Foundation Healthcare Holdings 1H2026 Earnings Call Script

Introduction

Justin Choi: Good afternoon, everyone. Welcome to Foundation Healthcare Holdings' first half 2026 results briefing. My name is Justin Choi, and I am the CFO of Foundation Healthcare. Thank you for joining us today.

Before we begin, a few housekeeping matters.

This briefing is being recorded and will be made available on our investor relations website following today's session. A copy of our 1H26 results announcement, including the financial statements, has been filed with SGX and is available on both the SGX website and our investor relations page.

I would like to draw your attention to the forward-looking statements disclaimer in our presentation materials. Certain statements made today may constitute forward-looking statements, including statements relating to our business strategy, financial projections, acquisition plans, and market outlook. These statements involve known and unknown risks and uncertainties and are not guarantees of future performance. Actual results may differ materially from those expressed or implied. We ask that you not place undue reliance on any forward-looking statements made today, which speak only as of this date. The Company does not undertake any obligation to update or revise any forward-looking statement.

Additionally, we will be referring to certain non-SFRS(I) financial measures during this presentation - including Adjusted EBITDA, Adjusted PAT, Adjusted FCF, Free Cash Flow Conversion, and Return on Equity. Reconciliations of these measures to the nearest SFRS(I) equivalents are set out in our results announcement.

Today's programme is as follows. Our CEO, Yit Ming, will open with the 1H26 business and key operational highlights. Our Chief Commercial Officer, Shook, will then touch on some of our strategic initiatives, including our tech platform, AVA, and I will walk through our financial performance. We will conclude with a Q&A session with senior management.

With that, I will hand over to our CEO Yit Ming.

Key Highlights & Business Overview

Liaw Yit Ming: Thanks everyone for attending our very first earnings call. We appreciate your support and are excited for you to join us on this growth journey.

In the first half of 2026, we delivered strong revenue growth of 20 percent demonstrating the scalability and strength of our platform. We achieved this growth through greater productivity of our established specialist base, the continued ramp-up of our emerging specialists, and deepening utilisation across our medical centres.

Secondly, we continue to strategically invest in building capacity for future growth. We recruited additional emerging specialists across key sub-specialties and progressed the refurbishment and launch of 2 new medical centres.

Next, while acquisition activity was paused in the first half due to our IPO process, our pipeline remains healthy. We are in advanced discussions with several targets and expect to complete more acquisitions in the second half of 2026 and beyond.

We continue to generate strong cash flow, and our balance sheet is well capitalised following the IPO. Cash generation is being prioritised for reinvestment and growth to deliver long term shareholder value.

Lastly, we are accelerating international expansion in Malaysia and Hong Kong marking the first meaningful step toward replicating the Singapore model in adjacent markets. We will share more detail on this as the year progresses, but the groundwork is being laid now.

At the heart of Foundation Healthcare's strategy is a simple observation: healthcare demand is growing, cost is escalating year on year, and accessing care is getting more complex. Our vision is therefore to build an integrated healthcare system that is efficient, effective and sustainable in Singapore and the region.

Our mission sets out how we intend to get there, which is to build a scalable healthcare ecosystem, through collaboration and innovation, that improves accessibility, affordability and accountability.

Three key opportunities that we continue to observe.

First, there is a proven need for ambulatory healthcare facilities such as day surgical centres to complement hospitals. These day surgical centres are more scalable and more cost effective to operate. Many surgical procedures can be done safely at lower costs in a day surgical centre.

Second, Singapore market remains highly fragmented, with patients moving across primary care physicians, specialists, diagnostic centres and the different healthcare facilities that often operate independently. There needs to be a system to connect the different stakeholders to better improve care coordination in order to improve patient outcomes and reduce the overall cost of care. This is where AVA comes in.

Third, fragmentation within the specialist space is ripe for consolidation. There are more than 2,400 specialists in Singapore's private sector alone. Consolidation will bring about greater cost efficiencies and allow specialists to focus more of their time and attention on patient care.

