

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

ACQUISITION OF 51% OF THE TOTAL ISSUED SHARE CAPITAL OF TS MEDICAL PRIVATE LIMITED AND THE REALLOCATION AND UPDATE ON THE USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING AND PRIVATE PLACEMENT

1. INTRODUCTION

The board of Directors (the "Board" or "Directors") of Singapore Paincare Holdings Limited (the "Company" and together with its subsidiaries, the "Group") wishes to announce that on 5 February 2026, the Company entered into a sale and purchase agreement (the "SPA") with Dr Toh Lim Kai (the "Vendor" or "Dr Toh") to acquire 25,500 ordinary shares of TS Medical Private Limited ("TSM" or "Target Company") ("Sale Shares") representing 51% of the total issued share capital of the Target Company, on the terms and conditions of the SPA (the "Acquisition"). The Acquisition is expected to be completed on or before 12 February 2026 ("Completion").

In connection with the Acquisition, the Group, through TSM, has also entered into an employment agreement with the Vendor dated 5 February 2026 (the "Employment Agreement") pursuant to which the Vendor will be employed as a general medical practitioner of the Target Company with effect from Completion.

2. INFORMATION ON THE TARGET COMPANY AND THE VENDORS

- 2.1 The Target Company is a company incorporated in Singapore, and has an issued and paid-up share capital of S\$50,000, comprising of 50,000 ordinary shares. Prior to Completion, the Vendor holds 100% of the total issued shares in the Target Company.
- 2.2 The Target Company owns and operates a general medical clinic operating under the style of "Doctors for Life Medical", located at 3 Pickering Street, #01-02, Nankin Row, Singapore 048660 offering general medical services.
- 2.3 Based on the unaudited management accounts of the Target Company for the financial year ended 31 December 2024 ("TSM FY2024"):
 - (a) the net profit before income tax of the Target Company for TSM FY2024 was S\$248,778, and accordingly, the net profits attributable to the Sale Shares was approximately S\$126,877; and
 - (b) the net tangible asset value and net asset value of the Target Company as at 31 December 2024 were both S\$680,261. Accordingly, the net tangible asset value and net asset value attributable to the Sale Shares was approximately S\$346,933.
- 2.4 Following Completion, the Target Company will become a 51% owned subsidiary of the Company.

3. RATIONALE FOR THE ACQUISITION

The Acquisition is part of the Group's strategy to expand its business operations locally and grow its client base. The Group believes that the business of the Target Company is complementary to the business of the Group and the acquisition of the Target Company will give the Group its first presence in the downtown central business district.

4. PRINCIPAL TERMS OF THE ACQUISITION

4.1 Sale and Purchase of the Sale Shares and Purchase Price

- 4.1.1 Pursuant to the terms of the SPA, the Vendor shall sell to the Company, and the Company shall acquire from the Vendor, the Sale Shares free from all encumbrances and with all rights attached thereto for a purchase consideration of S\$578,000 (the "**Purchase Price**"), payable fully in cash to the Vendor, on Completion.
- 4.1.2 The Purchase Price was arrived at on a willing-buyer, willing-seller basis, after negotiations which were conducted at arm's length between the Company and the Vendor and taking into consideration factors such as the net asset value of the Target Company, and the historical revenue and net profit of the Target Company. The Company also wishes to highlight that it had conducted its evaluation on the Purchase Price with reference to the Target Company's unaudited management accounts for TSM FY2024 ("**TSM Accounts**"). The Company had made certain adjustments to the TSM Accounts (as it deemed necessary for its purposes) to obtain an estimated adjusted net profit before tax of approximately S\$189,000 ("**Adjusted PBT**") for TSM FY2024. Based on the Adjusted PBT, the Purchase Price represents an implied price to earnings ("**P/E**") multiple of 6.0 times. The implied P/E multiple of 6.0 times is within the valuation range of comparable transactions of outpatient medical clinics in Singapore.
- 4.1.3 The Purchase Price for the Sale Shares shall be partially funded by the proceeds from the Company's initial public offering ("**IPO**") in July 2020 and the private placement that was completed on 27 November 2020. The remaining balance of the Purchase Price shall be funded by the Company's internal resources. Please refer to paragraph 5 for more information.

