each Director as well as for the Key Management Personnel;
- consult professional consultancy firms where necessary in determining remuneration packages;
- consider the various disclosure requirements for Directors' remuneration and ensure that there is adequate disclosure in the financial statements and annual report to enhance transparency between the Company and relevant interested parties; and
- review all aspects of remuneration of Executive Directors and Key Management Personnel including the Company's obligations arising in the event of termination of their service contracts, to ensure the contracts contain fair and reasonable termination clauses which are not overly generous.

The RC has access to the professional advice of external experts in the area of remuneration, where required. No remuneration consultants were engaged by the Company in FY2025.

Level and Mix of Remuneration

Principle 7: 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.

The Company adopts a remuneration policy for its Executive Directors and Key Management Personnel comprising a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the performance of the Company and the individual. The remuneration policy is aligned with the interests of the shareholders and other stakeholders and promotes long-term success of the Group.

The RC reviews the service contracts of the Company's Executive Directors and Key Management Personnel. The compensation commitments in service contracts are reviewed periodically or as and when necessary. The Company has entered into a service agreement with each of the Executive Directors, Dr. Heah Sieu Min and Dr. Chia Kok Hoong on 30 September 2016 pursuant to the listing of the Company. Under the service agreements, each of the Executive Directors' employment will continue for a term of three years from the effective date of 30 September 2016 and will be automatically renewed annually unless otherwise terminated by not less than six (6) months' notice in writing by either party. The service agreements do not provide benefits upon termination of employment. For further details, please refer to pages 138 to 139 of the Company's offer document ("**Offer Document**") dated 25 October 2016.

The Company currently does not have any contractual provisions which allow it to reclaim incentives from the Executive Directors and Key Management Personnel in certain circumstances. The Board is of the view that as the Group pays performance bonuses based on actual performance of the Group and/or Company (and not forward-looking results) as well as the actual performance of its Executive Directors and Key Management Personnel, "claw back" provisions may not be relevant or appropriate.

For the purpose of assessing the performance of the Executive Directors and Key Management Personnel, key performance indicators ("**KPIs**") are set out for each year. The KPIs are principally based on the achievement of the objectives of the respective functions that the Executive Directors and Key Management Personnel are in.

The RC reviews the remuneration of the NEDs to ensure the remuneration of the NEDs of the Company is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities. NEDs are also eligible to participate in the Share Plans so as to better align the interests of such NEDs with the interests of shareholders.

The RC ensures the Independent Directors are not over-compensated to the extent that their independence may be compromised. None of the Independent Directors have any service contracts with the Company.

The Board concurred with the RC's proposal for Independent Directors' fees for FY2025 and is of the view that the Directors' fees are appropriate and not excessive.

The remuneration of the Company's Directors and Key Management Personnel has been formulated to attract, retain and motivate the Directors to provide good stewardship of the Company and the Key Management Personnel to successfully manage the Company for the long term. The level and structure of remuneration are aligned with the long-term interests and risk policies of the Company.

Disclosure on Remuneration

Principle 8: 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.

The Company has made full disclosure of the total remuneration paid to each individual Director and the CEO on a named basis, in line with the recommendation of the Code and Catalist Rules.

Remuneration paid/payable to Executive Directors and Key Management Personnel is determined by the Board after considering the performance of the individual, the Company and against comparable organisations. The total remuneration package of Executive Directors and Key Management Personnel comprises a fixed cash component, an annual performance incentive and a long-term incentive. The annual fixed cash component comprises the annual basic salary, statutory employer's contributions to the Central Provident Fund ("**CPF**") and other fixed allowances. The annual performance incentive is tied to the performance of the Group and respective KPIs allocated to the individual employee. To align the interests of the Directors and Key Management Personnel with the interests of shareholders, the Group has also adopted the HCSS Performance Share Plan ("**HCSS PSP**") and HCSS Employee Share Option Scheme ("**HCSS ESOS**") (collectively the "**Share Plans**"). The Executive Directors and Key Management Personnel had met their respective KPIs in respect of FY2025.

The breakdown of the remuneration of the Directors of the Company for FY2025 is set out below:–

Directors	Fee (S$)	Salary[1] (S$)	Bonus[1] (S$)	Other Benefits[2] (S$)	Total (S$)
Mr. Chong Weng Hoe	47,000	–	–	–	47,000
Dr. Heah Sieu Min	–	885,914	203,468	12,866	1,102,248
Dr. Chia Kok Hoong	–	523,302	105,942	17,400	646,644
Mr. Ooi Seng Soon	40,000	–	–	–	40,000
Mr. Lim Chye Lai, Gjan	35,000	–	–	–	35,000

Notes:

(1) Salary and bonus include employer's contributions to CPF.

(2) Other benefits refer to the medical conference and transport allowance made available to the Executive Directors.

The structure of the fees paid or payable to Non-Executive Directors of the Company for FY2025 is as follows:–

Types of Appointment	Fee per annum (S$)
Board Chairman	6,000
Board of Directors	
Basic retainer	20,000
Audit and Risk Management Committee	
Chairman	10,000
Member	5,000
Nominating Committee	
Chairman	8,000
Member	5,000
Remuneration Committee	
Chairman	8,000
Member	5,000

Total Directors' fees for FY2025 is S$122,000.

In FY2025, the Company had three Key Management Personnel. The breakdown of the remuneration of the three Key Management Personnel of the Company (who are not Directors or CEO) in bands of S$250,000 is as follows:–

Key Management Personnel	Salary[1] %	Bonus[1] %	Other Benefits[2] %	Total %
S$250,001 to S$500,000				
Ms. Sophia Ong	82.0	18.0	–	100.0
Below S$250,000				
Ms. Melissa Josephine Tio @ Melissa Josephine Susantio	73.0	27.0	–	100.0
Ms. Lee Hui Theng	82.0	18.0	–	100.0

Notes:
(1) Salary and bonus include employer's contributions to CPF
(2) Other benefits refer to incentives made available to employees

The aggregate total remuneration for the three Key Management Personnel (who are not Directors or CEO) is not disclosed as the Board is of the view that such disclosure would be prejudicial to its business interest given the highly competitive environment.

There were no employees who are immediate family members of a Director or the CEO or a substantial shareholder of the Company and whose remuneration exceeded S$100,000 in FY2025.

Save for Dr. Heah Sieu Min and Dr. Chia Kok Hoong who are also substantial shareholders of the Company, there is no employee who is a substantial shareholder of the Company.

The Company is transparent on remuneration policies as it has been disclosed not only as part of its compliance with Principle 8 but also in respect of Principle 7 of the Code. In particular, the Company has elaborated on the remuneration policy governing the remuneration of Executive Directors and Key Management Personnel and the factors taken into account for the remuneration of the NEDs. The Company has also disclosed the remuneration paid to each Director and the Chairman in exact amounts, and the Key Management Personnel using bands no wider than S$250,000 for transparency.

The procedure for setting remuneration is clearly disclosed and the relationships between remuneration, performance and value creation are disclosed through the Company's disclosure on its remuneration policies, as well as the disclosed remuneration in bands of no wider than S$250,000 for the Key Management Personnel and the breakdown of the components of their remuneration.

The Board is of the view that in light of the above and despite its deviation from Provision 8.1(b) of the Code as highlighted above, the Company has provided a high level of transparency on remuneration matters, as information on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation had been disclosed in detail in the preceding paragraphs. Accordingly, the Board is of the view that the non-disclosure of the exact quantum of the remuneration of each Key Management Personnel will not be prejudicial to the interest of shareholders and complies with Principle 8 of the Code.

The Company has in place two Share Plans namely the HCSS PSP and HCSS ESOS.

HCSS PSP

Summary of the HCSS PSP	HCSS PSP is a compensation scheme that promotes higher performance goals and recognises exceptional achievement. HCSS PSP is based on the principle of pay-for-performance and is designed to enable the Company to reward, retain and motivate employees of the Group to achieve superior performance. The purpose of the HCSS PSP is to give the Company greater flexibility to align the interest of employees of the Group, especially key executives with the interest of shareholders.
Participants of the HCSS PSP	HCSS PSP allows for participation by full-time employees of the Group (including the Executive Directors) and NEDs (including Independent Directors), controlling shareholders and their associates provided they have met the eligibility criteria.
Administration of the HCSS PSP	The HCSS PSP shall be managed by the members of the HCSS PSP Administration Committee, which comprises the Nominating Committee and Remuneration Committee of the Company ("**Administration Committee**"), which has the absolute discretion to determine persons who will be eligible to participate in the HCSS PSP.
Awards Entitlement	Awards represent the right of a participant to receive fully-paid shares free of charge ("**Awards**").
Size of HCSS 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 the HCSS 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 the HCSS PSP in FY2025. Other than 16,100 Shares granted to an employee (who was not a director or controlling shareholder of the Company) in FY2017, there were no Awards granted under the HCSS PSP to (i) Directors of the Company; (ii) participants who are controlling shareholders of the Company and their associates; and (iii) participants other than 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 HCSS PSP and the total number of existing Shares purchased for delivery of Awards released under the HCSS PSP since the commencement of the HCSS PSP. The Company does not have a parent company.

The vesting and release of the Awards granted to eligible participants under the HCSS PSP are based on pre-determined performance goals and conditional on the satisfactory completion of time-based service conditions.

Further details on the HCSS PSP are set out in the Company's Offer Document dated 25 October 2016.

HCSS ESOS

Summary of the HCSS ESOS	HCSS ESOS will provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty. HCSS ESOS is designed to primarily reward and retain employees whose services are vital to the Company's success.
Participants of the HCSS ESOS	HCSS ESOS allows for participation by confirmed employees of the Group (including the Executive Directors) and NEDs (including Independent Directors), controlling shareholders and their associates provided they have met the eligibility criteria.
Administration of HCSS ESOS	The HCSS ESOS shall be administered by the members of the HCSS ESOS Administration Committee, which comprises the Nominating Committee and Remuneration Committee of the Company, which shall have the powers to determine, *inter alia*, the following:– (a) persons to be granted HCSS ESOS; (b) number of options to be offered; and (c) recommendations for modification to the HCSS ESOS.
Size of HCSS ESOS	The aggregate number of shares which may be offered under the Share Plans should not exceed 15.0% 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 the HCSS 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 Price of Options under the HCSS 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 price, provided that: (i) the maximum discount shall not exceed 20.0% 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 resolution, the making of offers and grants of options under the HCSS 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 capital (excluding treasury shares) on the date preceding the date of the relevant grant. The Share Plans were adopted on 28 September 2016 for a period of ten years and will expire on 27 September 2026.

There were no options granted under the HCSS ESOS since the adoption of the HCSS ESOS on 28 September 2016 to 31 May 2025. Further details on the HCSS ESOS are set out in the Company's Offer Document dated 25 October 2016.

The RC performed the following activities in FY2025:–

- review of the remuneration packages for employees and key executives and making recommendation to the Board for approval;
- review of the Directors' fees and making recommendation to the Board for approval; and
- administration of the HCSS PSP and HCSS ESOS.

(C) ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: 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.

The Board is responsible for the governance of risk. It ensures that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets. The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The duties and responsibilities of the ARMC of the Company include specifically addressing these issues.

The Board acknowledges that it is responsible for maintaining a sound system of internal control and risk management, but recognises that no cost effective internal control system and risk management will preclude all errors and irregularities. Internal controls and risk management can provide only reasonable and not absolute assurance against material misstatement, losses, human errors, fraud or other irregularities.

Management is responsible to the Board for the design, implementation, and monitoring of the Group's risk management and internal control systems and to provide the Board with a basis to determine the Group's level of risk tolerance and risk policies. The Board and the ARMC work with the internal auditors, external auditors, and Management on their recommendations to institute and execute relevant controls to manage the risks identified in the assessment.

The Board received assurance from the CEO and the Chief Financial Officer ("**CFO**") that the financial records of the Group have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and the Group's risk management and internal control systems are adequate and effective as at 31 May 2025.

Based on the internal controls established and maintained by the Group, work performed by the internal auditors, discussions with external auditors, reviews performed by Management and the assurances provided by the CEO and CFO as stated in the above paragraph, the Board, with the concurrence of the ARMC, is of the view that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2025.

Audit and Risk Management Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

In FY2025, the ARMC comprised the following three members, all of whom are Non-Executive and the majority of whom, including the ARMC Chairman, are independent:–

- Mr. Ooi Seng Soon (ARMC Chairman), Independent Non-Executive Director
- Mr. Chong Weng Hoe, Non-Executive Chairman and Independent Director
- Mr. Lim Chye Lai, Gjan, Non-Independent Non-Executive Director

The Chairman of the ARMC, Mr. Ooi Seng Soon, graduated from the University of Singapore with a Bachelor of Arts in 1971 and has more than 24 years of experience in the banking and finance sector.

Mr. Chong Weng Hoe graduated from National University of Singapore with a Bachelor of Engineering (Electrical) in June 1989 and obtained a Master of Business Administration (Accountancy) from the Nanyang Technological University in March 1997. He has held numerous positions within TÜV SÜD PSB Pte. Ltd. since 1991 and sits on several listed companies as independent director.

Mr. Lim Chye Lai, Gjan graduated from Temasek Polytechnic with a Diploma in Electronics in 1998 and has worked in the medical equipment industry for over 20 years.

More detailed profiles of the Directors can be found in the Board of Directors profile section of the Annual Report.

The NC and the Board are satisfied that the members of the ARMC have recent and relevant accounting or related financial management expertise and experience to discharge the ARMC functions.

No former partner or director of the Company's existing auditing firm or auditing corporation is a member of the ARMC. The duties of the ARMC include:–

- review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
- review at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems;
- review the assurance from the CEO and the CFO on the financial records and financial statements;
- make recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;
- review the adequacy, effectiveness, independence, scope and results of the external audit and the internal audit functions; and
- review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on, and ensure that the Company publicly discloses, and clearly communicates to employees, the existence of a whistleblowing policy and procedures for raising such concerns.

During the course of review of the financial statements for FY2025, the ARMC discussed with Management and the external auditors on the significant issues that were brought to the ARMC's attention. Material issues which the external auditors assessed to be most significant in its audit of the financial statements for the year under review are highlighted in the key audit matters section of Independent Auditor's Report on pages 68 to 72 of the Annual Report.

The ARMC reviewed the work performed by Management and made enquiries relevant to the key audit matters. In addition, the ARMC also reviewed and discussed the findings presented and related work performed by the external auditors. The ARMC was satisfied that these material issues have been properly addressed and appropriately adopted and disclosed in the financial statements.

The ARMC reviews the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees awarded to them. The total fees paid in respect of audit and non-audit fees to the external auditors, Messrs. BDO LLP for FY2025 are as stated below.

External Auditors Fees for FY2025	S$	% of total fees
Total audit fees	223,000	100.0
Total non-audit fees	–	–
Total fees paid	223,000	100.0

There were no non-audit fees paid to the external auditors for FY2025. The ARMC has reviewed and confirmed the objectivity of the external auditors.

The Company and the Group have complied with Catalist Rules 712 and 715 in the appointment of its auditors. The ARMC recommends to the Board the re-appointment of Messrs. BDO LLP as the external auditors of the Company at the forthcoming AGM, taking into consideration the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority.

In the course of FY2025, the ARMC carried out the following activities:–

- review of the financial statements of the Company and the consolidated financial statements of the Group, and any announcements relating to the Group's financial performance before submission to the Board for approval;
- review of interested/related parties transactions;
- review of audit plan and assessed the independence of external auditors;
- review of internal audit plan and the appointment of internal auditors;
- review of the nomination of external auditors for re-appointment at the AGM and determined their remuneration, and made appropriate recommendations to the Board for approval; and
- met with the internal and external auditors of the Company without the presence of Management.

The Group recognises the importance of providing the Board with accurate and relevant information on a timely basis. Management provides the Board with management accounts, operations reviews and related explanations together with the financial statements on a half-yearly basis and as the Board may require from time to time. The ARMC reviews the financial statements and reports to the Board for approval.

The Board reviews and approves the results before its release. For FY2025, the Board had provided shareholders with half-yearly and annual financial reports. The financial statements for the half-year and the full financial year were released to shareholders within the timeframe in line with Rule 705 of the Catalist Rules. In presenting the financial statements to shareholders, the Board aims to provide shareholders with a balanced and clear assessment of the Group's performance, position and prospects.

The ARMC is kept abreast by Management, the Company Secretaries and the Independent Auditors of changes to accounting standards, Catalist Rules and other regulations which could have an impact on the Group's business and financial statements.

The Company has adopted a whistleblowing policy since 2016 which sets the framework to encourage the reporting in good faith of serious concerns or escalate serious matters on a confidential basis without fear of reprisal, dismissal, or discriminatory treatment, by keeping the identity of the whistleblower confidential. The whistleblowing policy provides procedures to validate concerns and for investigations to be carried out independently by the ARMC, which comprised of the Non-Executive Directors, led by Mr. Ooi Seng Soon ("**Mr. Ooi**"), the Company's Independent Non-Executive Director, and chairman of the ARMC. Upon receiving any whistleblowing report, Mr. Ooi will reach out to the whistleblower to understand the concern further, discuss among the ARMC on the action to be taken, and investigate the concern raised as necessary. The ARMC may also exclude from its meetings any person it deems appropriate, depending on the nature of the complaint. The whistleblowing policy has been circulated to all employees of the Group and is available on the Company's website. No whistleblowing report was received in FY2025.

The Company had outsourced its internal audit function to NLA Risk Consulting Pte. Ltd. (''**NLA**'') with effect from 1 February 2022. The primary reporting line of the internal audit function is to the ARMC, which also decides on the appointment, termination and remuneration of the firm for the internal audit function. The internal audit function has unfettered access to the Company's documents, records, properties and personnel, including the ARMC, and has appropriate standing within the Company.

Mr. Gary Ng, the head of internal audit in NLA is a Certified Internal Auditor and Chartered Accountant of Singapore, who has more than 20 years of external and internal audit experience. He graduated from Nanyang Technological University with a Bachelor of Accountancy. The team members supporting him include members of the Institute of Internal Auditors and cybersecurity professionals. The internal audit team was guided by the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors in carrying out its functions.

NLA is part of NLA DFK, a group of accounting and corporate advisory firms, providing various professional services for many years. NLA DFK is a member of one of the top 10 international associations of independent accounting firms and business advisers. NLA is a corporate member of the Institute of Internal Auditors, Singapore and currently is the internal auditor for over 20 listed companies in Singapore.

The ARMC conducts regular meetings with the internal auditors to evaluate the system of internal controls, the review of cybersecurity, their audit findings, the adequacy and the effectiveness of financial, operational and compliance controls as well as overall risk management of the Company.

The ARMC is satisfied with the independence, adequacy and effectiveness of its outsourced internal auditors.

The ARMC has met with the external auditors and the internal auditors, without the presence of Management, twice in FY2025.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: 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.

The Group recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all the Company's shareholders are treated equitably and the rights of all investors, including non-controlling shareholders, are protected.

The Group is committed to providing shareholders with adequate, timely, and sufficient information pertaining to changes in the Group's business which could have a material impact on the Company's share price.

CORPORATE GOVERNANCE REPORT

The Group strongly encourages shareholders' participation during the AGM. Shareholders are able to proactively engage the Board and Management on the Group's business activities, financial performance, and other business-related matters.