In line with the 3 opportunities highlighted, it is no coincidence that Foundation Healthcare is built around three complementary pillars, each addressing a distinct gap in the healthcare market while reinforcing the broader platform.

Our first pillar is our specialists. We have 108 specialists across 75 clinics covering 16 specialty areas as of 30 June of this year. We remain the largest specialist platform in Singapore today and the scale of the platform allows for greater collaboration and greater cost savings through shared infrastructure and economies of scale that are difficult for standalone practices to achieve.

Our second pillar is our medical centres. We operate four centres spanning day surgery, imaging and fertility. These centres support the broader specialist network and enable the right-siting of care. This works by moving appropriate lower-acuity procedures out of higher-cost hospital settings into lower cost outpatient medical centres, while maintaining quality of care and improving patient convenience.

Our third pillar is our proprietary technology, called AVA. AVA connects specialists, medical facilities, patients and payors across the broader healthcare ecosystem. It serves as the digital backbone of the platform, supporting greater coordination, more efficient workflows and a more integrated patient journey.

The strength of our platform lies in how these three pillars work together. AVA connects ecosystem stakeholders together to better coordinate care and acts as a natural patient funnel to our platform. More patients in our platform will attract more specialists to join us. More specialists we have, more medical centres we will need to serve their needs. Together, they create a scalable integrated platform that is affordable, accessible, and accountable.

1H 2026 Operational Overview

Specialists are the key revenue drivers of our business. When we look at our network, we can see consistent, steady growth. We had 67 specialists as of 31 December 2023, and we are now at 108 as of 30th June of this year with 4 additional specialists confirmed to join in the 2nd half of 2026, bringing us to a total of 112 specialists, which is by far the largest in Singapore.

As a reminder, we segment our specialists into two groups.

Established Specialists are specialists who have five or more years of experience in private practice. These specialists are more mature with a lower growth profile. Each contributes, on average $2.7m of revenue per year.

Emerging Specialists are those who have been in private practice for less than five years. These specialists are still ramping up with a higher growth profile. Each contributes on average $1.3m in their first year.

Firstly, on emerging specialists' growth - as you can see from the chart, pipeline conversion is gaining pace. We ended June with 33 emerging specialists. By adding two specialists who started in July and two due to start in the second half, that number rises to 37. The pipeline remains healthy and we are confident that this trend will continue into the rest of 2026 and beyond.

Foundation Healthcare is an increasingly attractive platform for specialists entering private practice for the first time because of our scale, strong admin support, insurer partnerships, and a growing patient funnel. Further, post-IPO we are now able to use equity incentives to better align and retain specialists for the long-term.

As a reminder, we have built a strong base of established specialists over the last few years, which has been partly driven by successful acquisitions.

M&A activity was deliberately paused from February through the beginning of the second half of this year, due to the IPO process. Through that entire period, we continue to build our M&A pipeline for the second half and beyond.

Again, as a reminder, we undertook a pre-IPO share swap to consolidate practice ownership and align our specialists with long-term growth through Foundation Healthcare. Post-IPO, Foundation Healthcare now owns 100% of all specialist practices. There will no longer be any non-controlling interests or minority interests arising from our specialists' practices. Also, all shares that were issued in relation to the swap, occurred prior to the IPO. No further dilution is expected for all specialist practices acquired pre-IPO.

For background, I will quickly give an overview of our medical centre footprint.

We currently operate 4 medical centres across day surgery, imaging and fertility.

Our 2 ambulatory surgery centres are located in Novena and Orchard. Foundation Ambulatory Centre Novena, which opened in February 2026, is Singapore's largest standalone day surgery centre, with 4 operating theatres and 2 endoscopy suites. Foundation Ambulatory Centre Orchard provides additional surgical capacity in the central region.

Beyond day surgery centres, Foundation Imaging brings diagnostic capabilities, including MRI, CT and X-Ray, with radiologists operating the centre directly.

Together, these centres provide the infrastructure to support our growing specialist network and enable us to deliver care in a more integrated and efficient setting.