5. USE OF PROCEEDS FROM THE IPO AND THE PRIVATE PLACEMENT

The Board refers to the Company's offer document dated 13 July 2020 ("Offer Document") issued in connection with its IPO, and the Company's announcements dated:

- (i) 17 November 2020, 23 November 2020 and 27 November 2020 in relation to the proposed subscription of 18,000,000 new ordinary shares in the issued share capital of the Company (the "Placement") by Sian Chay Medical Institution;
- (ii) 30 November 2020 in relation to the proposed acquisition of 40% of the total issued share capital of KCS Anaesthesia Services Pte. Ltd and the re-allocation of use of proceeds from the IPO;
- (iii) 14 March 2023 in relation to the acquisition of 100% of the total issued share capital of PTL Spine & Orthopaedics Private Limited and the reallocation of use of proceeds from the Placement;
- (iv) 1 July 2023 in relation to the acquisition of the total issued share capital of Boon Lay Clinic and Surgery Pte Ltd and the use of IPO proceeds; and
- (v) 9 February 2024 in relation to the reallocation and update on the use of proceeds from the IPO and the Placement.

5.1 The Board wishes to announce that after a review of the Group's cash flow, operational requirements and expansion plans, the Board has decided to reallocate the remaining IPO and Placement proceeds of S\$100,000 each that were initially allocated to expand the range of pain care services to be used to expand business operations locally and regionally (the "**February 2026 Reallocation**"). The utilisation of the reallocated aggregate amount of S\$200,000, is as detailed in the tables entitled "Use of IPO proceeds" and "Use of proceeds from the Placement" below.

5.2 The Board is of the view that the February 2026 Reallocation is in the best interests of the Group and its shareholders as this will ensure the remaining IPO and Placement proceeds are fully deployed for expansion, while reserving its own funds for working capital and other needs.

5.3 Following the above-mentioned and upon utilisation of the proceeds for the Acquisition, the following tables summarise the use of net proceeds from the IPO and the Placement.

Use of IPO proceeds

Use of net proceeds	Amount allocated (S\$'000)	Amount allocated after past reallocations⁽¹⁾ (S\$'000)	Amount allocated pursuant to the February 2026 Reallocation⁽²⁾ (S\$'000)	Amount utilised as at the date of this announcement (S\$'000)	Balance of net proceeds as at the date of this announcement (S\$'000)
Expand range of pain care services	1,100 ^(1b)	100	-	-	-
Expand business operations locally and regionally	1,400	3,441	3,541	(3,541) ⁽³⁾	-
Working capital	1,041 ^(1a)	-	-	-	-
Total	3,541	3,541	3,541	(3,541)	-

Notes:

- (1) (a) S\$1.041 million of the net proceeds initially allocated for the Group's working capital had been reallocated to expand the Group's business operations locally and regionally, and (b) S\$1.0 million of the net proceeds initially allocated for the Group's expansion of its range of pain care services had been reallocated to expand the Group's business operations locally and regionally. Please refer to the Company's announcements dated 30 November 2020 and 1 July 2023 for more details.
- (2) S\$0.1 million of the net proceeds initially allocated for the Group's expansion of range of pain care services had been reallocated to expand the Group's business operations locally and regionally as part of the February 2026 Reallocation.
- (3) Utilised for (a) the acquisition of 40% of the total issued share capital of KCS amounting to S\$2.4 million, (b) the acquisition of 100% of the total issued share capital of Boon Lay Clinic and Surgery Pte. Ltd amounting to S\$1.0 million, (c) startup capital expenses for the newly incorporated subsidiary, Alexandra Medicine and Paincare Pte. Ltd., amounting to S\$0.041 million, and (d) the payment of a portion of the Purchase Price for the Acquisition, amounting to S\$0.1 million.