The Board believes that general meetings serve as an opportune forum for shareholders to meet the Board and Key Management Personnel, and to interact with them. Information on general meetings is disseminated via SGXNet, as well as posted on the Company's website. The Company will send the hardcopy of the notice of meeting, proxy form and request form to all shareholders. Shareholders who prefer to receive a printed copy of the annual report or circular, as the case may be, will be able to request for it on the request form.

At the AGM, a member who is a relevant intermediary which provides nominee or custodial services is entitled to appoint more than two proxies to attend, speak and vote at the meeting, so shareholders who hold shares through such intermediary can attend and participate in general meeting as proxies.

The Company conducts poll voting for all proposed resolutions at AGM for greater transparency in the voting process. The total numbers of votes cast for or against the resolutions will also be announced after the meeting via SGXNet.

The Company Secretary prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meetings, and responses from the Board and Management. Minutes of general meetings are published on the Company's corporate website and SGXNet at https://www.hcsurgicalspecialists.com/en/investor-relation/news within a month of the date of the meeting.

The Company provides for separate resolutions at general meetings on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are interlinked, the Company will explain the reasons and material implications in the notice of meeting.

All the resolutions at the general meetings are single item resolutions.

The Chairman of the Board and the Directors attend all general meetings to address questions and issues raised by shareholders. The external auditors are also present to address any relevant queries from shareholders on the conduct of audit and the preparation and content of the auditor's report. Key Management Personnel are also present at the general meetings to respond to operational questions from shareholders.

All Directors attended the AGM of the Company held on 26 September 2024.

The Company's Constitution allows all shareholders to appoint up to two proxies to attend general meetings and vote on their behalf. As the authentication of shareholders' identity information and other related security issues still remain a concern, the Group has decided, for the time being, not to implement voting in absentia by mail, email or fax.

The Company does not have a fixed dividend policy. However, the Directors target to recommend and distribute dividends of not less than 70.0% of the Group's operating profit after tax to shareholders. The Company may declare an annual dividend with the approval of the shareholders in a general meeting, but the amount of such dividend shall not exceed the amount recommended by the Board. The Board may also declare an interim dividend without the approval of the shareholders. For FY2025, the Company had paid an interim dividend of 0.8 Singapore cents per ordinary share and is recommending a final dividend of 1.18 Singapore cents per ordinary share to be approved by shareholders at the forthcoming AGM. Subject to shareholders' approval of the final dividend, the aggregate amount of dividends recommended and/or distributed per ordinary share would be 1.98 Singapore cents for FY2025, representing approximately 36.1% of the Group's earnings per share of 5.49 Singapore cents for FY2025, and 62.8% of the Group's operating profit after tax, lower than 70.0%, so as to conserve cash.

Engagement with Shareholders

Principle 12: 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.

The Group is committed to maintaining high standards of corporate disclosure and transparency. The Group values dialogue sessions with its shareholders. The Group believes in regular, effective, and fair communication with shareholders and is committed to hearing shareholders' views and addressing their concerns.

Material information is disclosed in an adequate, accurate, and timely manner via SGXNet, press releases, and the Group's corporate website. In the event that unpublished material information is inadvertently disclosed to any selected group in the course of the Group's interactions with the investing community, a media release or announcement will be released to the public via SGXNet.

The Group's corporate website is the key resource of information for shareholders. In addition to the financial results materials, it contains a wealth of investor-related information on the Group, including profiles of Key Management Personnel, list of announcements made via SGXNet, annual reports, dividend information and important Company policies like the whistleblowing policy and personal data protection policy.

All shareholders are encouraged to contact the Company with any queries or concerns. The contact details of the Company can be found easily on the corporate website. General meetings are good platforms for shareholders to engage with the Board and Management, as shareholders will be invited and are encouraged to ask questions on the resolutions tabled and to express their views. At the same time, they will be updated on the Group's corporate achievements and financial performance.

The Company has established an investor relations policy that governs regular, effective and fair communication with shareholders. A copy of the Company's investor relations policy is available on the corporate website of the Company.

The investor relations policy provided in the Company's website sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions.

(E) MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: 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.

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to work towards sustainable growth. The Company's efforts on sustainability are focused on creating sustainable value for our key stakeholders, which include employees, lenders, investors, clients and regulators/Government.

The Company's strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period can be found in the Sustainability Report, which is released together with the Annual Report.

The Company maintains a current corporate website at https://www.hcsurgicalspecialists.com. Members of the public may visit the website for updates on the Company's corporate information and SGXNet announcements.

Stakeholders may contact the Company, if required, at contact@hcsurgicalspecialists.com.

With the above, the Company hopes to maintain good communication and engagement with all its stakeholders.

(F) OTHER CORPORATE GOVERNANCE MATTERS

Interested Person Transactions ("IPTs")
Catalist Rule 1204(17)

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the ARMC, and that transactions are conducted on an arm's length basis and are not prejudicial to the interests of the shareholders.

The Company does not have any prior shareholders' mandate pursuant to Catalist Rule 920. There were no IPTs of S$100,000 and above entered into in FY2025.

Material Contracts
Catalist Rule 1204(8)

There were no material contracts entered into by the Company and its subsidiaries involving the interests of its CEO, Directors or controlling shareholders which are either still subsisting at the end of FY2025 or if not then subsisting, entered into since the end of the previous financial year.

Dealing In Securities
Catalist Rule 1204(19)

The Company has adopted an internal code on dealings in securities. The Company, its Directors, officers and employees are not allowed to deal in the Company's securities during the period commencing one month before the announcement of the Group's half-yearly and full year results and ending on the date of announcement of the relevant results, or when they are in possession of unpublished price-sensitive information of the Group. In addition, the officers of the Company are advised not to deal in the Company's securities on short term considerations and are expected to observe the insider trading rules at all times even when dealing in the Company's securities within the permitted trading periods.

Non-Sponsor Fees
Catalist Rule 1204(21)

There was no non-sponsor fee paid to the Company's sponsor, Novus Corporate Finance Pte. Ltd. in FY2025.

Sustainability Reporting
Catalist Rule 711A, 711B

The Company has prepared a sustainability report that outlines the Company's efforts, pursuits and initiatives towards achieving the Group's sustainability goals through operational and business practices. It covers the material Environment, Social and Governance factors relevant to the Group. The Company's sustainability report will be released via SGXNet and the Company's website together with this Annual Report.

DIRECTORS' STATEMENT

The directors of HC Surgical Specialists 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 31 May 2025 and the statement of financial position of the Company as at 31 May 2025.

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 properly drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 May 2025, 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; and

(b) at the date of this statement, there are reasonable grounds to believe that the Group and 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:

Mr. Chong Weng Hoe	(Non-executive Chairman and Independent Director)
Dr. Heah Sieu Min	(Executive Director and Chief Executive Officer)
Dr. Chia Kok Hoong	(Executive Director and Medical Director)
Mr. Lim Chye Lai, Gjan	(Non-Independent Non-executive Director)
Mr. Ooi Seng Soon	(Independent Non-executive Director)

3. Arrangements to enable Directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was 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 or its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the Act), except as follows:

	Shareholdings registered in the name of directors or nominees		Shareholdings in which a director is deemed to have an interest	
	Balance at 1 June 2024	Balance at 31 May 2025	Balance at 1 June 2024	Balance at 31 May 2025
The Company	Number of ordinary shares			
Mr. Chong Weng Hoe	167,600	**167,600**	–	**–**
Dr. Heah Sieu Min	63,988,980	**63,988,980**	–	**–**
Dr. Chia Kok Hoong	34,753,440	**34,753,440**	–	**–**
Mr. Lim Chye Lai, Gjan	220,000	**220,000**	30,000	**30,000**

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

By virtue of Section 7 of the Act, Dr. Heah Sieu Min and Dr. Chia Kok Hoong are deemed to have interests in the shares of all subsidiary corporations of the Company at the beginning and at the end of the financial year.

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 June 2025 in the shares of the Company have not changed from those disclosed as at 31 May 2025.

5. Share options

No options were granted during the financial year to subscribe for unissued shares of the Company or its subsidiary corporations.

No shares were 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 at the end of the financial year.

<u>Employee Share Option Scheme</u>

The Company has implemented an Employee Share Option Scheme known as the HCSS Employee Share Option Scheme (HCSS ESOS). The HCSS ESOS was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 28 September 2016. No options have been granted pursuant to the HCSS ESOS as at the date of this report.

<u>Performance Share Plan</u>

The Company has implemented a Performance Share Plan known as the HCSS Performance Share Plan (HCSS PSP). The HCSS PSP was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 28 September 2016. During the financial year ended 31 May 2017, 16,100 shares were granted to an employee (who was not a director or controlling shareholder of the Company) pursuant to the HCSS PSP.

6. Audit and Risk Management Committee

The Audit and Risk Management Committee of the Company is chaired by Mr. Ooi Seng Soon, an Independent Director, and includes Mr. Chong Weng Hoe, a Non-executive Chairman and Independent Director and Mr. Lim Chye Lai, Gjan, a Non-Independent Non-executive Director. The Audit and Risk Management Committee has met two times since the last Annual General Meeting and 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 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;

6. **Audit and Risk Management Committee (Continued)**

(iii) reviewing the half year and full year results announcements and annual financial statements and the external auditor's 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 judgements 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;

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

(v) reviewing the effectiveness and adequacy of the Group's internal control and procedures, including accounting, financial controls and procedures and ensure coordination between the Group's internal and external auditors, and management; reviewing the assistance given by the management to the auditors, and discuss problems and concern, if any, arising from the audit, 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 functions;

(vii) reviewing and discuss 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 recommendation to the Board of Directors on the proposals to shareholders on the appointment and removal of the external auditors, and the remuneration and terms of engagement of the external auditors;

(ix) reviewing significant financial reporting issues and judgements with the Chief Financial Officer and the external auditors so as to ensure the integrity of the financial statements of the Group and any 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 material internal controls and risk management systems with the Chief Financial Officer and the internal and external auditors, including financial, operation, compliance and information technology controls via reviews carried out by the internal auditors;

(xi) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on, and ensuring that the Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns;

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

(xiii) reviewing any potential conflicts of interest;

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

6. **Audit and Risk Management Committee (Continued)**

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

(xvi) generally to undertake 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 Audit and Risk Management Committee confirmed that it has undertaken a review of all non-audit services provided by the external auditors to the Group and is satisfied that the nature and extent of such services would not affect the independence of the external auditors.

The Audit and Risk Management 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 and Risk Management Committee.

The Audit and Risk Management 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 auditor**

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors,

Dr. Heah Sieu Min	**Dr. Chia Kok Hoong**
Director	Director

Singapore
28 August 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HC SURGICAL SPECIALISTS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of HC Surgical Specialists Limited (the Company) and its subsidiaries (the Group) as set out on pages 73 to 143, which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 May 2025;
- the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group for the year then ended; and
- notes to the financial statements, including material accounting policy information.

In our opinion, 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 31 May 2025, 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 Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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 period. 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.

KEY AUDIT MATTER	AUDIT RESPONSE
1 Impairment assessment of goodwill	
As at 31 May 2025, the Group's goodwill amounted to approximately $3,394,000. Under 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. Based on 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 significant management judgements and estimates with regard to the key assumptions used in estimating the discounted future cash flows, such as the revenue growth rates and the discount rate. Refer to Notes 2.5, 3.2(i) and 5 to the accompanying financial statements.	We performed the following audit procedures, amongst others: • Discussed with management and evaluated the reasonableness of the key assumptions made by management in preparing the discounted cash flows, including performing analytical procedures and comparing the revenue growth rates against historical performance and industry outlook, as appropriate; • Engaged our internal valuation specialists to evaluate reasonableness of the discount rate used; • Performed sensitivity analysis around the key assumptions, including the revenue growth rates and discount rate used in the cash flow forecasts; and • Assessed the adequacy of the disclosure in the financial statements.

Key Audit Matters

KEY AUDIT MATTER	AUDIT RESPONSE
2 Fair value of derivative financial instruments	
As at 31 May 2025, the derivative financial instruments in relation to the option to re-purchase, put option, 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 vendors of associate and non-controlling interests of certain subsidiaries as disclosed in Note 13 to the financial statements are stated at their fair values based on independent external valuations. The fair value of these derivative financial instruments for the Group and the Company amounted to approximately $1,679,000 and $1,680,000 as at 31 May 2025 respectively. We have determined fair value of derivative financial instruments to be a key audit matter owing to the significant management judgements and estimations, including equity value, estimated profit after tax for future years, volatility rate, risk-free rate and probability of the option being exercised, involved in determining the fair value of the derivative financial instruments as at the financial year end, taking into account that the fair values are measured using significant unobservable inputs (Level 3). Refer to Notes 2.12, 3.2(iv), 13 and 37.5 to the accompanying financial statements.	We performed the following audit procedures, amongst others: • Assessed the competency, capabilities and objectivity of the independent external valuer which included considering the valuer's experiences and qualification in performing valuations for such derivative financial instruments; • Discussed with management and evaluated the reasonableness of key assumptions and estimates used in deriving the equity value and estimated profit after tax for future years, including performing analytical procedures of the key assumptions and comparing the revenue growth rates against historical performance and industry outlook, as appropriate; • Engaged our internal valuation specialists to evaluate the valuation methodologies and reasonableness of the key assumptions used (i.e. volatility rate and risk-free rate) by independent external valuer; • Assessed the reasonableness of the probability of the put option and options being exercised; and • Assessed the adequacy of the disclosure in the financial statements with respect to fair value of derivative financial instruments.

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 auditor's 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. We have nothing to report in this regard.

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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HC SURGICAL SPECIALISTS LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 period and are therefore the key audit matters. We describe these matters in our auditor's 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.

Report on Other Legal and Regulatory Requirements

In our opinion, 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 auditor's report is Tei Tong Huat.

BDO LLP
Public Accountants and
Chartered Accountants

Singapore
28 August 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MAY 2025

	Note	Group 2025 $'000	Group 2024 $'000	Company 2025 $'000	Company 2024 $'000
ASSETS					
Non-current assets					
Plant and equipment	4	**1,219**	1,022	**14**	9
Intangible assets	5	**3,394**	3,358	**–**	–
Right-of-use assets	6	**2,527**	2,954	**103**	167
Investment in subsidiaries	7	**–**	–	**14,218**	13,464
Investment in associates	8	**2,762**	2,785	**2,762**	2,785
Investment in joint ventures	9	**465**	182	**465**	182
Financial assets at fair value through profit or loss (FVTPL)	10	**6,725**	6,077	**6,725**	6,077
Deferred tax assets	11	**105**	17	**–**	–
Derivative financial instruments	13	**1,707**	491	**1,708**	492
Other receivables	12	**37**	80	**81**	80
		18,941	16,966	**26,076**	23,256
Current assets					
Inventories	14	**419**	367	**–**	–
Trade and other receivables	12	**1,896**	1,882	**2,863**	2,576
Prepayments		**284**	228	**95**	75
Derivative financial instruments	13	**–**	338	**–**	770
Financial assets at fair value through profit or loss (FVTPL)	10	**638**	701	**638**	701
Cash and bank balances	15	**5,093**	7,362	**1,843**	4,083
		8,330	10,878	**5,439**	8,205
Total assets		**27,271**	27,844	**31,515**	31,461

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MAY 2025 (Continued)

	Note	Group		Company	
		2025	2024	2025	2024
		$'000	$'000	$'000	$'000
EQUITY AND LIABILITIES					
Equity					
Share capital	16	**17,231**	17,231	**17,231**	17,231
Treasury shares	17	**(1,120)**	(996)	**(1,120)**	(996)
Merger reserve	18	**(815)**	(815)	**–**	–
Capital reserve	19	**(14,434)**	(13,652)	**(164)**	(164)
Other reserve	20	**(594)**	(1,629)	**–**	–
Retained earnings	21	**20,683**	14,551	**13,894**	8,750
Equity attributable to owners of the parent		**20,951**	14,690	**29,841**	24,821
Non-controlling interests		**(203)**	(216)	**–**	–
Total equity		**20,748**	14,474	**29,841**	24,821
Non-current liabilities					
Deferred tax liabilities	11	**75**	200	**–**	–
Derivative financial instruments	13	**28**	606	**28**	606
Provisions	24	**185**	160	**8**	8
Lease liabilities	25	**1,386**	1,863	**85**	106
		1,674	2,829	**121**	720
Current liabilities					
Trade and other payables	26	**2,882**	6,063	**1,130**	4,282
Other financial liabilities	22	**–**	1,035	**–**	–
Bank borrowing	23	**–**	1,288	**–**	1,288
Lease liabilities	25	**1,397**	1,185	**192**	98
Current income tax payable		**570**	970	**231**	252
		4,849	10,541	**1,553**	5,920
Total liabilities		**6,523**	13,370	**1,674**	6,640
Total equity and liabilities		**27,271**	27,844	**31,515**	31,461

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	Note	2025 $'000	2024 $'000
Revenue	27	**19,108**	18,810
Other items of income			
Other income	28	**1,122**	1,106
Fair value gain on derivative financial instruments	13	**1,456**	–
Fair value gain on financial assets at FVTPL	10	**698**	174
Gain on redemption of debt instruments at amortised cost		**–**	117
Items of expense			
Changes in inventories		**52**	(78)
Inventories, consumables and surgery expenses		**(3,048)**	(2,770)
Employee benefits expense	29	**(7,282)**	(6,951)
Depreciation and amortisation	30	**(1,939)**	(1,791)
Lease expenses – short term leases		**(26)**	(22)
Fair value loss on derivative financial instruments	13	**–**	(618)
Loss arising from deemed disposal in an associate	7	**(212)**	–
Reversal of loss allowance/(Loss allowance made for trade and other receivables)	12	**4**	(244)
Other expenses		**(1,656)**	(2,084)
Finance costs	31	**(257)**	(500)
Share of results of an associate, net of tax		**434**	(88)
Share of results of a joint venture, net of tax		**346**	–
Profit before income tax	32	**8,800**	5,061
Income tax expense	33	**(21)**	(1,122)
Profit for the financial year, representing total comprehensive income for the financial year		**8,779**	3,939
Profit and total comprehensive income attributable to:			
Owners of the parent		**8,439**	3,846
Non-controlling interests		**340**	93
		8,779	3,939
Earnings per share (in cents)			
- Basic and diluted	34	**5.49**	2.53

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	Note	Share capital $'000	Treasury shares $'000	Merger reserve $'000	Capital reserve $'000	Other reserve $'000	Retained earnings $'000	Equity attributable to owners of the parent $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 June 2024		17,231	(996)	(815)	(13,652)	(1,629)	14,551	14,690	(216)	14,474
Profit for the financial year		–	–	–	–	–	8,439	8,439	340	8,779
Total comprehensive income for the financial year		–	–	–	–	–	8,439	8,439	340	8,779
Distributions to owners										
Purchase of treasury shares		–	(124)	–	–	–	–	(124)	–	(124)
Dividends	35	–	–	–	–	–	(2,307)	(2,307)	–	(2,307)
Total transactions with owners		–	(124)	–	–	–	(2,307)	(2,431)	–	(2,431)
Transactions with non-controlling interests										
Acquisition of non-controlling interests without a change in control		–	–	–	(782)	1,035	–	253	114	367
Dividends paid to non-controlling interests		–	–	–	–	–	–	–	(441)	(441)
Total transactions with non-controlling interests		–	–	–	(782)	1,035	–	253	(327)	(74)
Balance at 31 May 2025		17,231	(1,120)	(815)	(14,434)	(594)	20,683	20,951	(203)	20,748