During the first half of the year, Foundation Ambulatory Centre Orchard was closed for refurbishment, while Foundation Ambulatory Centre Novena was launched in February. Together, both ambulatory centres are fully operational, and we expect revenue contribution and patient volumes to ramp up progressively as capacity across the two centres increases.

Foundation Ambulatory Centre Orchard was taken offline from March through to the end of June for a full renovation and refurbishment aimed at increasing surgical capacity. It reopened in July and will begin contributing to revenue in the second half.

Foundation Ambulatory Centre Novena was launched in February and has been ramping up ever since. We expect partnerships with major insurers to drive volumes from non-Foundation Healthcare specialists in 2H26, which would help drive further utilisation.

Medical centres remain our priority growth pillar across our 3 key markets, and we continue to explore opportunities to expand our footprint.

The Foundation Oral Maxillofacial Surgery Centre at Farrer Park Medical Centre is a good example of how we think about public private partnership and adopting the latest technology to improve patient outcomes.

This facility demonstrates our effort to bring together surgeons, the latest robotic surgical technology, and a formal academic research partnership with one of the teaching hospitals' Faculty of Dentistry. We strongly believe in the value of public private partnership, and that a successful healthcare system should see more of these partnerships working together to overcome shared healthcare challenges.

Clinically, the scope is comprehensive. The centre offers the full range of implant and oral-maxillofacial procedures, from single tooth replacement to complex reconstruction. This will be the first autonomous dental implant surgical robot in Singapore.

With that note, I will hand over to Shook, who is our Chief Commercial Officer.

Choy Shook Yee: Thank you, Ming.

As we expand, a key strategic priority is to drive incremental patient volumes. We are currently focused on three pillars: insurers, primary care providers, and marketing.

First, on insurer empanelment. 92% of our doctors are already empanelled with at least three of Singapore's 6 integrated shield insurers. Building on this foundation, we are actively expanding our access to include international private medical insurers whilst strengthening our partnerships with third party administrators. This strengthens our ability to serve Singaporeans and residents in Singapore, while making our doctors more accessible to patients across a broad range of insurance coverage. We have built the supporting infrastructure to accommodate the diverse insurance products available in the market, enabling a more seamless patient experience. As the healthcare financing landscape becomes increasingly complex, our Patient Assistance Centre provides an additional layer of support, helping patients navigate their coverage and care options more effectively.

Second, we are expanding our Health Connective programme with two major insurers joining as ecosystem partners to leverage on our network of GP members. This is a crucial step in our strategy. It positions Foundation Healthcare not just as a standalone specialist provider, but as a fully integrated care pathway from primary to tertiary care. We can seamlessly channel policyholders to our empanelled specialists, creating a managed and highly efficient referral pathway directly into the Foundation Healthcare ecosystem.

Finally, we are strengthening our Group level brand through an enhanced digital presence and targeted marketing to establish thought leadership in key medical specialties. We are also expanding our Foundation Healthcare packages and services, supported by targeted KOL campaigns.

Next, moving on to our tech platform, AVA.

Just to remind everyone, AVA has already been deployed across all private and public hospitals in Singapore. The focus now shifts to more deeply embedding AVA within each of them.

That means two things in practice: continuing to deepen our integrations within hospitals and clinics already using AVA and launching new modules that take on more of the workflows that currently sit outside the platform.

One example is we have recently completed User Acceptance Testing for the hospital admissions module with a regional private hospital operator to digitise admission workflows across their hospitals that reduces paperwork and patient waiting times.

There are more in the pipeline. We have a roadmap of new modules in development, each designed to take on additional workflows across the ecosystem, whether that is on the specialist side, the payor side, or within the facilities themselves.

I will now pass the time over to Justin who will go through our financial performance.

1H 2026 Financial Overview

Justin Choi: Thanks, Shook, I'll now run through the summary financial results for the first half of 2026.