Save for the reallocations made on 30 November 2020 and 1 July 2023, and the February 2026 Reallocation, the above utilisation is in accordance with the intended use as stated in the Offer Document dated 13 July 2020.

Use of proceeds from the Placement

Use of net proceeds	Amount allocated (S\$'000)	Amount allocated after past reallocations ⁽¹⁾ (S\$'000)	Amount allocated pursuant to the February 2026 Reallocation ⁽²⁾ (S\$'000)	Amount utilised as at the date of this announcement (S\$'000)	Balance of net proceeds as at the date of this announcement (S\$'000)
Expand range of pain care services	1,975	100	-	-	-
Expand business operations locally and regionally	1,975	3,850	3,950	(3,950) ⁽³⁾	-
Total	3,950	3,950	3,950	(3,950)	-

Notes:

- (1) S\$1.875 million of the net proceeds initially allocated for the Group's expansion of its range of pain care services had been reallocated to expand the Group's business operations locally and regionally. Please refer to the Company's announcements dated 14 March 2023 and 9 February 2024 for more details.
- (2) S\$0.1 million of the net proceeds allocated to expand the Group's range of pain care services had been reallocated to expand the Group's business operations locally and regionally as part of the February 2026 Reallocation.
- (3) Utilised for (a) the acquisition of PTL Spine & Orthopaedics Private Limited amounting to S\$3.122 million, (b) startup capital expenses for East Coast Medical and Paincare Pte. Ltd., Hougang Medical and Paincare Clinic Pte. Ltd. and Alexandra Medicine and Paincare Pte. Ltd. amounting to S\$0.728 million, and (c) the payment of a portion of the Purchase Price for the Acquisition, amounting to S\$0.1 million.

Save for the reallocations made on 14 March 2023 and 9 February 2024, and the February 2026 Reallocation, the above utilisation is in accordance with the intended use as stated in the announcement dated 17 November 2020.

6. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

6.1 Based on the latest announced audited consolidated financial statements of the Group for the financial year ended 30 June 2025 ("FY2025"), the relative figures computed on the bases set out in Rule 1006 of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules") are as follows for the Acquisition:

<u>Rule 1006</u>	<u>Bases</u>	<u>Relative Figures</u>
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value.	Not applicable
(b)	The net profits ⁽¹⁾ attributable to the assets acquired of, compared with the Group's net profit.	-3.47% ⁽²⁾
(c)	Aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	3.05% ⁽³⁾
(d)	Number of equity securities issued by the Company as consideration for an acquisition compared with the number of equity securities previously in issue.	Not applicable
(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves.	Not applicable

Notes:

- (1) "Net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (2) Computed based on 51% of the unaudited net profit before income tax of the Target Company for TSM for FY2024 of approximately S\$126,877 and the latest announced audited net loss before income tax of the Group for FY2025 of -\$3,659,000.
- (3) Computed based on the Purchase Price of S\$578,000 and the Company's market capitalisation of approximately S\$18,981,723, which is determined by multiplying the number of ordinary shares in the issued share capital of the Company ("Shares") in issue (excluding treasury shares) of 171,006,516 by the volume weighted average price of S\$0.111 per Share on 5 February 2026, being the last market day immediately preceding the date of the SPA in which the Shares were traded.

Based on the relative figures computed above, read together with Practice Note 10A of the Catalist Rules, the Acquisition constitutes a "non-discloseable transaction" under Chapter 10 of the Catalist Rules.

7 **INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Acquisition other than through their respective shareholdings (if any) in the Company.

BY ORDER OF THE BOARD
Singapore PainCare Holdings Limited

Dr. Lee Mun Kam Bernard
Executive Chairman and Chief Executive Officer
5 February 2026

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

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