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (Continued)

	Note	Share capital $'000	Treasury shares $'000	Merger reserve $'000	Capital reserve $'000	Other reserve $'000	Retained earnings $'000	Equity attributable to owners of the parent $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 June 2023		15,419	(996)	(815)	(13,652)	(1,172)	13,320	12,104	(21)	12,083
Profit for the financial year		–	–	–	–	–	3,846	3,846	93	3,939
Total comprehensive income for the financial year		–	–	–	–	–	3,846	3,846	93	3,939
Distributions to owners										
Dividends	35	–	–	–	–	–	(2,615)	(2,615)	–	(2,615)
Issuance of shares pursuant to deferred consideration		1,812	–	–	–	–	–	1,812	–	1,812
Total transactions with owners		1,812	–	–	–	–	(2,615)	(803)	–	(803)
Transactions with non-controlling interests										
Dividends paid to non-controlling interests		–	–	–	–	–	–	–	(288)	(288)
Total transactions with non-controlling interests		–	–	–	–	–	–	–	(288)	(288)
Others										
Present value of forward purchase contract	22, 20	–	–	–	–	(457)	–	(457)	–	(457)
Total others		–	–	–	–	(457)	–	(457)	–	(457)
Balance at 31 May 2024		17,231	(996)	(815)	(13,652)	(1,629)	14,551	14,690	(216)	14,474

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	Note	2025 $'000	2024 $'000
Operating activities			
Profit before income tax		**8,800**	5,061
Adjustments for:			
Allowance for impairment loss on investment in an associate	8	**–**	243
Allowance for impairment loss on right-of-use assets	6	**135**	8
Depreciation of plant and equipment	4	**437**	496
Depreciation of right-of-use assets	6	**1,502**	1,295
Dividend income from a joint venture	28	**–**	(87)
Dividend income from financial assets at FVTPL	28	**(505)**	(578)
Fair value gain on financial assets at FVTPL	10	**(698)**	(174)
Fair value (gain)/loss on derivative financial instruments	13	**(1,456)**	618
Gain on disposal of investment in financial assets at FVTPL	10, 28	**(2)**	(8)
Gain on redemption of debt instruments at amortised cost		**–**	(117)
Interest expense	31	**257**	500
Interest income	28	**(36)**	(106)
Inventories written off	14	**3**	4
Loss arising from deemed disposal in an associate	7	**212**	–
(Reversal of loss allowance)/Loss allowance made for trade and other receivables	12	**(4)**	244
Plant and equipment written off	4	**20**	3
(Reversal of allowance)/Allowance for impairment loss on plant and equipment	4	**(152)**	148
Reversal of provision for reinstatement cost	24	**–**	(11)
Share of results of an associate, net of tax		**(434)**	88
Share of results of a joint venture, net of tax	9	**(346)**	–
Third parties trade receivables written off	12	**–**	5
Operating cash flows before working capital changes		**7,733**	7,632
Working capital changes:			
Inventories		**58**	74
Trade and other receivables		**365**	(364)
Prepayments		**(54)**	18
Trade and other payables		**(232)**	(38)
Cash generated from operations		**7,870**	7,322
Income tax paid		**(640)**	(1,020)
Net cash generated from operating activities		**7,230**	6,302

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 (Continued)

	Note	2025 $'000	2024 $'000
Investing activities			
Acquisition of a subsidiary, net of cash acquired	7	**55**	–
Dividend received from a joint venture		**63**	87
Dividend received from financial assets at FVTPL	28	**505**	578
Interest received		**28**	127
Payment of deferred consideration		**(725)**	(1,329)
Proceeds from capital reduction in financial assets at FVTPL	10	**80**	88
Proceeds from disposal of plant and equipment		**–**	1
Proceeds from disposal of investment in financial assets at FVTPL	10	**35**	1,359
Proceeds from maturity of debt instruments at amortised cost		**–**	2,000
Purchase of plant and equipment	4	**(485)**	(72)
Net cash (used in)/generated from investing activities		**(444)**	2,839
Financing activities			
Acquisition of non-controlling interests in subsidiaries	7	**(696)**	–
Dividends paid to owners of the parent	35	**(2,307)**	(2,615)
Dividends paid to non-controlling interests		**(441)**	(288)
Interest paid	31	**(13)**	(37)
Payment of deferred consideration		**(2,590)**	(2,397)
Purchase of treasury shares	17	**(124)**	–
Repayment of bank borrowing		**(1,288)**	(1,262)
Repayment of principal portion of lease liabilities	A	**(1,471)**	(1,243)
Repayment of interest portion of lease liabilities	A	**(125)**	(124)
Net cash used in financing activities		**(9,055)**	(7,966)
Net change in cash and cash equivalents		**(2,269)**	1,175
Cash and cash equivalents at beginning of financial year		**7,362**	6,187
Cash and cash equivalents at end of financial year	15	**5,093**	7,362

Note A: Reconciliation of liabilities arising from financing activities:

	1 June 2024 $'000	Cash flows $'000	Non-cash changes: Additions $'000	Non-cash changes: Arising from acquisition of a subsidiary $'000	Non-cash changes: Lease modification $'000	Non-cash changes: Accretion of interest $'000	31 May 2025 $'000
Lease liabilities	**3,048**	**(1,596)**	**395**	**811**	**–**	**125**	**2,783**

	1 June 2023 $'000	Cash flows $'000	Non-cash changes: Additions $'000	Non-cash changes: Lease modification $'000	Non-cash changes: Accretion of interest $'000	31 May 2024 $'000
Lease liabilities	2,946	(1,367)	1,106	239	124	3,048

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

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

1. General 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).

The Company's registered office is located at 9 Raffles Place #26-01 Republic Plaza Singapore 048619 and its principal place of business is located at 233 River Valley Road #B1-04/05 RV Point Singapore 238291. The registration number of the Company is 201533429G. The Group's ultimate controlling party is Dr. Heah Sieu Min.

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries are set out in Note 7 to the financial statements.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)s) and are prepared under the historical cost convention, except as disclosed in the accounting policies below. All accounting policies have been consistently applied to the current financial year and comparative period, unless otherwise stated.

Where accounting policy information is not disclosed in the financial statements, it is considered not material and mainly standardised accounting requirements. The accounting policy information that is material and necessary for the understanding of the financial statements are disclosed in Note 2 to the financial statements.

The individual financial statements of each entity within the Group are measured and presented in the currency of primary economic environment in which the entity operates (its 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), unless otherwise stated.

The preparation of financial statements in compliance with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. Estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in Note 3 to the financial statements.

Changes in accounting policies

New standards, amendments and interpretations effective from 1 June 2024

On 1 June 2024, the Group adopted the new or amended SFRS(I)s and interpretations to SFRS(I)s that are mandatory for application for the financial year. The adoption of these standards did not result in significant changes to the Group's accounting policies and had no material impact to the Group's financial statements for current or prior financial years.

2. Material accounting policy information (Continued)

2.1 Basis of preparation (Continued)

Changes in accounting policies (Continued)

New standards, amendments and interpretations issued but not yet effective

At the date of authorisation of these financial statements, the following standards were issued but not yet effective, and have not been adopted early 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) 1-21, SFRS(I) 1 (Amendments)	:	Lack of Exchangeability	1 January 2025
SFRS(I) 9 and SFRS(I) 7 (Amendments)	:	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
SFRS(I) 9 and SFRS(I) 7 (Amendments)	:	Contracts Referencing Nature-dependent Electricity	1 January 2026
Various	:	Annual Improvements to SFRS(I)s-Volume 11	1 January 2026
SFRS(I) 18	:	Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19	:	Subsidiaries without Public Accountability: Disclosures	1 January 2027

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

Management anticipates that the adoption of the above standards, if applicable, in future periods will not have a material impact on the financial statements of the Group and the Company in the period of their initial adoption except as follows:

Presentation and Disclosure in Financial Statements

The SFRS(I) 18 replaces SFRS(I) 1-1 Presentation of Financial Statements and provides guidance on presentation and disclosure in financial statements, focus on the statement of profit or loss.

SFRS (I) 18 Introduces:

- New structure on statement of profit or loss with defined subtotals;
- Disclosure related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or subtotal required by accounting standards with adjustments made (e.g. 'adjusted profit or loss'). A reconciliation of MPMs to the nearest total or subtotal calculated in accordance with accounting standards; and
- Enhanced principles on aggregation and disaggregation of financial information which apply to the primary financial statements and notes in general.

SFRS(I) 18 will take effect on 1 January 2027 and management anticipates that the new requirements will change the current presentation and disclosure in the financial statements. An impact assessment regarding the adoption of SFRS(I) 18 is still underway and has not yet been completed.

2. Material accounting policy information (Continued)

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries made up to the end of the reporting period. The financial statements of the subsidiaries are prepared for the same reporting date as that of the parent company.

Accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group to ensure consistency.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which that control ceases. In preparing the consolidated financial statements, inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment loss of the asset transferred.

Non-controlling interests in subsidiaries relate to the equity in subsidiaries which is not attributable directly or indirectly to the owners of the parent. They are shown separately in the consolidated statements of comprehensive income, financial position and changes in equity.

Non-controlling interests in the acquiree that have a present ownership interest and entitle its holders to a proportionate share of the equity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having deficit balance.

Changes in the Group's interest in subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the parent.

When the Group loses control of subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of.

2.3 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The consideration transferred for the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred. Consideration transferred also includes any contingent consideration measured at the fair value at the acquisition date. Subsequent changes in fair value of contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair values at the acquisition date.

2. Material accounting policy information (Continued)

2.3 Business combinations (Continued)

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

2.4 Plant and equipment

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	3
Furniture, fittings and office equipment	5
Medical equipment	8
Renovation	5

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

2.5 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Goodwill

Goodwill arising on the acquisition of subsidiary represents the excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of any previously held equity interest in the acquiree over the acquisition date fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

2. Material accounting policy information (Continued)

2.6 Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from its involvement with the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Investment in subsidiaries is accounted for at cost, less impairment loss, if any, in the Company's statement of financial position.

2.7 Associates and joint ventures

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Associates and joint ventures are initially recognised in the consolidated statement of financial position at cost and subsequently accounted for using the equity method less any impairment losses. Any premium paid for an associate or a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is included in the carrying amount of the investments in associates or joint venture.

In applying the equity method of accounting, the Group's share of associates' and joint ventures' post-acquisition results and other comprehensive income is recognised in the consolidated statement of comprehensive income. These post-acquisition movements and distributions received are adjusted against the carrying amount of the investments. When the Group's share of losses in an associate or a joint venture equal or exceed its interest in the associate or joint venture, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or has made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

After application of the equity method of accounting, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investments in associates or joint ventures.

2.8 Impairment of non-financial assets excluding goodwill

The carrying amounts of non-financial assets excluding goodwill are reviewed at the end of each reporting period to determine whether there is any indication of impairment loss and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups of assets. Impairment loss is recognised in profit or loss.

2. Material accounting policy information (Continued)

2.8 Impairment of non-financial assets excluding goodwill (Continued)

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.

An assessment is made at the end of each reporting period as to whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. An impairment loss recognised in prior periods is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment loss are recognised in profit or loss. After such a reversal, the depreciation or amortisation is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. 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.

2.10 Financial assets

The Group and the Company classify their financial assets into one of the categories below, depending on the Group's and the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group and the Company shall reclass their affected financial assets when and only when the Group and the Company change their business model for managing these financial assets. Other than financial assets in a qualifying hedging relationship, the Group's and the Company's accounting policy for each category is as follows:

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables) but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Interest income from these financial assets is included in interest income using the effective interest rate method.

2. Material accounting policy information (Continued)

2.10 Financial assets (Continued)

Amortised cost (Continued)

Impairment provisions for trade receivables are recognised based on the simplified approach within SFRS(I) 9 using the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the combined statement of comprehensive income. On confirmation that the trade receivable will not be collectible, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for non-trade receivables from subsidiaries, associates, joint ventures and other receivables due from third parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether at each reporting date, there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group's and the Company's financial assets measured at amortised cost comprise trade and other receivables and cash and bank balances in the statements of financial position.

Financial assets at fair value through profit or loss (FVTPL)

The Group and the Company have a number of investments in listed and unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities. They are carried at fair value with changes in fair value recognised in profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments' carrying amount.

Purchases and sales of financial assets measured at fair value through profit or loss are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through profit or loss.

Derecognition of financial assets

The Group and the Company derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

2. Material accounting policy information (Continued)

2.11 Financial liabilities

The Group and the Company determine the classification of their financial liabilities at initial recognition.

(i) Trade and other payables

Trade and other payables (excluding goods and services tax payable, net) are recognised initially at cost which represents the fair value of the consideration to be paid in the future, less transaction cost, for goods received or services rendered, whether or not billed to the Group and the Company, and are subsequently measured at amortised cost using the effective interest method.

(ii) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to profit or loss over the period of the borrowings using the effective interest method.

(iii) Other financial liabilities

Other financial liabilities comprise gross obligation of forward purchase contract, which are initially recognised at present value. Subsequent to initial recognition, the other financial liabilities are accreted through finance charges in the other reserves included in Group equity over the forward contract periods up to the final redemption amount. If the Group revises its estimates of the obligation of forward purchase contract, the carrying amount of the financial liabilities shall be adjusted with any changes recognised in the other reserves included in Group equity. The Group reassesses the carrying amount by estimating the present value of estimated future cash flows at the financial instrument's original effective interest rate.

Derecognition of financial liabilities

The Group and the Company derecognise their financial liabilities when, and only when, the Group's and the Company's obligations are discharged or cancelled or expired. The difference between the carrying amount and the consideration paid is recognised in profit or loss.

2.12 Derivative financial instruments

Derivative financial instruments held by the Group and the Company are recognised as assets or liabilities on the statements of financial position and classified as financial assets or financial liabilities at fair value through profit or loss.

The Group and the Company classified the put option, option to re-purchase, option to purchase and forward purchase contracts as derivative financial instruments. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivative financial instruments are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivative financial instruments that do not qualify for hedge accounting are recognised in profit or loss for the financial years, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Material accounting policy information (Continued)

2.13 Revenue recognition

Revenue is recognised when a performance obligation is satisfied. Revenue is measured based on consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (i.e. sales related taxes). The consideration promised in the contracts with customers may include fixed amounts and variable amounts, if any.

Provision of medical services

Revenue from the provision of medical services generally relate to performance obligations to provide consultations, clinical treatments, endoscopic procedures, surgery, diagnostic imaging, radiology services, general medical services and related products, net of discounts to customers. In the rendering of these services, there are no variable considerations noted in the contracts with customers. Performance obligations for all services are satisfied over a period of less than one day when services are rendered. Hence, revenue is recognised at a point in time upon completion of the services.

Consultancy fee income

Consultancy fee income is recognised based on the provision of services in accordance with terms as stated in the consultancy agreement.

Management fee income

Management fee income is recognised based on the provision of services in accordance with terms as stated in the management fee agreement.

Interest income

Interest income is recognised using the effective interest rate method.

Dividend income

Dividend income from investments is recognised when the shareholders' right to receive payment has been established.

2.14 Leases

Group as lessee

Initial measurement

Leases are recognised as right-of-use assets and corresponding lease liabilities at the date of which the leased assets are available for use by the Group. Each lease payment is allocated between the lease liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on their remaining balance of the liability for each period.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

2. Material accounting policy information (Continued)

2.14 Leases (Continued)

Group as lessee (Continued)

Subsequent measurement

Right-of-use assets are subsequently measured at cost less accumulated depreciation and 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 Group will exercise the purchase option, the right-of-use assets are depreciated over the useful life of the underlying asset on the following basis:

	Years
Office	3
Clinic premises	2 - 6

The carrying amount of right-of-use assets are reviewed for impairment when events or changes in circumstances indicate that the right-of-use assets may be impaired. The accounting policy on impairment is as described in Note 2.8 to the financial statements.

Subsequent to initial measurement, lease liabilities are adjusted to reflect interest charged at a constant periodic rate over the remaining lease liabilities, lease payment made and if applicable, account for any remeasurement due to reassessment or lease modifications.

After the commencement date, interest on the lease liabilities is recognised in profit or loss, unless the costs are eligible for capitalisation in accordance with other applicable standards.

When the Group revises its estimate of any lease term (i.e. probability of extension or termination option being exercised), it adjusts 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 liabilities, the remaining amount of the remeasurement is recognised directly in profit or loss.

3. Critical accounting judgements and key sources of estimation uncertainty

3.1 Critical judgements made in applying the accounting policies

In the process of applying the accounting policies, the management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements except as discussed below.

Critical judgement over lease term

As at 31 May 2025, the Group's and the Company's lease liabilities, which are measured with reference to an estimate of the lease term, amounted to $2,783,000 and $277,000 (2024: $3,048,000 and $204,000) respectively, of which $Nil and $Nil (2024: $37,000 and $Nil) arose from extension options respectively. Extension options are included in the lease term if the lease is reasonably certain to be extended. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise the extension option.

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.1 Critical judgements made in applying the accounting policies (Continued)

Critical judgement over lease term (Continued)

For lease of clinic premises and office premises, the following factors are considered to be most relevant:

- If any leasehold improvements are expected to have a significant remaining value, the Group and the Company typically include the extension option in lease liabilities;
- If the clinic premises is located in a strategic location that will contribute to the continued profitability of the Group and the Company, the Group and the Company typically include the extension option in lease liabilities; and
- Otherwise, the Group and the Company consider other factors including its historical lease periods for similar assets, costs required to obtain replacement assets, and business disruptions.

The assessment of reasonably certain to exercise extension options is only revised if a significant change in circumstances occurs that is within the control of the lessee.

As at 31 May 2025, potential future (undiscounted) cash outflows of approximately $1,749,000 and $336,000 (2024: $1,615,000 and $288,000) have not been included in lease liabilities of the Group and the Company because it is not reasonably certain that the leases will be extended.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses within the next financial year are discussed below:

(i) Goodwill

Management determines whether goodwill is impaired at least on an annual basis and whenever there is an indication that they are impaired. The process of evaluating potential impairment of goodwill requires significant judgements and assumptions. Management estimates the recoverable amount of the CGU to which the goodwill has been allocated based on value-in-use calculations derived from discounted cash flow model. The recoverable amount is most sensitive to discount rate and revenue growth rates used for the discounted cash flow model. Any excess of the carrying values over the discounted future cash flows are recognised as impairment loss in the consolidated statement of comprehensive income. The carrying amount of the Group's goodwill as at 31 May 2025 was $3,394,000 (2024: $3,358,000) and there is no allowance for impairment loss during the financial years ended 31 May 2025 and 31 May 2024 as disclosed in Note 5 to the financial statements.

(ii) Impairment of investment in subsidiaries and associates

The management follows the guidance of SFRS(I) 1-36 *Impairment of Assets* and SFRS(I) 1-28 *Investments in Associates and Joint Ventures*, in determining whether investment in subsidiaries and associates respectively are impaired. The management evaluates, among other factors, the duration and extent to which the recoverable amount of an investment is less than its carrying amount, the financial health and near-term business outlook of the investments, including factors such as industry and sector performance, changes in technology and operational and financing cash flows.