Revenue for the first half of 2026 was S$129.2 million, up 20.2 percent year-on-year. This was largely driven by revenue growth in our specialist segment.

Adjusted EBITDA was S$39.8 million, broadly in line with the prior period. Adjusted EBITDA margin moderated from 37 percent in 1H25 to 31 percent in 1H26. This margin decrease was primarily due to deliberate investments we've made in operating expenses to increase capacity for future growth. I will elaborate more on this in the following slides.

Adjusted PAT was S$16.1 million in 1H26, which was a decline of 17.4 percent year-on-year. The decline was due to the same percentage point change in margin affecting adjusted EBITDA margin.

Lastly, adjusted FCF was S$30.6 million in 1H26, up 1.7 percent year-on-year. The cash-generative nature of our operating businesses combined with attractive cash flow conversion, allows us the financial flexibility to invest in growth.

Now I'll discuss the factors driving our revenue growth.

Revenue from the Specialist segment was S$125.7 million, up 20 per cent year-on-year. This segment accounted for 97 per cent of total group revenue. Growth was driven by two sources: organic growth from our existing practices and growth from acquired practices.

The Others segment, which is primarily comprised of our medical centre operations, was up 25 percent year-on-year. This growth reflects the contribution of Foundation Ambulatory Centre Novena, which was launched in February 2026 and is now in its early ramp up phase.

Medical centres are long-cycle assets, which grow over time as utilisation ramps up from procedure volume from both our own specialists as well as third party specialists, including referrals from our insurer partners. We expect the contribution from this segment to increase as Novena continues to grow and Orchard returns to full operations after being shut down for renovation during a large portion of the first half.

In terms of organic growth, on a like for like basis, we saw growth in the single digit percentage range, year on year.

I will now move on to profitability.

Adjusted EBITDA remained stable year on year at $39.8m although margins moderated to 31%. This moderation in margin was a result of deliberate investments in operating expenses to increase capacity for future growth. Margins should improve as operating leverage takes effect when revenue associated with these investments scale up.

The growth investments in operating expenses were related to the increasing proportion of revenue from emerging specialists, expansion of our clinic footprint, the ramp up and refurbishment of new and renovated medical centres and hiring at HQ to build operating scale for future growth.

Employee compensation increased as a percentage of revenue, with emerging specialists contributing a higher share of group revenue in 1H26. Emerging specialists typically require a ramp up period when patient volumes and revenue grow, which can initially increase their expense as a percentage of revenue. We also added headcount at the group level to build the management infrastructure needed to support our next phase of growth. These are fixed costs that we are absorbing now, ahead of the revenue they will support.

Medical centre launches and renovations, which Ming touched on earlier, affected margins in the first half. Both centres carried pre-opening and operating costs during 1H26 that were not in the 1H25 base. We expect revenues to ramp up from here, which will increase the profitability associated with these centres as utilisation increases.

On clinic footprint expansion, we opened five new clinics, and each new clinic had associated set-up and operating costs including hiring clinic staff. Again, we expect revenue to build over time as the specialists associated with these clinics grow their patient volumes.

Lastly, higher inventory and consumables and subcontractors costs, which are variable costs, reflect the current specialty mix rather than a structural shift, which I will talk about on the next slide.

The moderation in PAT margins was primarily driven by the same factors that impacted our Adjusted EBITDA margin. We are also actively exploring ways to further improve PAT margins through decreasing interest expense and applying for government tax incentives for newly listed companies.

In summary, we are confident that while our margins are currently moderated by these deliberate investments, we are making strategic decisions for the long-term growth of the business. We expect that margins will expand as revenue ramps up and as our enlarged platform benefits from operating leverage.

This slide builds on the previous discussion on margins and shows the bridge from 1H25 to 1H26 Adjusted EBITDA margin.