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(ii) Impairment of investment in subsidiaries and associates (Continued)

Investment in subsidiaries and associates are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. The recoverable amounts of these assets and where applicable, cash-generating units (CGU) have been determined based on value-in-use calculations. The value-in-use calculation requires the Company to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value.

The Company's carrying amount of investment in subsidiaries as at 31 May 2025 was $14,218,000 (2024: $13,464,000). There is no allowance for impairment loss on investment in subsidiaries during the financial years ended 31 May 2025 and 31 May 2024.

The Group's and the Company's carrying amount of investments in associates as at 31 May 2025 was $2,762,000 (2024: $2,785,000). In previous financial year, an allowance for impairment loss on investment in an associate of approximately $243,000 was recognised as disclosed in Note 8 to the financial statements. The total impairment loss of $243,000 was reversed during the financial year ended 31 May 2025 upon the derecognition of the associate.

(iii) Loss allowance for non-trade amounts due from subsidiaries, associates and joint venture

Management determines whether there is significant increase in credit risk of these subsidiaries, associates and joint venture since initial recognition. Management reviews the financial performance and results of these subsidiaries, associates and joint venture. A net loss allowance of $739,000 (2024: $381,000) was recognised for the amounts due from subsidiaries during the financial year ended 31 May 2025.

A reversal of loss allowance of $7,000 (2024: loss allowance of $7,000) and a loss allowance of $Nil (2024: $237,000) were recognised for the amounts due from an associate and a joint venture respectively during the financial year ended 31 May 2025. The amounts due from subsidiaries, associates and joint venture are disclosed in Note 12 to the financial statements.

(iv) Fair value of derivative financial instruments

The derivative financial instruments arise from the granting of options to re-purchase, put option, 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 vendors of associate and non-controlling interests of certain subsidiaries as disclosed in Note 13 to the financial statements, and are measured at fair value as at the end of the reporting period.

Put option and option to re-purchase

As at the end of the reporting period, the fair value of derivative financial instrument has been determined by management, assisted by its independent external valuer, and is considered as level 3 recurring fair value measurements. The significant judgement and assumptions to the valuation include expected volatility rate and risk-free rate. Significant assumptions were made by the management in estimating the probability of the option being exercised as at the end of the reporting period. The carrying values of the derivative financial instrument of the Group and the Company relating to the put option and option to re-purchase as at 31 May 2025 were $400,000 and $28,000 (2024: $400,000 and $28,000) respectively.

If the probability that the option is exercised is higher or lower by 5% from management's estimates, the Group's profit would have been higher or lower by $400,000 and $28,000 (2024: $400,000 and $28,000) respectively.

3. Critical accounting judgements and key sources of estimation uncertainty (Continued)

3.2 Key sources of estimation uncertainty (Continued)

(iv) Fair value of derivative financial instruments (Continued)

Forward purchase contracts and option to purchase

As at the end of the reporting period, the fair values of derivative financial instruments have been determined by management, assisted by its independent external valuer, and are considered as level 3 recurring fair value measurements. The significant judgements and assumptions to the valuations include estimated profit after tax for future years, expected volatility rate and risk-free rate. The carrying value of the derivative financial instruments of the Group relating to the forward purchase contracts recognised as assets and liabilities as at 31 May 2025 were $1,307,000 and $Nil (2024: $429,000 and $578,000) respectively.

The carrying values of the derivative financial instruments of the Company relating to the forward purchase contracts and option to purchase recognised as assets and liabilities as at 31 May 2025 were $1,308,000 and $Nil (2024: $862,000 and $578,000) respectively.

(v) Impairment of plant and equipment and right-of-use assets

Plant and equipment and right-of-use assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flow (its cash generating unit or CGU) and the recoverable amount are determined based on value-in-use, by discounting the expected future cash flows for each CGU. The recoverable amount is sensitive to discount rates as well as the revenue growth rates used.

Following the review, a reversal of impairment loss on plant and equipment of $152,000 (2024: impairment loss of $148,000) and an impairment loss on right-of-use assets of $135,000 (2024: $8,000) respectively were recognised in profit or loss for the financial year ended 31 May 2025. The carrying amount of the Group's and the Company's plant and equipment were $1,219,000 and $14,000 (2024: $1,022,000 and $9,000) respectively and right-of-use assets as at 31 May 2025 were $2,527,000 and $103,000 (2024: $2,954,000 and $167,000) respectively.

(vi) Accounting for leases

The Group and the Company have determined the discount rate by reference to the respective lessee's incremental borrowing rate when the rate inherent in the lease is not readily determinable. The Group and the Company obtain the relevant market interest rate after considering the applicable geographical location where the lessee operates as well as the term of the lease. Management considers its own credit spread information from its recent borrowings, industry data available as well as any security available in order to adjust the market interest rate obtained from similar economic environment, term and value of the lease.

The incremental borrowing rate applied to lease liabilities as at 31 May 2025 was 3.67% to 4.00% (2024: 3.67% to 4.00%) per annum. The carrying amount of lease liabilities of the Group and the Company as at 31 May 2025 were $2,783,000 and $277,000 (2024: $3,048,000 and $204,000) respectively. If the incremental borrowing rate had been 1.0% (2024: 1.0%) higher or lower than management's estimates, the Group's and the Company's lease liabilities would have been lower or higher by $37,000 and $2,000 (2024: $53,000 and $9,000) respectively.

4. Plant and equipment

	Computer	Furniture, fittings and office equipment	Medical equipment	Renovation	Total
	$'000	$'000	$'000	$'000	$'000
Group					
Cost					
Balance at 1 June 2024	**177**	**203**	**1,960**	**1,734**	**4,074**
Additions	**15**	**14**	**59**	**397**	**485**
Arising from acquisition of a subsidiary	**8**	**75**	**46**	**119**	**248**
Written off	**(18)**	**(73)**	**(8)**	**(194)**	**(293)**
Balance at 31 May 2025	**182**	**219**	**2,057**	**2,056**	**4,514**
Accumulated depreciation and impairment					
Balance at 1 June 2024	**163**	**170**	**1,258**	**1,461**	**3,052**
Depreciation for the financial year	**15**	**14**	**224**	**184**	**437**
Reversal of impairment loss for the financial year	**–**	**(2)**	**(22)**	**(128)**	**(152)**
Arising from acquisition of a subsidiary	**8**	**75**	**43**	**105**	**231**
Written off	**(16)**	**(73)**	**(7)**	**(177)**	**(273)**
Balance at 31 May 2025	**170**	**184**	**1,496**	**1,445**	**3,295**
Net carrying amount					
Balance at 31 May 2025	**12**	**35**	**561**	**611**	**1,219**
Cost					
Balance at 1 June 2023	168	190	1,952	1,716	4,026
Additions	12	13	16	31	72
Written off	(3)	–	(5)	(13)	(21)
Disposals	–	–	(3)	–	(3)
Balance at 31 May 2024	177	203	1,960	1,734	4,074
Accumulated depreciation and impairment					
Balance at 1 June 2023	149	154	1,007	1,118	2,428
Depreciation for the financial year	17	15	225	239	496
Impairment loss for the financial year	–	1	30	117	148
Written off	(3)	–	(2)	(13)	(18)
Disposals	–	–	(2)	–	(2)
Balance at 31 May 2024	163	170	1,258	1,461	3,052
Net carrying amount					
Balance at 31 May 2024	14	33	702	273	1,022

4. Plant and equipment (Continued)

	Computer $'000	Furniture, fittings and office equipment $'000	Renovation $'000	Total $'000
Company				
Cost				
Balance at 1 June 2024	**42**	**11**	**30**	**83**
Additions	**3**	**–**	**11**	**14**
Written off	**(5)**	**–**	**–**	**(5)**
Balance at 31 May 2025	**40**	**11**	**41**	**92**
Accumulated depreciation				
Balance at 1 June 2024	**33**	**11**	**30**	**74**
Depreciation for the financial year	**6**	**–**	**1**	**7**
Written off	**(3)**	**–**	**–**	**(3)**
Balance at 31 May 2025	**36**	**11**	**31**	**78**
Net carrying amount				
Balance at 31 May 2025	**4**	**–**	**10**	**14**
Cost				
Balance at 1 June 2023	37	11	43	91
Additions	5	–	–	5
Written off	–	–	(13)	(13)
Balance at 31 May 2024	42	11	30	83
Accumulated depreciation				
Balance at 1 June 2023	27	11	40	78
Depreciation for the financial year	6	–	3	9
Written off	–	–	(13)	(13)
Balance at 31 May 2024	33	11	30	74
Net carrying amount				
Balance at 31 May 2024	9	–	–	9

During the financial year, the Group carried out a review of the recoverable amount of its plant and equipment for clinic premises (CGUs) with indications of impairment. The recoverable amount of the relevant assets of approximately $1,420,000 (2024: $472,000) 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% (2024: 10.2% to 10.4%) per annum.

The review led to the reversal of impairment loss of $152,000 (2024: Impairment loss of $148,000) in the consolidated statement of comprehensive income following an improvement in market conditions and business performance.

5. Intangible assets

	Goodwill $'000	Computer software $'000	Total $'000
Group			
Cost			
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**
Accumulated amortisation and impairment			
Balance at beginning and end of financial year	**2,559**	**31**	**2,590**
Net carrying amount			
Balance at 31 May 2025	**3,394**	**–**	**3,394**
Cost			
Balance at 1 June 2023 and 31 May 2024	5,917	31	5,948
Accumulated amortisation and impairment			
Balance at beginning and end of financial year	2,559	31	2,590
Net carrying amount			
Balance at 31 May 2024	3,358	–	3,358

	Computer software	
	2025 $'000	2024 $'000
Company		
Cost		
Balance at beginning and end of financial year	**13**	13
Accumulated amortisation		
Balance at beginning and end of financial year	**13**	13
Net carrying amount		
Balance at end of financial year	**–**	–

The computer software was amortised using the straight-line method over the estimated useful lives of 3 to 4 years.

5. Intangible assets (Continued)

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	
	2025	**2024**
	$'000	**$'000**
Name of subsidiaries		
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**	–
	3,394	3,358

Impairment test for goodwill

As at 31 May 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 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	
	2025	**2024**	**2025**	**2024**
LBPL	**2%**	2%	**10.9%**	12.0%
MLCS	**4%**	4%	**10.4%**	11.4%
MST	**2%**	2%	**10.9%**	12.0%
JLES	**5%**	4.5%	**10.7%**	11.9%
GMH	**2%**	6%	**9.9%**	11.5%
MDS	**-8% to 2%**	n.a.	**10.2%**	n.a.

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 using pre-tax 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 (2024: $Nil).

5. Intangible assets (Continued)

Sensitivity analysis

As at the current reporting date, based on management's assessment of the CGUs, any reasonably possible change to the key assumptions applied is not likely to cause the recoverable amounts to be below the carrying amounts of the CGUs.

6. Right-of-use assets

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Office and clinic premises				
Cost				
Balance at beginning of financial year	**5,578**	5,186	**264**	204
Additions	**420**	1,120	**–**	130
Arising from acquisition of a subsidiary	**1,880**	–	**–**	–
Lease modification	**–**	239	**–**	61
Written off	**(622)**	(967)	**–**	(131)
Balance at end of financial year	**7,256**	5,578	**264**	264
Accumulated depreciation and impairment				
Balance at beginning of financial year	**2,624**	2,288	**97**	165
Arising from acquisition of a subsidiary	**1,090**	–	**–**	–
Depreciation for the financial year	**1,502**	1,295	**64**	63
Impairment loss for the financial year	**135**	8	**–**	–
Written off	**(622)**	(967)	**–**	(131)
Balance at end of financial year	**4,729**	2,624	**161**	97
Net carrying amount				
Balance at end of financial year	**2,527**	2,954	**103**	167

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

During the financial year, 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 right-of-use assets for office and clinic premises (CGUs).

Following the review, an impairment loss on right-of-use assets of approximately $135,000 (2024: $8,000) was recognised in the consolidated statement of comprehensive income due to the deterioration in the business performance. The recoverable amount of the relevant assets of approximately $779,000 (2024: $Nil) has been determined based on its value-in-use calculations. The pre-tax discount rate used in measuring value-in-use ranged from 9.8% to 10.4% (2024: 10.2%) per annum.

7. Investment in subsidiaries

	Company	
	2025	2024
	$'000	$'000
Unquoted equity shares, at cost	**20,347**	19,593
Allowance for impairment loss	**(6,129)**	(6,129)
	14,218	13,464

Movement in allowance for impairment loss was as follows:

	Company	
	2025	2024
	$'000	$'000
Balance at beginning and end of financial year	**6,129**	6,129

Impairment on investment 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 recognised for the financial years ended 31 May 2025 and 31 May 2024.

7. Investment in subsidiaries (Continued)

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	
			2025	2024	2025	2024
			%	%	%	%
Heah Sieu Min (Mt E) Pte. Ltd. [1]	Singapore	Colorectal endoscopy and piles centre	**100**	100	**–**	–
Heah Sieu Min (Bukit Batok) Pte. Ltd. [1]	Singapore	Provide outpatient consultation services and procedures in the field of Colorectal Endoscopy practices	**100**	100	**–**	–
CKH (Farrer Park) Pte. Ltd. [1]	Singapore	General, vein laser vascular and laparoscopy surgery and other health services	**100**	100	**–**	–
HC (Siglap) Pte. Ltd. [1]	Singapore	Specialised medical services (including day surgical centres)/ clinics and other general medical services	**80**	66	**20**	34
HC (TPY) Pte. Ltd. [1]	Singapore	Specialised medical services (including day surgical centres)/other health services	**100**	100	**–**	–
Malcolm Lim Pte. Ltd. [1]	Singapore	Clinics and other general medical services	**51**	51	**49**	49
LAI BEC Pte. Ltd. [1]	Singapore	Clinics and other general medical services	**51**	51	**49**	49
Hannah Medical Pte. Ltd. [1]	Singapore	Clinics and other general medical services	**100**	100	**–**	–
HC (Hillford) Pte. Ltd. [1]	Singapore	Specialised medical services (including day surgical centres)/ clinics and other general medical services	**100**	100	**–**	–

7. Investment 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	
			2025	**2024**	**2025**	**2024**
			%	**%**	**%**	**%**
HC (GM) Pte. Ltd. [1]	Singapore	Specialised medical services (including day surgical centres)/ clinics and other general medical services	**100**	100	**–**	–
KPO Endoscopy & Surgery Pte. Ltd. (formerly known as Julian Ong Endoscopy & Surgery Pte. Ltd.) [1]	Singapore	Clinics and other general medical services	**70**	70	**30**	30
Medical L & C Services Pte. Ltd. [1]	Singapore	Clinics and other general medical services	**100**	100	**–**	–
Medical Services @ Tampines Pte. Ltd. [1]	Singapore	Clinics and other general medical services/medical shared services	**100**	100	**–**	–
Jason Lim Endoscopy and Surgery Pte. Ltd. [1]	Singapore	Specialised medical services/clinics and other general medical services	**100**	100	**–**	–
HC (Ming) Pte. Ltd. [1]	Singapore	Clinics and other general medical services	**100**	80	**–**	20
HC (AMK) Pte. Ltd. [1]	Singapore	Clinics and other general medical services	**100**	100	**–**	–
GMH Endoscopy & Surgery Pte. Ltd. [1]	Singapore	Clinics and other general medical services	**100**	51	**–**	49
Medistar Services Pte. Ltd. [1]	Singapore	Clinics and other general medical services	**85**	25	**15**	75

(1) Audited by BDO LLP, Singapore

Acquisition of a subsidiary

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, a former associate, in connection with the exercise of the forward purchase contract. The consideration for the additional acquisition, amounted to approximately $89,000, was paid in cash. Upon completion of the acquisition, MDS became a 70% owned subsidiary of the Company on that date.

7. Investment in subsidiaries (Continued)

Acquisition of a subsidiary (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 $212,000 recognised as a result of remeasurement 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.

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

	MDS
	$'000
Plant and equipment	17
Right-of-use assets	790
Inventories	113
Trade and other receivables	109
Prepayments	2
Cash and cash equivalents	144
Total assets	1,175
Trade and other payables	247
Deferred tax liabilities	6
Lease liabilities	811
Total liabilities	1,064
Net identifiable assets acquired	111
Non-controlling interest (NCI) 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	(36)

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

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

	MDS
	$'000
Total purchase consideration	89
Less: Cash and cash equivalents of MDS acquired	(144)
Net cash inflow on acquisition	55

7. Investment in subsidiaries (Continued)

Acquisition of a subsidiary (Continued)

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

Goodwill of $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 $20,000 (2024: $Nil) have been recognised in the "Other expenses" line item of the consolidated statement of comprehensive income for the financial year ended 31 May 2025.

Acquisition of non-controlling interests

a) 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 $636,000, was paid in cash. Upon completion of the acquisition, GMH became a wholly owned subsidiary of the Company.

b) 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 $2. Upon completion of the acquisition, HCMC became a wholly owned subsidiary of the Company.

c) MDS

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 $60,000. Upon the completion of the acquisition, MDS became a 85% owned subsidiary of the Group.

		Acquisition of		Total
	GMH	HCMC	MDS	
	$'000	$'000	$'000	
Carrying amount of non-controlling interests acquired	(53)	(49)	16	
Consideration for the acquisition of non-controlling interests	(636)	*	(60)	
Premium on acquisition of non-controlling interests recognised in equity	(689)	(49)	(44)	(782)

* Amount less than $1,000

7. Investment in subsidiaries (Continued)

Non-controlling interest

The non-controlling interests of MDS (2024: KPO Endoscopy & Surgery Pte. Ltd. (KPO), HCMC and GMH) that are not 100% owned by the Group are considered to be insignificant to the Group.