Regarding, Inventory and Consumables, and Subcontractors costs, which again are variable costs, the variance was driven by two different factors. The first 1.6 percentage point variance was consistent with what was shown in the pro forma 2025 financials reported in our prospectus, which factored in the annualised effect of practices that we have acquired in 2025 and early 2026. This resulted in a higher percentage these costs relative to revenue than the actual 2025 reported financials. This percentage is determined by the mix of specialties we have in any given period, and some of the recently added non-surgical specialties, such as cardiology, utilise a higher proportion of drugs relative to other specialties.

The additional 1.3 percentage variance arose in 1H26 specifically, driven by a further shift in case mix toward non-surgical specialties during this period. We expect this drag to moderate with the onboarding of new specialties whether it's through acquisition or new joiners. Further we believe there is an opportunity to improve our variable costs around these specific categories through managing our procurement at a group level. This is one of our operational priorities in realising post-merger synergies from the acquisitions we've made over the last few years.

Next, as I said on the previous slide, employee compensation costs increased as a percentage of revenue, driven partly by a higher proportion of revenue coming from emerging specialists. Emerging specialists are earlier in their patient volume ramp up phases and generate a lower revenue per specialist relative to their cost base versus established specialists. As they ramp, the revenue contribution per specialist improves, which helps improve the overall expense level as a percentage of revenue. This is a structural feature of how our model works, not a deterioration in underlying productivity. We also added support staff at the clinic level to support our expanding clinic footprint.

Moving on to the "others & corporate segments", the various medical centre growth initiatives including the Foundation Ambulatory Centre Orchard renovation and launch of Foundation Ambulatory Centre Novena led to a 0.7 percentage point decline and a negative EBITDA contribution from that segment in 1H26, compared to positive EBITDA contributed in 1H25. HQ corporate costs led to a 0.3 percentage point decline as we hired centralised HQ functions to build operating scale to support future growth.

Turning to our Adjusted PAT margin, which decreased by less than 6 percentage points compared to the prior year.

As the bridge illustrates, this 6-percentage point change relates to the same 6 percentage point change we saw in our Adjusted EBITDA margin, namely, the deliberate investments we made for growth that I just outlined.

Our current interest expenses remain elevated due to legacy, above-market interest rate swaps that we entered into 3 years ago. Looking ahead, as one swap matured in June 2026 and another one matures in November 2026, we expect to see material savings on interest expense going forward.

We are also evaluating further ways to decrease our interest expenses, including a potential refinancing of our loan facility. Currently, our blended all-in interest rate stands at approximately 5.5%, and we believe this can be meaningfully decreased in the near term given the current interest rate environment for SORA loans. Also, on the tax side, we are also in the process of applying for government tax incentive schemes for newly listed companies, which we also expect to result in future tax savings.

Moving on, we wanted to use this slide as a reminder of the cash generative and asset light nature of our business model. Based on the cash flow we're generating and free cash flow conversion that is robust, our existing operations continue to provide capital that can support reinvestment into growth opportunities that have attractive return profiles.

We will look to update these figures during our full year results briefing but based on last year's figures our free cash flow conversion was 78%. This was a year in which we made growth capex investments into two medical centres. The prior year in 2024, we did not make growth capex investments in any medical centres and given our maintenance capex requirements for clinics is relatively light, our free cash flow conversion in a non-investment year was over 90%.

On return on equity, Pro forma ROE was 22% in 2025. This demonstrates that the capital that we generate, when deployed into growth opportunities, results in strong internal rates of return.

Turning to capital allocation, we have four priorities. Ultimately, our objective is to allocate capital in an efficient and highly disciplined manner that creates shareholder value.

First, on acquisitions. We prioritise funding organic growth and selective, accretive acquisitions that deepen our specialist network. We target specific specialist segments that enable platform synergies, particularly those driving intra group referrals and medical centre usage and allow us to serve more of the needs of our patients.

Second, on growth capex. As mentioned before, maintenance capex at our clinics is relatively light, so the bulk of our capital spending is growth-related and predominantly directed at medical centre expansion. We invest to increase capacity where there is clear demand and referral potential from our specialists. This ensures that base case return hurdles can be met based on the demand we see from our own specialists, while also driving incremental returns from demand from procedure volumes from third parties.