Summarised financial information in relation to LBPL, Malcolm Lim Pte. Ltd. (MLPL) and HC (Siglap) Pte. Ltd. (HCSIG), KPO (2024: LBPL, MLPL and HCSIG) that have non-controlling interests (NCI) that are material to the Group, before intra-group eliminations and together with amounts attributed to NCI, is presented below:

	LBPL		MLPL		HCSIG		KPO		TOTAL	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Assets and liabilities										
Current assets	**1,017**	1,112	**178**	225	**157**	240	**144**	83	**1,496**	1,660
Non-current assets	**188**	36	**170**	256	**672**	569	**–**	–	**1,030**	861
Current liabilities	**(429)**	(376)	**(553)**	(550)	**(1,236)**	(1,211)	**(768)**	(253)	**(2,986)**	(2,390)
Non-current liabilities	**(69)**	–	**(146)**	(252)	**(206)**	(414)	**–**	–	**(421)**	(666)
Net assets/(liabilities)	**707**	772	**(351)**	(321)	**(613)**	(816)	**(624)**	(170)	**(881)**	(535)
Accumulated NCI	**346**	378	**(172)**	(157)	**(238)**	(271)	**(187)**	(51)	**(251)**	(101)
Revenue	**2,084**	1,946	**590**	617	**519**	799	**333**	246	**3,526**	3,608
Profit/(Loss) for the financial year, representing total comprehensive income for the financial year	**835**	811	**(30)**	(151)	**202**	(417)	**(454)**	(229)	**553**	14
Profit/(Loss) allocated to NCI	**409**	397	**(15)**	(74)	**33**	(143)	**(136)**	(69)	**291**	111
Dividends paid to NCI	**441**	255	**–**	–	**–**	–	**–**	–	**441**	255
Cash flows generated from/(used in) operating activities	**794**	946	**55**	130	**(58)**	194	**19**	(7)	**810**	1,263
Cash flows used in investing activities	**(2)**	–	**(2)**	–	**(8)**	(5)	**–**	–	**(12)**	(5)
Cash flows (used in)/from financing activities	**(1,024)**	(868)	**(97)**	(93)	**12**	(138)	**–**	–	**(1,109)**	(1,099)
Net cash (outflows)/inflows	**(232)**	78	**(44)**	37	**(54)**	51	**19**	(7)	**(311)**	159

8. Investment in associates

	Group and Company	
	2025	**2024**
	$'000	**$'000**
Unquoted equity investments, at cost	**3,116**	3,116
Allowance for impairment loss	**–**	(243)
Deemed disposal of associate	**(484)**	–
Dividend declared	**(216)**	–
Share of results, net of tax	**346**	(88)
	2,762	2,785

Movements in allowance for impairment loss were as follows:

	Group and Company	
	2025	**2024**
	$'000	**$'000**
Balance at beginning of financial year	**243**	–
Impairment loss for the financial year	**–**	243
Reversal of impairment loss upon derecognition of the associate	**(243)**	–
Balance at end of financial year	**–**	243

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 recognised for the financial year ended 31 May 2025.

In previous financial year, an impairment loss of $243,000 was recognised in respect of an associate, MDS due to the deterioration in the business performance, which resulted in an adverse impact on the projected value-in-use of the operations concerned. The recoverable amount of the impaired associate was $244,000 as at financial year ended 31 May 2024.

On 16 September 2024, the Company acquired an additional 45% equity interest in MDS. The total impairment loss of $243,000 was reversed upon the derecognition of the associate.

8. Investment in associates (Continued)

Impairment on investment in associates (Continued)

The recoverable amount of the investment in associates is determined based on its 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	
	2025	**2024**	**2025**	**2024**
Medistar Services Pte. Ltd.	**n.a.**	3%	**n.a.**	11.4%
Total Orthopaedics Pte. Ltd. (TOPL)	**2%**	5% to 161%	**10.9%**	11.8%

n.a. – not applicable

The details of associates are as follows:

Name of company	Principal place of business	Principal activities	Effective equity interest	
			2025	**2024**
			%	**%**
Held by the Company				
Medistar Services Pte. Ltd. (1)	Singapore	Clinics and other general medical services	**–**	25
Total Orthopaedics Pte. Ltd. (1)	Singapore	Clinics and other general medical services	**35**	35

(1) Audited by BDO LLP, Singapore

MDS primary business is in alignment with the Group, providing outpatients consultation services, medical and related services.

TOPL primary business is the provision of orthopaedic medical services, which offers synergy with the Group's general surgery and endoscopy services.

Derecognition of investment in an associate

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 7 to the financial statements. The management has determined the acquisition cut-off date on 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.

8. Investment in associates (Continued)

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
	$'000
31 May 2025	
Income and expenses	
Revenue	**4,410**
Profit for the financial year	**1,228**
Other comprehensive income	**–**
Total comprehensive income	**1,228**
Assets and liabilities	
Non-current assets	**714**
Current assets	**1,463**
Non-current liabilities	**(338)**
Current liabilities	**(1,480)**
Net assets	**359**

	TOPL	MDS	Total
	$'000	$'000	$'000
31 May 2024			
Income and expenses			
Revenue	1,144	1,592	2,736
(Loss)/Profit for the financial year	(231)	35	(196)
Other comprehensive income	–	–	–
Total comprehensive income	(231)	35	(196)
Assets and liabilities			
Non-current assets	806	60	866
Current assets	624	342	966
Non-current liabilities	(482)	(7)	(489)
Current liabilities	(1,198)	(130)	(1,328)
Net (liabilities)/assets	(250)	265	15

8. Investment in associates (Continued)

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

	TOPL $'000
31 May 2025	
Net assets of the associates	**359**
Proportion of equity interest in the associates	**35%**
Group's share of interest in associates	**126**
Add: Goodwill on acquisition date	**2,313**
Add: Fair value of derivative financial instruments on acquisition date	**323**
Carrying amount	**2,762**

	TOPL $'000	MDS $'000	Total $'000
31 May 2024			
Net (liabilities)/assets of the associates	(250)	265	15
Proportion of equity interest in the associates	35%	25%	
Group's share of interest in associates	(88)	66	(22)
Add: Goodwill on acquisition date	2,313	414	2,727
Add: Fair value of derivative financial instruments on acquisition date	323	–	323
Less: Impairment loss	–	(243)	(243)
Carrying amount	2,548	237	2,785

9. Investment in joint ventures

	Group and Company	
	2025	2024
	$'000	$'000
Unquoted equity investment, at cost	**182**	182
Dividend received	**(63)**	–
Share of results, net of tax	**346**	–
	465	182

The details of the joint ventures are as follows:

Name of company	Principal place of business	Principal activities	Effective equity interest held by the Group	
			2025	2024
			%	%
Held by the Company				
Healthcare Essentials Pte. Ltd. (1)	Singapore	Retail sale of pharmaceutical and medical goods/general trading of medical supplies/ management consultancy services	**20**	20
HC Orthopaedics & Surgical Centre Pte. Ltd. (2)	Singapore	Clinics and other general medical services	**50**	50

(1) Not required to be audited under law of the country of incorporation. The management has assessed that the Group has joint control over Healthcare Essentials Pte. Ltd. due to the requirement of unanimous approvals are required for all decisions taken by the board. The quorum of all meetings of the board of Healthcare Essentials Pte. Ltd. shall be two directors, comprising one director nominated by the Group and one director nominated by the other shareholder. No meetings of the board shall commence in the absence of quorum.

(2) Audited by BDO LLP, Singapore

On 1 June 2023, the Company and an associate incorporated a joint venture namely HC Orthopaedics & Surgical Centre Pte. Ltd. (HCOS), a company incorporated in Singapore. The Company subscribed for 1 ordinary share at $1 each, which represented an equity interest of 50%.

The financial statements of Healthcare Essentials Pte. Ltd. (HEPL) are made up to 31 March each year. This was the financial reporting date established when the associate was incorporated. For the purpose of applying equity method of accounting, the financial statements of HEPL for the year ended 31 March 2025 have been used, and appropriate adjustments have been made for the effects of significant transactions between that date and 31 May 2025.

9. Investment in joint ventures (Continued)

Set out below is the summarised financial information for HEPL, which is material to the Group.

	HEPL 2025 $'000
Summarised statement of financial position as at 31 May	
Non-current assets	345
Current assets	2,421
Non-current liabilities	(28)
Current liabilities	(926)
Net assets	1,812
Included in the above amounts are:	
Cash and cash equivalents	1,122
Non-current financial liabilities (excluding trade and other payables and provision)	28
Summarised statement of comprehensive income for the financial year ended 31 May	
Revenue	3,078
Profit from continuing operations	803
Total comprehensive income	803
Dividends received from joint venture	63
Included in the above amounts are:	
Depreciation and amortisation	87
Interest expense	4
Income tax expense	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 ventures.

9. Investment in joint ventures (Continued)

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

	HEPL $'000
31 May 2025	
Net assets of the joint venture	**1,812**
Proportion of equity interest in the joint venture	**20%**
Group's share of interest in joint venture	**362**
Add: Goodwill on acquisition date	**103**
Carrying amount	**465**

Aggregate information of joint venture that is not individually material

The following tables summarises, in aggregate, the Group's share of profit and other comprehensive income of the Group's individually immaterial joint venture (2025: Nil; 2024: HEPL) accounted for using the equity method:

	2025 $'000	2024 $'000
The Group's share of profit before tax	–	152
The Group's share of profit after tax	–	114
The Group's share of total comprehensive income	–	114
Carrying value of individually immaterial joint venture	–	182

Unrecognised share of losses

The Group has not recognised its share of losses of HCOS amounting to approximately $12,000 (2024: $207,000) for the financial year ended 31 May 2025 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 $219,000 (2024: $207,000) as at the end of the reporting period.

10. Financial assets at fair value through profit or loss (FVTPL)

	Group and Company	
	2025	**2024**
	$'000	**$'000**
Balance at beginning of financial year	**6,778**	8,043
Capital reduction during the financial year	**(80)**	(88)
Disposal during the financial year	**(33)**	(1,351)
Fair value gain recognised during the financial year	**698**	174
Balance at end of financial year	**7,363**	6,778
Quoted equity securities at Singapore Exchange:		
- Investment III	**6,315**	5,744
- Investment II	**638**	701
- Investment VII	**79**	136
Unquoted equity securities		
- Investment I (including capital contribution)	**331**	197
- Investment V	**–**	–
- Investment VI	**–**	–
	7,363	6,778
Presented in statements of financial position		
- Non-current	**6,725**	6,077
- Current	**638**	701
	7,363	6,778

In the prior financial years, the Group had not made an irrevocable election for investments in equity securities to present subsequent changes in fair value to other comprehensive income. Therefore, such equity securities are measured at FVTPL. Dividend income recognised for these investments are included in "Other income" line item of the consolidated statement of comprehensive income.

During the financial year, the Group and the Company received $80,000 (2024: $88,000) from Investment I as a return of capital for the investment.

During the financial year, the Group and the Company disposed 290,100 ordinary shares in Investment II (2024: 118,700, 5,677 and 1,800 ordinary shares in Investment II, Investment V and Investment VI respectively) with total sales proceeds of $35,000 (2024: $1,359,000) and the gain on disposal of approximately $2,000 (2024: $8,000) was included in "Other income" line item in the consolidated statement of comprehensive income for the financial year ended 31 May 2025.

As at 31 May 2025, the Group has a capital commitment of $1,283,000 (2024: $1,203,000) in relation to unpaid capital contribution in HSN Healthcare Pte. Ltd. (HSN) (Investment I).

The Group and the Company intended to dispose and realise Investment II (2024: Investment II) within the next twelve months after the reporting period. Therefore, they are classified as current assets as at the end of the reporting period.

10. Financial assets at fair value through profit or loss (FVTPL) (Continued)

Fair value measurement

The investments in quoted equity securities have no fixed maturity date nor coupon rate. The fair values of these securities are based on closing quoted market prices on the last market day of the financial year.

The fair value of the Group's and the Company's investment in unquoted equity securities including capital contribution was valued by management and the valuation techniques used to derive the fair value are disclosed in Note 37.5 to the financial statements.

Financial assets at FVTPL are denominated in Singapore dollar.

11. Deferred tax assets/(liabilities)

	Group	
	2025	**2024**
	$'000	**$'000**
Deferred tax assets	**105**	17
Deferred tax liabilities	**(75)**	(200)

The following are the major deferred tax liabilities and assets (prior to offsetting of balances within the same tax jurisdiction) recognised by the Group and the movements during the year.

Deferred tax assets

	Unutilised tax losses	Lease liabilities	Provision	Others	Total
	$'000	$'000	$'000	$'000	$'000
At 1 June 2023	58	224	9	24	315
(Charged)/Credited to profit or loss	(37)	64	5	(21)	11
At 1 June 2024	21	288	14	3	326
Credited/(Charged) to profit or loss	**67**	**(69)**	**1**	**16**	**15**
At 31 May 2025	**88**	**219**	**15**	**19**	**341**

Deferred tax liabilities

	Accelerated tax depreciation	Lease assets	Others	Total
	$'000	$'000	$'000	$'000
At 1 June 2023	(139)	(220)	(1)	(360)
Credited/(Charged) to profit or loss	27	(176)	–	(149)
At 1 June 2024	(112)	(396)	(1)	(509)
Credited to profit or loss	**36**	**167**	**1**	**204**
Arising from acquisition of a subsidiary	**–**	**(6)**	**–**	**(6)**
At 31 May 2025	**(76)**	**(235)**	**–**	**(311)**

12. Trade and other receivables

	Group 2025 $'000	Group 2024 $'000	Company 2025 $'000	Company 2024 $'000
Non-current assets				
Other receivables				
- third party	**37**	80	**37**	80
- lease receivables	**–**	–	**44**	–
	37	80	**81**	80
Current assets				
Trade receivables				
- third parties	**1,233**	1,129	**–**	–
- subsidiaries	**–**	–	**499**	449
- a joint venture	**2**	3	**2**	3
Less:				
Loss allowance on trade receivables				
- third parties	**(3)**	–	**–**	–
	1,232	1,132	**501**	452
Other receivables				
- third parties	**112**	142	**194**	162
- subsidiaries	**–**	–	**3,284**	2,299
- associates	**217**	361	**217**	361
- a joint venture	**237**	237	**237**	237
- lease receivables	**–**	–	**127**	36
Less:				
Loss allowance on other receivables				
- subsidiaries	**–**	–	**(1,503)**	(764)
- an associate	**–**	(7)	**–**	(7)
- joint venture	**(237)**	(237)	**(237)**	(237)
	329	496	**2,319**	2,087
Deposits	**335**	254	**43**	37
	1,896	1,882	**2,863**	2,576
Total trade and other receivables	**1,933**	1,962	**2,944**	2,656

12. Trade and other receivables (Continued)

Trade receivables are unsecured, non-interest bearing and their credit term is generally ranging from 1 to 180 days (2024: 1 to 180 days).

The other receivables due from subsidiaries, associates and a joint venture are unsecured, non-interest bearing and repayable on demand.

The current other receivables due from third parties are unsecured, non-interest bearing and their credit term is generally ranging from 30 to 60 days (2024: 30 to 60 days).

Included in the third parties' other receivables is a compensation income to be received from the non-controlling interest of KPO following the suspension of the doctor's license for 2 years, pursuant to the revised sales and purchase agreement dated 20 January 2023. The compensation income will be received in monthly instalments of $4,000 in future financial years.

The lease receivables relate to the clinic premises leased out by the Company to its subsidiaries. The Company's sub-lease of its right-of-use of the clinic premises is classified as finance lease because the sub-lease is for the entire remaining lease term of the head lease. Right-of-use assets relating to the head leases with sub-leases classified as finance lease is derecognised and the net investment in the sub-lease is recognised as lease receivables. As at 31 May 2025, the lease receivables relate to the sub-leases where the relevant head leases are classified as lease liabilities as disclosed in Note 25 to the financial statements.

The non-current receivables approximate their fair values due to the insignificant effects of discounting.

Deposits relate to refundable deposits paid for rental and utilities.

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

	Group	
	2025	**2024**
	$'000	**$'000**
Balance at beginning of financial year	**–**	–
Loss allowance made	**3**	–
Balance at end of financial year	**3**	–

During the financial year ended 31 May 2025, third parties trade receivables written off of approximately $Nil (2024: $5,000) was recognised in "Other expenses" line item in the consolidated statement of comprehensive income.

12. Trade and other receivables (Continued)

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

	Group		Company	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Balance at beginning of financial year				
- subsidiaries	**–**	–	**764**	383
- an associate	**7**	–	**7**	–
- a joint venture	**237**	–	**237**	–
	244	–	**1,008**	383
Loss allowance made during the financial year				
- subsidiaries	**–**	–	**879**	418
- an associate	**–**	7	**–**	7
- a joint venture	**–**	237	**–**	237
	–	244	**879**	662
Reversal of loss allowance made				
- subsidiaries	**–**	–	**(140)**	(37)
- an associate	**(7)**	–	**(7)**	–
	(7)	–	**(147)**	(37)
Balance at end of financial year	**237**	244	**1,740**	1,008

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, a net reversal of ECL allowance of $7,000 and a net ECL allowance of $732,000 (2024: a net ECL allowance of $244,000 and $625,000) were recognised by the Group and the Company respectively. These receivables are determined to be credit-impaired due to the deterioration in the business performance, which had resulted in an adverse impact on the present value of expected cash flows of the operations concerned.

The remaining other receivables from subsidiaries and an associate are considered to be of low credit risk and subject to immaterial credit loss. Credit risk for these assets has not increased significantly since their initial recognition.

Trade and other receivables are denominated in Singapore dollar.

13. Derivative financial instruments

	Group		Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Non-current assets				
Put option	**400**	400	**400**	400
Forward purchase contracts/ Option to purchase	**1,307**	91	**1,308**	92
	1,707	491	**1,708**	492
Current assets				
Forward purchase contracts	**–**	338	**–**	770
Non-current liabilities				
Option to re-purchase	**(28)**	(28)	**(28)**	(28)
Forward purchase contracts	**–**	(578)	**–**	(578)
	(28)	(606)	**(28)**	(606)
	1,679	223	**1,680**	656

	Group		Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Balance at beginning of financial year	**223**	841	**656**	1,345
Fair value gain/(loss) recognised during the financial year	**1,456**	(618)	**1,024**	(689)
Balance at end of financial year	**1,679**	223	**1,680**	656

During the 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 7 to the financial statements.

Put option

The non-controlling interest has 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. On 20 January 2023, the Company entered into a revised sale and purchase agreement for amendments to the previous terms, details of which are disclosed in Note 12 to the financial statements. As at the end of the reporting period, management assessed that the probability of exercising the put option by the Company to be low.

As at the end of the reporting period, the fair value of the put option has been determined using the Binomial Option Pricing model and is considered as level 3 recurring fair value measurement. The significant judgement and assumptions to the valuation include volatility rate and risk-free rate as disclosed in Note 37.5 to the financial statements.

13. Derivative financial instruments (Continued)

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 associate as at the respective date of acquisitions as follows:

(a) The Company's further acquisition of the remaining 30% of the 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; and

(b) 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 the forward purchase contracts have been determined based on the difference between spot price derived from equity value; 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. They are considered as level 3 recurring fair value measurements and the significant judgement and assumptions to the valuations include equity value, estimated profit after tax for future years, risk-free rate and volatility rate as disclosed in Note 37.5 to the financial statements.

Option 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 probability 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 and is considered as level 3 recurring fair value measurement. The significant judgement and assumptions to the valuation include volatility rate and risk-free rate as disclosed in Note 37.5 to the financial statements.

14. Inventories

	Group	
	2025	**2024**
	$'000	**$'000**
Medical and surgical supplies	**419**	367

During the financial year, the Group carried out a review of the inventory obsolescence and the review led to the recognition of inventories written off amounting to $3,000 (2024: $4,000) that have been included in "Other expenses" line item in consolidated statement of comprehensive income.

15. Cash and bank balances

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Fixed deposits	**–**	2,520	**–**	2,520
Cash on hand	**10**	10	**–**	–
Bank balances	**5,083**	4,832	**1,843**	1,563
	5,093	7,362	**1,843**	4,083

In previous financial year, the fixed deposits were placed for a period of 2 weeks to 2 months and bore effective interest rate of 3.21% to 3.78% per annum.

The currency profile of cash and bank balances as at the end of the reporting period are as follow:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Singapore dollar	**5,091**	7,359	**1,841**	4,080
United States dollar	**2**	3	**2**	3
	5,093	7,362	**1,843**	4,083

16. Share capital

	Group and Company			
	2025		**2024**	
	Number of ordinary shares ('000)	**$'000**	**Number of ordinary shares ('000)**	**$'000**
Issued and fully-paid:				
Balance at beginning of financial year	**156,310**	**17,231**	151,396	15,419
Issuance of ordinary shares	**–**	**–**	4,914	1,812
Balance at end of financial year	**156,310**	**17,231**	156,310	17,231

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.

On 22 September 2023, the Company increased its issued and fully paid-up share capital by way of allotment and issuance of 4,914,277 new ordinary shares at a market price of $0.3687 per ordinary share as part of the settlement for deferred consideration pursuant to the acquisition of the 49% of the equity interest in JLES.

17. Treasury shares

	Group and Company			
	2025		2024	
	Number of ordinary shares ('000)	$'000	Number of ordinary shares ('000)	$'000
Balance at beginning of financial year	**2,503**	**996**	2,503	996
Repurchase of shares during the financial year	**431**	**124**	–	–
Balance at end of financial year	**2,934**	**1,120**	2,503	996

During the financial year, the Company acquired 431,000 ordinary shares through purchases in the open market. The total amount paid to repurchase the shares was $124,000 and has been presented as a component within shareholders' equity.

18. 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.

19. 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 without a change in control.

20. Other reserve

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

21. Retained earnings

Movements in retained earnings of the Company were as follows:

	Company	
	2025	2024
	$'000	$'000
Balance at beginning of financial year	**8,750**	7,310
Total comprehensive income for the financial year	**7,451**	4,055
Dividends (Note 35)	**(2,307)**	(2,615)
Balance at end of financial year	**13,894**	8,750

22. Other financial liabilities

	Group	
	2025	**2024**
	$'000	**$'000**
Present value at beginning of financial year	**1,035**	578
Unwinding interest expenses on other financial liabilities	**–**	55
Changes in estimated future cash flow on other financial liabilities	**–**	402
	–	457
Derecognition of other financial liabilities	**(1,035)**	–
Present value at end of financial year	**–**	1,035

Other financial liabilities pertain to the forward purchase contract/option to purchase in connection with the Group's further acquisition of the remaining issued and fully paid-up share capital of certain subsidiaries as follows:

(i) Remaining 49% of the issued and fully paid-up share capital of GMH as referred to in Note 13 to the financial statements; and

(ii) Remaining 30% of the issued and fully paid-up share capital of KPO as referred to in Note 13 to the financial statements.

During the financial year, the other financial liability in relation to GMH had been derecognised with a corresponding entry to "Other reserve" line item in the Group's equity (Note 20) upon the forward contract being exercised as disclosed in Note 13 to the financial statements.

In previous financial year, the other financial liabilities were measured at the present value of the exercise price for the forward purchase contract/option to purchase with a corresponding entry to "Other reserve" line item in the Group's equity (Note 20). The changes in estimated future cash flow and the unwinding interest expenses on other financial liabilities of approximately $402,000 and $55,000 respectively are included in "Other reserve" line item in the Group's equity (Note 20).

Key assumptions used in the estimation of the present value of the exercise price for the forward purchase contracts as at the reporting date are as follows:

	Group	
	2025	**2024**
Discount rate	**n.a.**	9.4%
Exercise price for forward purchase contracts	**$'000**	**$'000**
KPO on 31 May 2026	*****	*
GMH on 1 November 2024	**n.a.**	1,035

* Amount less than $1,000

Discount rate – Management estimates discount rates that reflect current market assessments of the time value of money.

The carrying amounts of the other financial liabilities approximate its fair value.

Other financial liabilities are denominated in Singapore dollar.

23. Bank borrowing

	Group and Company	
	2025	2024
	$'000	$'000
Current		
Unsecured		
Term loan I	–	1,288

The Group and the Company had drawn down Term Loan I amounted to $5 million on 6 May 2020. It was unsecured, repayable over 48 months commencing from June 2021 to May 2025 and the loan interest was charged at a fixed rate of 2% (2024: 2%) per annum. Term Loan I was subject to financial covenants imposed by the bank. The Group's and the Company's bank borrowing was fully repaid as at 31 May 2025.

Further details of the management of liquidity risk are set out in Note 37.3 to the financial statements.

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

	Group and Company	
	2025	2024
	$'000	$'000
Facilities granted	**6,500**	11,500
Facilities unutilised	**6,500**	6,500

The fair value of the Group's and the Company's bank borrowing in the previous financial year approximate their carrying amounts as they are at market lending rates for similar types of lending or borrowing at the end of the previous reporting period.

Bank borrowing is denominated in Singapore dollar.

24. Provisions

	Group		Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Provision for reinstatement cost				
Balance at beginning of financial year	**160**	157	**8**	21
Provision made during the financial year	**25**	14	**–**	–
Reversal of reinstatement cost not utilised	**–**	(11)	**–**	(13)
Balance at end of financial year	**185**	160	**8**	8

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 assets, which is capitalised and included in the cost of right-of-use assets and plant and equipment. The cost is expected to be incurred upon expiry of the leases.

25. Lease liabilities

	Group		Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Balance at beginning of financial year	**3,048**	2,946	**204**	217
Additions	**395**	1,106	**253**	129
Arising from acquisition of a subsidiary	**811**	–	**–**	–
Lease modification	**–**	239	**–**	61
Interest expense	**125**	124	**12**	7
Lease payments				
- Principal portion	**(1,471)**	(1,243)	**(180)**	(203)
- Interest portion	**(125)**	(124)	**(12)**	(7)
	(1,596)	(1,367)	**(192)**	(210)
Balance at end of financial year	**2,783**	3,048	**277**	204

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

	Group		Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Contractual undiscounted cash flows				
- Within one financial year	**1,480**	1,281	**200**	104
- After one financial year but within five financial years	**1,428**	1,946	**86**	110
	2,908	3,227	**286**	214
Less: Future interest expense	**(125)**	(179)	**(9)**	(10)
Present value of lease liabilities	**2,783**	3,048	**277**	204
<u>Presented in statements of financial position</u>				
- Non-current	**1,386**	1,863	**85**	106
- Current	**1,397**	1,185	**192**	98
	2,783	3,048	**277**	204

The Group and the Company lease a number of office and clinic premises in Singapore. All payments are fixed over the lease terms.

The Group leases certain premises on a short-term basis (i.e. 12 months). The election of short-term leases is made by class of underlying assets with similar nature and used in the Group's and the Company's operations.

As at 31 May 2025, the incremental borrowing rate applied in the lease liabilities measurement was 3.67% to 4.00% (2024: 3.67% to 4.00%) per annum.

Total cash outflow for all leases during the current financial year was $1,622,000 (2024: $1,389,000).

Lease liabilities are denominated in Singapore dollar.

26. Trade and other payables

	Group		Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Current liabilities				
Trade payables				
- third parties	**135**	85	**–**	–
Other payables				
- third parties	**369**	439	**15**	25
- subsidiaries	**–**	–	**251**	245
	369	439	**266**	270
Accrued expenses	**1,879**	1,867	**626**	613
Goods and services tax payable, net	**373**	385	**238**	203
Refundable deposits from customers	**126**	91	**–**	–
Deferred consideration	**–**	3,196	**–**	3,196
Total trade and other payables	**2,882**	6,063	**1,130**	4,282

Trade payables are non-interest bearing, unsecured and the average credit period is 30 to 60 (2024: 30 to 60) days.

The other payables due to subsidiaries are unsecured, non-interest bearing and repayable on demand.

The other payables due to third parties are non-interest bearing, unsecured and the average credit period is 30 to 60 (2024: 30 to 60) days.

Deferred consideration is in respect of the acquisition of the 49% of the issued and fully paid-up capital in JLES and acquisition of 35% of the issued and fully paid-up capital of TOPL. During the financial year, the deferred considerations had been fully settled.

Trade and other payables are denominated in Singapore dollar.

27. Revenue

	Group	
	2025	2024
	$'000	$'000
Type of goods or services		
Provision of medical services	**19,108**	18,810
Timing of transfer of goods and services		
Point in time	**19,108**	18,810

The revenue of the Group is all generated within Singapore.

28. Other income

	Group 2025 $'000	Group 2024 $'000
Government grants	**81**	87
Other grants	**129**	–
Dividend income from financial assets at FVTPL	**505**	578
Dividend income from a joint venture	**–**	87
Interest income	**36**	106
Gain on disposal of investment in financial assets at FVTPL (Note 10)	**2**	8
Consultancy fee income	**150**	105
Management fee income	**44**	51
Others	**175**	84
	1,122	1,106

29. Employee benefits expense

	Group 2025 $'000	Group 2024 $'000
Salaries, bonuses and other short-term benefits	**6,748**	6,396
Employer's contributions to defined contribution plans	**534**	555
	7,282	6,951

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 36 to the financial statements.

30. Depreciation and amortisation

	Group 2025 $'000	Group 2024 $'000
Depreciation of plant and equipment	**437**	496
Depreciation of right-of-use assets	**1,502**	1,295
	1,939	1,791

31. Finance costs

	Group	
	2025	2024
	$'000	$'000
Interest expenses:		
- bank borrowings	**13**	37
- lease liabilities	**125**	124
- amortisation of discount on fair value of deferred consideration	**119**	339
	257	500

32. 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/(credits):

	Group	
	2025	2024
	$'000	$'000
Lease expenses		
- short term leases	**26**	22
Other expenses		
Audit fees		
- auditors of the Company	**223**	204
Administrative charges	**113**	122
Allowance for impairment loss on investment in an associate	**–**	243
Allowance for impairment loss on right-of-use assets	**135**	8
Credit card charges	**154**	147
Inventories written off	**3**	4
Insurance expenses	**66**	54
IT expenses	**90**	86
Plant and equipment written off	**20**	3
Professional fees	**300**	346
(Reversal of allowance)/Allowance for impairment loss on plant and equipment	**(152)**	148
Repair and maintenance expenses	**98**	84
Telecommunication and printing expenses	**161**	160
Third parties trade receivables written off	**–**	5

The Group has not incurred any non-audit-related services fees paid/payable to auditors of the Company.

33. Income tax expense

	Group 2025 $'000	Group 2024 $'000
Current income tax		
- current financial year	**895**	966
- (over)/under provision in prior financial years	**(655)**	18
	240	984
Deferred tax		
- current financial year	**(211)**	(16)
- (over)/under provision in prior financial years	**(8)**	154
	(219)	138
Total income tax expense recognised in consolidated statement of comprehensive income	**21**	1,122

Reconciliation of effective income tax rate

The income tax expense varied from the amount of income tax expense determined by applying the applicable income tax rate of 17% (2024: 17%) to profit before income tax as a result of the following differences:

	Group 2025 $'000	Group 2024 $'000
Profit before income tax	**8,800**	5,061
Income tax calculated at Singapore's statutory income tax rate of 17% (2024: 17%)	**1,496**	860
Tax effect of expenses non-deductible for income tax purposes	**74**	287
Tax effect of income not subject to income tax	**(619)**	(176)
Tax effect of tax-exempt income	**(187)**	(158)
Deferred tax assets not recognised	**81**	110
Corporate tax rebate and incentive	**(2)**	–
Utilisation of unrecognised deferred tax assets	**(15)**	–
Recognition of deferred tax assets	**(160)**	–
(Over)/Under provision of current income tax in prior financial years	**(655)**	18
(Over)/Under provision of deferred tax in prior financial years	**(8)**	154
Others	**16**	27
	21	1,122

33. Income tax expense (Continued)

Unrecognised deferred tax assets

	Group	
	2025	**2024**
	$'000	**$'000**
Balance at beginning of financial year	**510**	400
Amount not recognised during the financial year	**81**	110
Addition arising from acquisition of a subsidiary	**8**	–
Recognition of deferred tax assets during the financial year	**(160)**	–
Utilisation of unrecognised deferred tax assets during the financial year	**(15)**	–
Balance at end of financial year	**424**	510

Unrecognised deferred tax assets are attributable to the following temporary differences computed at statutory income tax rate of 17% (2024: 17%):

	Group	
	2025	**2024**
	$'000	**$'000**
Excess of tax written down values over net book values	**12**	65
Unutilised tax losses	**378**	321
Lease liabilities	**32**	120
Others	**2**	4
	424	510

As at 31 May 2025, the Group has unutilised tax losses and unutilised capital allowances of $2,224,000 and $71,000 (2024: $1,890,000 and $382,000) respectively available for offset against future taxable profits subject to the agreement by the tax authorities and provisions of the tax legislations.

These deferred tax assets have not been recognised due to the unpredictability of future profit streams. Accordingly, these deferred tax assets have not been recognised in the financial statements in accordance with the Group's accounting policy.

34. Earnings per share

The calculation for earnings per share is based on:

	Group	
	2025	**2024**
Profit attributable to owners of the parent ($'000)	**8,439**	3,846
Weighted average number of ordinary shares in issue during the financial year applicable to earnings per share ('000)	**153,715**	152,289
Earnings per share (in cents)		
- Basic and diluted	**5.49**	2.53

The calculations of basic earnings per share for the relevant periods are based on profit attributable to owners of the parent for the financial years ended 31 May 2025 and 31 May 2024 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.

35. Dividends

	Group	
	2025	**2024**
	$'000	**$'000**
Final tax-exempt dividend of $0.010 per ordinary share for financial year ended 31 May 2023	**–**	1,538
First interim tax-exempt dividend of $0.007 per ordinary share for financial year ended 31 May 2024	**–**	1,077
Final tax-exempt dividend of $0.007 per ordinary share for financial year ended 31 May 2024	**1,077**	–
First interim tax-exempt dividend of $0.008 per ordinary share for financial year ended 31 May 2025	**1,230**	–
	2,307	2,615

The Board of Directors proposed that a final tax-exempt dividend of $0.0118 (2024: $0.007) per ordinary share amounting to $1,810,000 (2024: $1,077,000) to be paid for the financial year ended 31 May 2025. These dividends have not been recognised as a liability as at the end of the reporting period as it is subject to the approval of the shareholders at the Annual General Meeting.

36. 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 year:

	Group		Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
With associates				
Management fee income	**26**	35	**26**	35
Services rendered income	**1**	145	**–**	–
Services rendered expense	**13**	35	**–**	–
Consultancy fee income	**150**	105	**150**	105
Rental payment	**9**	36	**–**	–
Dividend income	**216**	–	**216**	–
With subsidiaries				
Expenses paid on behalf of	**–**	–	**5,526**	5,253
Management fee income	**–**	–	**2,301**	2,194
Management fee expense	**–**	–	**–**	67
Admin fee income	**–**	–	**21**	26
Advances from	**–**	–	**330**	200
Advances to	**–**	–	**450**	160
Dividend income	**–**	–	**3,869**	3,884
Rental income	**–**	–	**124**	144
Facility income	**–**	–	**1,226**	1,099
With joint ventures				
Management fee income	**18**	16	**18**	16
Advances to	**5**	195	**5**	195
Dividend income	**63**	87	**63**	87
With related parties*				
Rental payment	**546**	539	**46**	46

* Related parties refer to entities where the Company's directors have beneficial interests.

36. Significant related party transactions (Continued)

The outstanding balances as at 31 May in respect of the above transactions with related parties are disclosed in Note 12 and Note 26 to the financial statements. There are no outstanding balances with key management personnel.

Key management personnel are directors of the Company, directors of the subsidiaries and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly and indirectly.

The remuneration of directors and other key management personnel of the Group and the Company during the financial years ended 31 May 2025 and 31 May 2024 were as follows:

	Group		Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Directors of the Company				
- short-term employee benefits	**1,726**	1,669	**345**	334
- post-employment benefits	**23**	24	**5**	5
- Directors' fees	**122**	122	**122**	122
	1,871	1,815	**472**	461
Directors of the subsidiaries				
- short-term employee benefits	**1,197**	1,079	**–**	–
- post-employment benefits	**87**	84	**–**	–
	1,284	1,163	**–**	–
Other key management personnel				
- short-term employee benefits	**595**	576	**456**	408
- post-employment benefits	**50**	50	**35**	32
	645	626	**491**	440
	3,800	3,604	**963**	901

37. Financial instruments, financial risks and capital management

The Group's and the Company's activities expose them to credit risks, equity price risks and liquidity risks arising in the ordinary course of business. The Group and the Company are not exposed to foreign currency risks as its transactions are carried out in Singapore. 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 establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies, 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.

37.1 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 do not require collaterals.

Concentration of credit risk exists when changes in economic, industry or geographic factors similarly affect group of counterparties whose aggregate credit exposure is significant in relation to the Group's and the Company's total credit exposure. The Group's credit risk is concentrated on trade receivables from 3 (2024: 4) third parties which account for 62% (2024: 52%) of the total trade receivables. The Company has no significant concentration of credit risk, except for the amount due from subsidiaries amounting to $3,783,000 (2024: $2,748,000) as at the end of the reporting period.

The carrying amounts of financial assets (excluding FVTPL instruments & derivatives) 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. The Group and the Company do not hold any collateral.

Trade receivables

The Group determines expected credit losses on trade receivables from third parties by making individual assessment of expected credit loss for long overdue trade receivables and using a provision matrix for remaining trade receivables that is based on its historical credit loss experience, past due status of the trade receivables and adjusted with forward looking assumptions, as appropriate. Management takes into account historical provision trend and other relevant factors.

The expected credit loss computed is derived from historical data and the credit assessment includes forward-looking information which management is of the view that customer conditions are representative at the reporting date.

37. Financial instruments, financial risks and capital management (Continued)

37.1 Credit risks (Continued)

Trade receivables (Continued)

The following table provides information about the exposure to credit risk and expected credit loss for third parties trade receivables as at 31 May 2025 and 31 May 2024.

	Gross carrying amount $'000	Loss allowance $'000	Credit impaired
2025			
Group			
Not past due	**1,074**	**–**	**No**
Past due but not impaired			
- less than 1 month	**28**	**–**	**No**
- 1 to 3 months	**84**	**–**	**No**
- over 3 months	**47**	**(3)**	**Yes**
	1,233	**(3)**	
2024			
Group			
Not past due	977	–	No
Past due but not impaired			
- less than 1 month	73	–	No
- 1 to 3 months	25	–	No
- over 3 months	54	–	No
	1,129	–	

Except for a loss allowance on trade receivables of $3,000, management believes that no additional impairment allowance is necessary for the remaining trade receivables as these are substantially companies with good collection track record and no recent history of default, hence the expected credit loss is not material.

Non-trade amounts due from third parties

The Group has assessed credit risk for non-trade amounts due from third parties based on 12-month expected loss basis which reflects the low credit risk of the exposures. Management is of the view that the amount of the allowance on remaining balances is insignificant.

37. Financial instruments, financial risks and capital management (Continued)

37.1 Credit risks (Continued)

Non-trade amounts due from subsidiaries, associates and joint venture

For amounts due from subsidiaries, associates and a joint venture, the Board of Directors has taken into account information that it has available internally about the past, current and expected operating performance and cash flow position of these subsidiaries, associates and joint venture. The Board of Directors monitors and assesses at each reporting date for any indicator of significant increase in credit risk on the amounts due from the respective subsidiaries, associates and a joint venture, by considering their financial performance and results. At the end of the current reporting period, the management has assessed the financial performance of its subsidiaries, associates and a joint venture to meet their contractual cash flow obligations and is of the view that expected credit loss allowance are $1,503,000 and $237,000 for the amounts due from subsidiaries and a joint venture respectively (2024: $764,000, $7,000 and $237,000 for the amounts due from subsidiaries, an associate and a joint venture respectively). The receivables from remaining subsidiaries and an 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.

Cash and bank balances

Credit risk also arises from bank balances and fixed deposits held with banks and financial institutions. The bank balances and fixed deposits are held with banks and financial institutions counterparties, which are rated P-1, based on Moody's ratings. Impairment on these bank balances and fixed deposits 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 its bank balances and fixed deposits have low credit risk based on the external credit ratings of the counterparties.

37.2 Equity price risks

The Group's exposure to equity price risks relates primarily to equity investments in quoted equity securities which are classified as financial assets measured at fair value through profit or loss.

Further details of these equity investments can be found in Note 10 to the financial statements.

<u>Equity price sensitivity analysis</u>

At the end of the reporting period, if the price of the quoted equity shares held had been 5% (2024: 5%) higher or lower with all other variables held constant, the Group's profit or loss would have been approximately $352,000 (2024: $329,000) higher or lower, arising as a result of an increase or decrease in the fair value of equity securities classified as financial assets measured at FVTPL.

The equity price sensitivity analysis for unquoted equity investments classified as financial assets at FVTPL is disclosed in Note 37.5 to the financial statements.

37.3 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.

37. Financial instruments, financial risks and capital management (Continued)

37.3 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				
2025				
Financial liabilities				
Non-interest bearing				
- Trade and other payables	**2,509**	**–**	**–**	**2,509**
Interest bearing				
- Lease liabilities	**1,480**	**1,428**	**–**	**2,908**
Total undiscounted financial liabilities	**3,989**	**1,428**	**–**	**5,417**
2024				
Financial liabilities				
Non-interest bearing				
- Trade and other payables	2,482	–	–	2,482
- Other financial liabilities	1,035	–	–	1,035
Interest bearing				
- Trade and other payables	3,271	–	–	3,271
- Bank borrowing	1,299	–	–	1,299
- Lease liabilities	1,281	1,946	–	3,227
Total undiscounted financial liabilities	9,368	1,946	–	11,314

37. Financial instruments, financial risks and capital management (Continued)

37.3 Liquidity risks (Continued)

Contractual maturity analysis (Continued)

	Within one financial year $'000	After one financial year but within five financial years $'000	After five financial years $'000	Total $'000
Company				
2025				
Financial liabilities				
Non-interest bearing				
- Trade and other payables	**892**	**–**	**–**	**892**
Interest bearing				
- Lease liabilities	**200**	**86**	**–**	**286**
Total undiscounted financial liabilities	**1,092**	**86**	**–**	**1,178**
2024				
Financial liabilities				
Non-interest bearing				
- Trade and other payables	883	–	–	883
Interest bearing				
- Trade and other payables	3,271	–	–	3,271
- Bank borrowing	1,299	–	–	1,299
- Lease liabilities	104	110	–	214
Total undiscounted financial liabilities	5,557	110	–	5,667

37. Financial instruments, financial risks and capital management (Continued)

37.4 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 issued share capital, treasury shares, merger reserve, capital reserve, other reserve and retained earnings as disclosed in Notes 16, 17, 18, 19, 20 and 21 respectively to the financial statements and make adjustments to it, in light with changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 May 2025 and 31 May 2024.

In previous financial year, in respect of bank borrowings as disclosed in Note 23 to the financial statements, the Group and the Company were subjected to and had complied with financial covenant to maintain a debt service coverage ratio of not less than 1:1 for the financial year ended 31 May 2024.

The Group and the Company are not subject to any financial covenant for the financial year ended 31 May 2025.

37.5 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 are determined in accordance with generally accepted pricing models based on discounted cash flow analysis and other valuation techniques as disclosed below.

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 that are not carried at fair value and whose carrying amounts approximate their fair values

The carrying amounts of the Group's and the Company's current financial assets and current financial liabilities that are not carried at fair value approximate their respective fair values as at the end of the reporting period due to the relatively short-term maturity of these financial instruments.

37. Financial instruments, financial risks and capital management (Continued)

37.5 Fair value of financial assets and financial liabilities (Continued)

Fair values 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				
2025				
Financial assets				
Financial assets at FVTPL				
- Quoted equity securities				
- Investment III	**6,315**	**–**	**–**	**6,315**
- Investment II	**638**	**–**	**–**	**638**
- Investment VII	**79**	**–**	**–**	**79**
- Unquoted equity securities				
- Investment I	**–**	**–**	**331**	**331**
Derivative financial instruments	**–**	**–**	**1,707**	**1,707**
	7,032	**–**	**2,038**	**9,070**
Financial liabilities				
Derivative financial instruments	**–**	**–**	**28**	**28**
2024				
Financial assets				
Financial assets at FVTPL				
- Quoted equity securities				
- Investment III	5,744	–	–	5,744
- Investment II	701	–	–	701
- Investment VII	136	–	–	136
- Unquoted equity securities				
- Investment I	–	–	197	197
Derivative financial instruments	–	–	829	829
	6,581	–	1,026	7,607
Financial liabilities				
Derivative financial instruments	–	–	606	606

37. Financial instruments, financial risks and capital management (Continued)

37.5 Fair value of financial assets and financial liabilities (Continued)

Fair values of financial instruments carried at fair value (Continued)

	Fair value measurements using			
	Level 1	**Level 2**	**Level 3**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Company				
2025				
Financial assets				
Financial assets at FVTPL				
- Quoted equity securities				
- Investment III	**6,315**	**–**	**–**	**6,315**
- Investment II	**638**	**–**	**–**	**638**
- Investment VII	**79**	**–**	**–**	**79**
- Unquoted equity securities				
- Investment I	**–**	**–**	**331**	**331**
Derivative financial instruments	**–**	**–**	**1,708**	**1,708**
	7,032	**–**	**2,039**	**9,071**
Financial liabilities				
Derivative financial instruments	**–**	**–**	**28**	**28**
2024				
Financial assets				
Financial assets at FVTPL				
- Quoted equity securities				
- Investment III	5,744	–	–	5,744
- Investment II	701	–	–	701
- Investment VII	136	–	–	136
- Unquoted equity securities				
- Investment I	–	–	197	197
Derivative financial instruments	–	–	1,262	1,262
	6,581	–	1,459	8,040
Financial liabilities				
Derivative financial instruments	–	–	606	606

37. Financial instruments, financial risks and capital management (Continued)

37.5 Fair value of financial assets and financial liabilities (Continued)

Fair values of financial instruments carried at fair value (Continued)

The following table presents the changes in Level 3 instruments:

	Financial assets at FVTPL $'000	Derivative financial instruments (net) $'000
Group		
31 May 2025		
Balance at beginning of financial year	**197**	**223**
Capital reduction during the financial year	**(80)**	**–**
Fair value gain recognised in profit or loss	**214**	**1,456**
Balance at end of financial year	**331**	**1,679**
31 May 2024		
Balance at beginning of financial year	1,438	841
Capital reduction during the financial year	(88)	–
Disposal during the financial year	(1,329)	–
Fair value gain/(loss) recognised in profit or loss	176	(618)
Balance at end of financial year	197	223
Company		
31 May 2025		
Balance at beginning of financial year	**197**	**656**
Capital reduction during the financial year	**(80)**	**–**
Fair value gain recognised in profit or loss	**214**	**1,024**
Balance at end of financial year	**331**	**1,680**
31 May 2024		
Balance at beginning of financial year	1,438	1,345
Capital reduction during the financial year	(88)	–
Disposal during the financial year	(1,329)	–
Fair value gain/(loss) recognised in profit or loss	176	(689)
Balance at end of financial year	197	656

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 31 May 2025 and 31 May 2024.

37. Financial instruments, financial risks and capital management (Continued)

37.5 Fair value of financial assets and financial liabilities (Continued)

Fair values of financial instruments carried at fair value (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	2025	2024	Relationship between key unobservable inputs and fair value
Financial assets at fair value through profit or loss:					
- Investment I	Asset approach based on adjusted net asset value method	Adjusted net asset value	**$1,086,000**	$645,000	A slight increase in the adjusted net asset value would result in an increase in fair value.
		Discount for lack of control (DLOC)	**23.8%**	23.8%	A slight increase in the DLOC would result in a decrease in fair value.
Put options	Binomial option pricing model	Volatility rate	**42.5%**	42.9%	A slight increase in the volatility rate would result in an increase in fair value.
		Risk-free rate	**2.2%**	3.4%	A slight increase in the risk-free rate would result in a decrease in fair value.
Options to re-purchase	Binomial option pricing model	Volatility rate	**25.9%**	42.2%	A slight increase in the volatility rate would result in an increase in fair value.
		Risk-free rate	**2.1%**	3.4%	A slight increase in the risk-free rate would result in an increase in fair value.

37. Financial instruments, financial risks and capital management (Continued)

37.5 Fair value of financial assets and financial liabilities (Continued)

Fair values of financial instruments carried at fair value (Continued)

Financial instruments	Valuation techniques used	Significant unobservable inputs	2025	2024	Relationship between key unobservable inputs and fair value
Forward purchase contracts	The valuation method considers the difference between spot price adjusted for the present value of dividends and the present value of forward price	The fair value of the forward purchase contracts is determined based on the difference between spot price derived from equity value and present value of the forward price derived from estimated profit after tax for future years	**–**	–	A slight increase in the spot price would result in an increase in fair value. A slight increase in the present value of the forward price would result in a decrease in fair value.
		Risk-free rate	**2.1% to 2.3%**	3.3% to 3.5%	A slight increase in the risk-free rate would result in an increase in fair value.
Option-to-purchase	Binomial option pricing model	Volatility rate	**25.7%**	41.8%	A slight increase in the volatility rate would result in an increase in fair value.
		Risk-free rate	**2.0%**	3.4%	A slight increase in the risk-free rate would result in an increase in fair value.

37. Financial instruments, financial risks and capital management (Continued)

37.5 Fair value of financial assets and financial liabilities (Continued)

Fair values of financial instruments carried at fair value (Continued)

Valuation policies and procedures

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

37.6 Categories of financial instruments

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

	Group		Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Financial assets				
Fair value through profit or loss				
- Derivative financial instruments	**1,707**	829	**1,708**	1,262
Financial assets at FVTPL	**7,363**	6,778	**7,363**	6,778
Financial assets at amortised cost	**7,026**	9,324	**4,787**	6,739
	16,096	16,931	**13,858**	14,779
Financial liabilities				
Financial liabilities designated at fair value through profit or loss	**28**	606	**28**	606
Other financial liabilities (excluding goods and services tax payable, net) at amortised cost	**5,292**	11,049	**1,169**	5,571
	5,320	11,655	**1,197**	6,177

38. Segment information

Business segment

The Group primarily operates in one 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 31 May 2025 and 31 May 2024, 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.

39. Authorisation of financial statements

The statement of financial position of the Company as at 31 May 2025 and the consolidated financial statements of the Group for the financial year ended 31 May 2025 were authorised for issue in accordance with a Directors' resolution dated 28 August 2025.

STATISTICS OF SHAREHOLDINGS

AS AT 19 AUGUST 2025

SHARE CAPITAL

Class of Shares	:	Ordinary Shares
Number of issued and paid-up shares (excluding Treasury Shares)	:	153,375,507
Number of Treasury Shares	:	2,934,400
Number of subsidiary holdings	:	–
Number (Percentage) of Treasury Shares to total number of issued shares excluding Treasury Shares*	:	1.91%
Voting rights (excluding Treasury Shares)	:	One vote per ordinary share

* The Company does not have any subsidiary holdings.

DISTRIBUTION OF SHAREHOLDINGS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	0	0.00	0	0.00
100 - 1,000	53	12.05	32,700	0.02
1,001 - 10,000	170	38.64	1,069,184	0.70
10,001 - 1,000,000	204	46.36	16,054,639	10.47
1,000,001 and above	13	2.95	136,218,984	88.81
Total	440	100.00	153,375,507	100.00

LIST OF 20 LARGEST REGISTERED SHAREHOLDERS

No.	Name	No. of Shares	%
1	DBS NOMINEES PTE LTD	102,553,820	66.86
2	YEO KHEE SENG BENNY	6,839,309	4.46
3	MEDINEX LIMITED	6,090,400	3.97
4	LIM WEI-MIN JASON	5,214,277	3.40
5	LEO TING PING RONALD	3,415,629	2.23
6	CITIBANK NOMINEES SINGAPORE PTE LTD	2,926,484	1.91
7	IFAST FINANCIAL PTE LTD	1,738,681	1.13
8	NG HOCK KON	1,400,000	0.91
9	UOB KAY HIAN PTE LTD	1,351,500	0.88
10	APEX CAPITAL GROUP PTE LTD	1,270,000	0.83
11	CHUA CHIN HENG ALAN	1,156,000	0.75
12	LIM AH KAW@LIM LAN CHING	1,134,900	0.74
13	PHILLIP SECURITIES PTE LTD	1,127,984	0.74
14	LAI JIUNN HERNG	600,555	0.39
15	LEONG MUN CHOY (LIANG WENCAI)	575,800	0.38
16	ANG HAO YAO (HONG HAOYAO)	533,500	0.35
17	LAI WENG KAY	503,400	0.33
18	TEOU KEM ENG @TEOU KIM ENG	500,000	0.33
19	LAU HOOI KHENG NANCY	473,500	0.31
20	LAI JUNXU	448,000	0.29
	Total:	139,853,739	91.19

STATISTICS OF SHAREHOLDINGS

AS AT 19 AUGUST 2025

SUBSTANTIAL SHAREHOLDERS

As recorded in the Register of Substantial Shareholders

	Direct Interest		Deemed Interest	
Name of Shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**
Dr. Heah Sieu Min	63,988,980[1]	41.72	–	–
Dr. Chia Kok Hoong	34,753,440[2]	22.66	–	–

[1] 63,988,980 shares were held through DBS Nominees Pte Ltd
[2] 34,753,440 shares were held through DBS Nominees Pte Ltd

SHAREHOLDING HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 19 August 2025, approximately 30.78% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Catalist Rules.

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at 5 Stevens Road, Claymore & Draycott, Level 2 – Main Clubhouse, Tanglin Club, Singapore 257814 on Thursday, 25 September 2025 at 2.00 p.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To lay before the meeting the Audited Financial Statements of the Company for the financial year ended 31 May 2025 and the Directors' Statement and the Auditor's Report thereon.
(Please see explanatory note 1)

2. To re-elect the following Directors who are retiring in accordance with the provisions of the Company's Constitution:-

   (a) Mr. Chan Pengee, Adrian (pursuant to Regulation 103) **(Resolution 1)**
   (Please see explanatory note 2)

   (b) Mr. Lim Jun Xiong Steven (pursuant to Regulation 103) **(Resolution 2)**
   (Please see explanatory note 3)

3. To note the retirement of the following Directors in accordance with the provisions of the Company's Constitution:-

   (a) Mr. Lim Chye Lai, Gjan (pursuant to Regulation 97)

   (b) Mr. Ooi Seng Soon (pursuant to Regulation 97)

4. To approve the payment of Directors' fees of $122,000/- for the financial year ended 31 May 2025. (FY2024: $122,000/-) **(Resolution 3)**

5. To declare a final dividend (tax-exempt one-tier) of $0.0118 per ordinary share for the financial year ended 31 May 2025. (FY2024: $0.007 per ordinary share) **(Resolution 4)**

6. To re-appoint Messrs BDO LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:-

7. Authority to allot and issue ordinary shares

   "That, pursuant to Section 161 of the Companies Act 1967 ("**Companies Act**"), and Rule 806 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors of the Company may in their absolute discretion deem fit, to:

   (a) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

   (b) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "**Instruments**") including but not limited to the creation and issue of options, warrants, debentures or other instruments convertible into shares;

   (c) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

(d) (Notwithstanding the authority conferred by the Shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force, provided always that:

(i) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed one hundred per cent (100%) of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company, of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a *pro-rata* basis to Shareholders of the Company does not exceed fifty percent (50%) of the total number of issued shares excluding treasury shares and subsidiary holdings of the Company, and (subject to such manner of calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of shares that may be issued under this paragraph) for the purpose of this resolution, the issued share capital shall be the Company's total number of issued shares excluding treasury shares and subsidiary holdings at the time this resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of convertible securities, or

(b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules, and

(c) any subsequent bonus issue, consolidation or subdivision of the Company's shares;

(ii) 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) and the Constitution for the time being of the Company; and

(iii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next annual general meeting ("**AGM**") or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier." **(Resolution 6)**

(Please see explanatory note 4)

8. Authority to offer and grant options and share awards and to allot and issue shares pursuant to the HC Surgical Specialists Limited Performance Share Plan (the "**HCSS Performance Share Plan**").

"That:

(a) authority be and is hereby given to the Directors of the Company to offer and grant share awards in accordance with the HCSS Performance Share Plan; and

(b) approval be and is hereby given to the Directors of the Company to exercise full powers of the Company to allot and issue from time to time such number of shares as may be required to be allotted and issued pursuant to the award of shares under the HCSS Performance Share Plan,

provided that the aggregate number of shares to be issued pursuant to the HCSS Employee Share Option Scheme and the HCSS Performance Share Plan shall not exceed fifteen per cent (15%) of the total number of issued shares excluding treasury shares in the capital of the Company from time to time." **(Resolution 7)**

(Please see explanatory note 5)

9. Authority to offer and grant options and to allot and issue shares pursuant to the HC Surgical Specialists Limited Employee Share Option Scheme (the "**HCSS Employee Share Option Scheme**").

"That:

(a) authority be and is hereby given to the Directors of the Company to offer and grant options in accordance with the provisions of the HCSS Employee Share Option Scheme; and

(b) approval be and is hereby given to the Directors of the Company to exercise full powers of the Company to allot and issue from time to time such number of shares in the Company as may be required to be issued pursuant to the exercise of the options under the HCSS Employee Share Option Scheme,

provided that the aggregate number of shares to be issued pursuant to the HCSS Employee Share Option Scheme and the HCSS Performance Share Plan shall not exceed fifteen per cent (15%) of the total number of issued shares excluding treasury shares in the capital of the Company from time to time.'' **(Resolution 8)**
(Please see explanatory note 5)

10. The Proposed Renewal of the Share Buy-Back Mandate

"That:

(a) for the purposes of the Catalist Rules and the Companies Act, the Directors of the Company be and are hereby authorised to exercise all the powers of the Company to purchase or acquire its issued and fully paid-up shares not exceeding in aggregate the Maximum Limit (as defined below), at such price(s) as may be determined by the Directors or a committee of Directors that may be constituted for the purposes of effecting purchases or acquisitions of shares by the Company from time to time up to the Maximum Price (as defined below), whether by way of:

(i) a market purchase ("**Market Purchase**"), transacted on the SGX-ST through the ready market, and which may be transacted through one or more duly licensed stock brokers appointed by the Company for the purpose: and/or

(ii) an off-market purchase ("**Off-Market Purchase**"), effected otherwise than on the SGX-ST pursuant to an equal access scheme in accordance with Section 76C of the Companies Act,

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy-Back Mandate**");

(b) unless varied or revoked by the Shareholders in a general meeting, purchases or acquisitions of shares pursuant to the Share Buy-Back Mandate may be made, at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the conclusion of the next AGM or the date on which the next AGM of the Company is required by law to be held;

(ii) the date on which the purchases or acquisitions of shares by the Company pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Shareholders in a general meeting

(the "**Relevant Period**").

(c) in this Resolution:

"**Maximum Limit**" means that number of shares of the Company representing not more than ten per cent (10%) of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Resolution, unless the Company has effected a reduction of the share capital of the Company with the applicable provisions of the Companies Act at any time during the Relevant Period, in which event the total number of issued Shares shall be taken to be the total number of issued shares of the Company as altered (excluding any treasury shares that may be held by the Company from time to time and subsidiary holdings);

"**Maximum Price**", in relation to a share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

(i) in the case of a Market Purchase, one hundred and five per cent (105%) of the Average Closing Price (as defined below); and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty per cent (120%) of the Average Closing Price, where:

"**Average Closing Price**" means the average of the closing market prices of the shares of the Company over the last five (5) Market Days, on which transactions in the shares were recorded, before the day on which the purchase or acquisition of shares was made, or as the case may be, before the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Days period and the day on which the purchases are made;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

"**Market Day**" means a day on which the SGX-ST is open for trading in securities; and

(d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution." **(Resolution 9)**
(Please see explanatory note 6)

BY ORDER OF THE BOARD

Lin Moi Heyang
Company Secretary

Singapore, 9 September 2025

Explanatory Notes:-

1. This Agenda is meant for discussion only as under the provisions of Section 201 of the Companies Act and Regulation 142 of the Company's Constitution, the Audited Financial Statements need to be laid before the meeting and hence, the matter will not be put forward for voting.

2. The key information of Mr. Chan Pengee, Adrian can be found on page 15 in the Annual Report. Mr. Chan Pengee, Adrian will, upon re-election as an Independent Non-Executive Director of the Company, assume the role of the Chairman of the Board, the Remuneration Committee and of the Nominating Committee, and a member of the Audit and Risk Management Committee. The Board of Directors of the Company considers Mr. Chan Pengee, Adrian to be independent for the purpose of Rule 704(7) of the Catalist Rules.

3. The key information of Mr. Lim Jun Xiong Steven can be found on page 15 in the Annual Report. Mr. Lim Jun Xiong Steven will, upon re-election as a Director of the Company, remain as the Independent Non-Executive Director, and he will assume the roles of Chairman of the Audit and Risk Management Committee, and member of the Remuneration Committee and Nominating Committee of the Company. The Board of Directors of the Company considers Mr. Lim Jun Xiong Steven to be independent for the purpose of Rule 704(7) of the Catalist Rules.

4. The ordinary resolution 6 above is to authorise the Directors of the Company from the date of the above AGM until the next AGM to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate one hundred per cent (100%) of the issued share capital of the Company of which the total number of shares and convertible securities issued other than on a *pro-rata* basis to existing Shareholders shall not exceed fifty per cent (50%) of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company.

5. The ordinary resolutions 7 and 8 above are to authorise the Directors of the Company to offer and award shares pursuant to the HCSS Performance Share Plan as well as grant options and to issue shares pursuant to the exercise of the options under the HCSS Employee Share Option Scheme, provided that the aggregate number of shares to be issued shall not exceed fifteen per cent (15%) of the Company's issued shares, excluding treasury shares in the capital of the Company from time to time.

6. The ordinary resolution 9 above is to authorise the Directors of the Company from the date of the above AGM until the date of the next AGM, or the date by which the next AGM of the Company is required by law to be held, or the date on which the share buybacks are carried out to the full extent mandated, or the date on which such authority is revoked or varied by the Shareholders in a general meeting, whichever is the earliest, to purchase up to ten per cent (10%) of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings). Please refer to the Appendix to this Annual Report for details.

Documents for the AGM

1. Printed copies of this Notice of AGM, Proxy Form and the Request Form for members to request for a printed copy of the Annual Report and Appendix will be sent to all members. Printed copies of the Annual Report and Appendix will not be sent to members. Members may request for printed copies of the Annual Report and Appendix by completing and returning the Request Form to the Company by 19 September 2025. These documents have also been made available on the SGXNet as well as the Company's website at the following URLs:-

   SGX's website: https://www.sgx.com/securities/company-announcements
   Company's website: https://www.hcsurgicalspecialists.com/en/investor-relation/news

Submission of questions prior to the AGM

2. Members may submit questions related to the resolutions to be tabled at the AGM in advance of the AGM. Such questions must be submitted by 16 September 2025 in the following manner:

   (a) if submitted electronically, by email to contact@hcsurgicalspecialists.com; or

   (b) if submitted in hard copy, by post to the Company's office at 233 River Valley Road, #B1-04/05 RV Point, Singapore 238291.

   Members who submit questions must provide the following information for authentication: (i) member's full name; (ii) member's identification number / registration number; (iii) member's address; and (iv) the manner in which the member holds shares in the Company (e.g., via CDP, scrip, CPF or SRS), failing which the Company shall be entitled to regard the submission as invalid and not respond to the questions submitted.

   All questions submitted in advance of the AGM must be received by the Company by the time and date stated above to be treated as valid.

3. The Company shall only address relevant and substantial questions (as may be determined by the Company in its sole discretion) received prior to the AGM via SGXNet and on its corporate website by 19 September 2025. The Company will publish the minutes of the AGM on SGXNet and the Company's website within one month after the date of the AGM.

Voting by Proxy

4. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where a member appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but such 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 number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.

   "**Relevant intermediary**" has the meaning given to it in Section 181 of the Companies Act.

5. A proxy need not be a member of the Company.

6. The duly executed Proxy Form can be submitted to the Company in the following manner:

   (a) if submitted in hard copy by post, be lodged at the office of the Company's Share Registrar at 9 Raffles Place, #26-01, Republic Plaza, Singapore 048619; or

   (b) if submitted electronically, by sending a scanned PDF copy via email to sg.is.proxy@vistra.com,

   in either case, by **2.00 p.m.** on **22 September 2025** (being at least 72 hours before the time appointed for holding the AGM) (the "**Proxy Deadline**").

7. A member who wishes to submit a Proxy Form must download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and sending it electronically to the email address provided above.

8. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act (including CPF investors, SRS investors and holders under depository agents) and who wish to exercise their votes should approach their respective relevant intermediaries (including their respective CPF agent banks, SRS approved banks or depository agents) to submit their votes at least 7 working days before the AGM. CPF/SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.

9. The Company shall be entitled to reject the instrument appointing a proxy or proxies 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. Where the Chairman of the AGM is appointed as proxy and in the absence of specific directions as to voting, the Chairman will be able to vote at his discretion.

Personal data privacy:

By (a) submitting an instrument appointing a proxy(ies) to attend, speak and vote at the AGM and/or any adjournment thereof, or (b) submitting any question prior to the AGM in accordance with this Notice of AGM, 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 or service providers) for the purposes of processing and administration by the Company (or its agents or service providers) of proxy(ies) appointed for the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) 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.

SPECIAL NOTE IF YOU ARE ATTENDING THE AGM:

Dress code
All members and/or their appointed proxy(ies) are required to be presentably dressed at all times. NO shorts, slippers, t-shirts, and jeans are allowed.

Parking
Parking is available along the roadside (parallel parking lots) or nearby malls.

Conduct
1. Mobile phones must be put on silent mode.
2. Smoking is prohibited in all air-conditioned areas.
3. Boisterous or unseemly behaviour is not permitted.

The Company sincerely seeks your cooperation to observe the relevant Rules and Byelaws of The Tanglin Club.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr. Chan Pengee, Adrian and Mr. Lim Jun Xiong Steven are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 25 September 2025 (collectively, the "**Retiring Directors**").

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of the Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the following is the information relating to the Retiring Directors as set out in Appendix 7F to the Catalist Rules:-

Name	**Mr. Chan Pengee, Adrian**	**Mr. Lim Jun Xiong Steven**
Date of Appointment	1 September 2025	1 September 2025
Date of last re-appointment (if applicable)	N.A.	N.A.
Age	60	69
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 Mr. Chan Pengee, Adrian, is of the view that he has the requisite experience and capabilities to assume the duties and responsibilities as the Non-Executive Chairman and Independent Director of the Company. The Board considers Mr. Chan Pengee, Adrian to be independent for the purpose of Rule 704(7) of the Catalist Rules.	The Board, having considered the recommendation of the Nominating Committee and assessed the qualifications and experience of Mr. Lim Jun Xiong Steven, is of the view that he has the requisite experience and capabilities to assume the duties and responsibilities as the Independent Non-Executive Director of the Company. The Board considers Mr. Lim Jun Xiong Steven to be independent for the purpose of Rule 704(7) of the Catalist Rules.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	• Non-Executive Chairman and Independent Director • Chairman of the Remuneration and Nominating Committees • Member of the Audit and Risk Management Committee	• Independent Non-Executive Director • Chairman of the Audit and Risk Management Committee • Member of the Remuneration and Nominating Committees
Professional qualifications	Please refer to the Board of Directors section in the Company's Annual Report 2025.	Please refer to the Board of Directors section in the Company's Annual Report 2025.
Working experience and occupation(s) during the past 10 years	Please refer to the Board of Directors section in the Company's Annual Report 2025.	Please refer to the Board of Directors section in the Company's Annual Report 2025.
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name	Mr. Chan Pengee, Adrian	Mr. Lim Jun Xiong Steven
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 (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships Past (for the last 5 years)	Past Directorships: • AEM Holdings Ltd. • Yoma Strategic Holdings Ltd. • Astrea III Pte. Ltd. • CapitaLand Ascendas REIT Management Limited (f.k.a. Ascendas Funds Management (S) Limited) • Astrea IV Pte. Ltd • Azalea Asset Management Pte. Ltd. • Best World International Limited • Astrea V Pte. Ltd. • Accounting and Corporate Regulatory Authority	Past Directorships: • Bund Center Investment Ltd • Hong Fok Corporation Limited • Emerging Towns & Cities Ltd • Keong Hong Holdings Limited • Mirach Energy Limited • Sinarmas Land Limited • Livingstone Health Holdings Limited
Present	Present Directorships: • Lee & Lee • Hogan Lovells Lee & Lee • Shared Services For Charities Limited • Hong Fok Corporation Limited • Want Want Holdings Ltd • First REIT Management Limited • Singapore Institute of Directors • MKC Holdings (Pte.) Ltd. • LCM Pte. Ltd. • LHC Pte. Ltd. • Food Empire Holdings Limited • Keppel Infrastructure Fund Management Pte. Ltd. • Neptune1 Infrastructure Holdings Pte. Ltd. • Borkum Riffgrund 2 Investor Holding GmbH • TeleChoice International Limited • aLife Ltd.	Present Directorships: • Baker Technology Limited • Cosmosteel Holdings Limited • Riverstone Holdings Limited

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name		**Mr. Chan Pengee, Adrian**	**Mr. Lim Jun Xiong Steven**
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
(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	Yes, I was the Independent Director of Mirach Energy Limited ("**MEL**") from 15 May 2009 to 30 April 2021. The shareholders of MEL had on 24 June 2021 approved the liquidation of MEL via creditors' voluntary winding-up and liquidators were subsequently appointed.
(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

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name	Mr. Chan Pengee, Adrian	Mr. Lim Jun Xiong Steven
(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
(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

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name		Mr. Chan Pengee, Adrian	Mr. Lim Jun Xiong Steven
(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 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 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 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?	Save as disclosed below, no. I was a non-executive independent director of Best World International Limited ("**BWI**"), a listed company in Singapore, from January 2018 to October 2024. In 2019, the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") launched an investigation into the veracity of the BWI group's sales in China ("**China Sales**"). The investigation had involved (a) the appointment of an independent reviewer to, *inter alia*, validate the China Sales and identify any breaches of the SGX-ST Listing Manual, (b) trading suspension, and (c) the issuance of a notice of compliance by the SGX-ST to BWI. The matter had since concluded, and the trading suspension of BWI was lifted on 14 November 2022. I was a non-executive independent director of AEM Holdings Limited ("**AEM**"), a listed company in Singapore, from May 2006 to April 2015. AEM announced in May 2007 that seven of its employees (including the then chief executive officer) were under investigation by the CPIB and I had assisted the CPIB in their investigations. The then chief executive officer was eventually charged and convicted for corruption in 2012.	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name	Mr. Chan Pengee, Adrian	Mr. Lim Jun Xiong Steven
(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
Disclosure applicable to the appointment of Director only.		
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.	N.A.

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HC SURGICAL SPECIALISTS LIMITED

(the "**Company**")
(Incorporated in the Republic of Singapore)
(Company Registration No. 201533429G)

IMPORTANT

1. Pursuant to Section 181 (1C) of the Companies Act 1967, Relevant Intermediaries may appoint more than two (2) proxies to attend, speak and vote at the Annual General Meeting.
2. This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by Central Provident Fund ("**CPF**") investment Scheme ("**CPFIS**")/Supplementary Retirement Scheme ("**SRS**") investors who held the Company's Shares through CPF Agent Banks/SRS Operators.
3. CPFIS/SRS investors who wish to vote should approach their respective CPF Agent Banks/SRS Operators to submit their voting instructions at least seven (7) working days before the date of the AGM.

PROXY FORM
ANNUAL GENERAL MEETING

This Proxy Form has been made available on SGXNet and the Company's website and may be accessed at the URLs: https://www.sgx.com/securities/company-announcements and https://www.hcsurgicalspecialists.com/en/investor-relation/news.

*I/We ____________________ (Name) ____________________ (NRIC/Passport Number)

of ____ (Address)

being a *member/members of **HC Surgical Specialists Limited** (the "**Company**"), hereby appoint

Name	NRIC / Passport No.	Address	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	NRIC / Passport No.	Address	Proportion of Shareholdings	
			No. of Shares	%

or failing which, the **Chairman** of the Annual General Meeting (the "**AGM**"), as *my/our proxy(ies) to attend, speak and vote for *me/us on *my/our behalf at the AGM of the Company to be held at 5 Stevens Road, Claymore & Draycott, Level 2 – Main Clubhouse, Tanglin Club, Singapore 257814 on Thursday, 25 September 2025 at 2.00 p.m. and at any adjournment thereof.

*I/We direct my/our proxy/proxies to vote for or against or abstain from voting in respect of the ordinary resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the AGM. Where the Chairman of the AGM is appointed as proxy and in the absence of specific directions as to voting, the Chairman will be able to vote at his discretion.

No.	Ordinary Resolutions	For*	Against*	Abstain*
1.	Re-election of Mr. Chan Pengee, Adrian as Director			
2.	Re-election of Mr. Lim Jun Xiong Steven as Director			
3.	Directors' Fees of $122,000/- for the financial year ended 31 May 2025			
4.	Declaration of final dividend (tax-exempt one-tier) of $0.0118 per ordinary share for the financial year ended 31 May 2025			
5.	Re-appointment of BDO LLP as auditors of the Company			
6.	Authority to issue ordinary shares			
7.	Authority to issue shares under the HCSS Performance Share Plan			
8.	Authority to issue shares under the HCSS Employee Share Option Scheme			
9.	Proposed Renewal of the Share Buy-Back Mandate			

* Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" or "Abstain" the resolution, please tick (✓) within the box provided. Alternatively, please indicate the number of votes in the box appropriately. In any other case, the proxy/ proxies may vote or abstain as the proxy /proxies deem(s) fit on the resolution if no voting instruction is specified.

Dated this __________ day of ______________ 2025

Total number of Shares held:	No. of Shares
CDP Register	
Register of Members	

____
Signature/Common Seal of Member(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:

1. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act 1967, a member is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where a member appoints more than one (1) proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form.

2. Pursuant to Section 181(1C) of the Companies Act 1967, a member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, 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 (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. A proxy need not be a member of the Company.

3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his 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 its attorney or duly authorised officer.

4. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with its Constitution and Section 179 of the Companies Act 1967.

5. The duly executed Proxy Form can be submitted to the Company in the following manner:

   a) if submitted in hard copy by post, be lodged at the office of the Company's Share Registrar at 9 Raffles Place, #26-01, Republic Plaza, Singapore 048619; or

   b) if submitted electronically, by sending a scanned PDF copy via email to sg.is.proxy@vistra.com,

   in either case, by **2.00 p.m.** on **22 September 2025** (being at least 72 hours before the time appointed for holding the AGM) (the "**Proxy Deadline**").

   A member who wishes to submit a Proxy Form must download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and sending it electronically to the email address provided above.

6. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

7. The Company shall be entitled to reject the instrument 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 instrument appointing a proxy or proxies. In addition, in the case of a member of the Company whose shares are entered against his/her name in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such member is not shown to have shares entered against his/her name in the Depository Register at least 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

8. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act 1967 (including CPF investors, SRS investors and holders under depository agents) and who wish to exercise their votes should approach their respective relevant intermediaries (including their respective CPF agent banks, SRS Operators or depository agents) to submit their votes at least 7 working days before the AGM. CPF/SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.

PERSONAL DATA PRIVACY:

By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 9 September 2025.

CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. CHONG WENG HOE
Non-Executive Chairman
and Independent Director

DR. HEAH SIEU MIN
Executive Director and
Chief Executive Officer

DR. CHIA KOK HOONG
Executive Director and
Medical Director

MR. LIM CHYE LAI, GJAN
Non-Independent
Non-Executive Director

MR. OOI SENG SOON
Independent
Non-Executive Director

MR. CHAN PENGEE, ADRIAN
Independent
Non-Executive Director

MR. LIM JUN XIONG STEVEN
Independent
Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

MR. OOI SENG SOON
(Chairman)
MR. CHONG WENG HOE
MR. LIM CHYE LAI, GJAN

REMUNERATION COMMITTEE

MR. CHONG WENG HOE
(Chairman)
MR. OOI SENG SOON
MR. LIM CHYE LAI, GJAN

NOMINATING COMMITTEE

MR. CHONG WENG HOE
(Chairman)
MR. OOI SENG SOON
MR. LIM CHYE LAI, GJAN

JOINT COMPANY SECRETARIES

MS. LIN MOI HEYANG
MS. TANG PEI CHAN

REGISTERED OFFICE

9 Raffles Place
#26-01 Republic Plaza
Singapore 048619
Tel: +65 6236 3333
Fax: +65 6236 4399

SHARE REGISTRAR

TRICOR BARBINDER SHARE REGISTRATION SERVICES
(a division of Tricor
Singapore Pte. Ltd.)
9 Raffles Place
#26-01 Republic Plaza
Singapore 048619

AUDITOR

BDO LLP
600 North Bridge Road
#23-01 Parkview Square
Singapore 188778
Partner-in-Charge: TEI TONG HUAT
(Appointed since the financial
year ended 31 May 2021)

PRINCIPAL BANKERS

OVERSEA-CHINESE BANKING CORPORATION LIMITED

UNITED OVERSEAS BANK LIMITED

STANDARD CHARTERED BANK (SINGAPORE) LIMITED

THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED

CONTINUING SPONSOR

NOVUS CORPORATE FINANCE PTE. LTD.
7 Temasek Boulevard #04-02
Suntec Tower 1
Singapore 038987

HC SURGICAL SPECIALISTS LIMITED

Visit us at https://www.hcsurgicalspecialists.com
Tel: +65 6205 0345
Email: contact@hcsurgicalspecialists.com