Third, on balance sheet optimisation. We balance growth with prudent leverage and liquidity management. As mentioned, a key priority here is actively managing our maturity and interest-rate risks at all times. By managing our approach with interest rate swaps and exploring opportunities to reduce the current pricing on existing loans, we believe the effective interest rate on our debt can meaningfully decrease in the near term given the current rate environment for SORA loans.

Lastly, on shareholder returns. For now, cash generation is currently being prioritised for reinvestment and growth to deliver long-term shareholder value. However, dividends are top of mind for management and will be continuously assessed by us.

Now I will pass back to Ming to wrap it up and talk about our strategic priorities.

Strategic Priorities

Liaw Yit Ming: Thanks Justin.

As we look ahead, our growth strategy sits across four clear priorities, and importantly, all four are already in motion.

Specialist Acquisition and Recruitment are the key growth drivers. As you know, we had to pause M&A activity during the IPO process. But the pipeline remains healthy. In fact, active discussions are already taking place, and we are confident in closing a number of these targets in the coming months.

On Medical Centre Ramp Up, as discussed earlier, both day surgical centres in Novena and Orchard are now fully operational. Our immediate focus is on driving utilisation, while opportunistically exploring further footprint expansion across our 3 key markets.

For Technology, AVA continues to deepen its reach across the ecosystem. Our priority is now rolling out new modules to automate workflows and enhance coordination for our ecosystem partners.

And our regional growth is well underway. In Malaysia, we are in active discussions with insurers, specialists, and government agencies to acquire or build new medical centres.

That concludes our presentation. I will now hand it back to Justin to kick-off the Q&A session.

Justin Choi: Thanks, Ming. We will now open the floor to questions.

Please raise your virtual hand using the function on your screen and wait for your name to be called. Before asking your question, please state your name and the organisation that you represent. To ensure everyone has an opportunity to speak, we kindly ask that you limit yourself to a maximum of two questions.

We will now take our first question.

Q&A

Nicole Goh (UBS): Hi everyone, thanks for taking my question. I wanted to find out a bit about your EBITDA margin. Justin, you mentioned just now that it would improve over time, but I am wondering how long it will take. What are your expectations of when it returns to a level similar to the 37% we saw previously? Looking at the breakdown provided, a substantial portion of the decline — approximately 2.9 percentage points — comes from the change in inventory and consumables, and another 2.1 percentage points from changes in employee compensation. Both of those may not be easy to reverse, given the specialty mix or case mix you have. So how long do you think it will take for margins to improve?

Justin: So firstly, we remain confident that our strong revenue growth will continue into the second half and beyond. While we are not providing revenue guidance, directionally we are confident that revenue growth will remain in the mid to high teens on a pro forma basis from 2025 to 2026.

As I mentioned, and as we covered across several slides, the decline in EBITDA margin was really due to investment in future growth and expanding our revenue capacity. This was expected and intentional. It reflects the effect of an increasing proportion of emerging specialists who have a ramp-up period as they grow, new clinics from our expanding physical footprint, investments in new and renovated medical centres, as well as our specialty mix. We are not providing specific EBITDA guidance, but what we'll say is that adjusted EBITDA margins will continue to improve in the second half of this year and beyond as revenue grows. This will also flow through to adjusted PAT margins, where we are also exploring ways to decrease interest expense and apply for government tax incentives.

Nicole: My second question is more for Shook. You mentioned that your specialists are empanelled on three or more insurers, with an average of about three. Do you now have three insurers under your master service agreement? And what does empanelment mean for specialists?

Shook: Thanks for the question. I'll try to break it into parts. We have a direct arrangement with three of the six major insurers. What that means in practice is that doctors who are part of Foundation Healthcare will get a more streamlined pathway for empanelment, allowing them to see and assess policyholders of those three insurers more easily. That covers 92% of our doctors who are on at least three panels or more — and some of the doctors are on four, five, or six panels. Therefore, it is really good right now that we are at 92% of all our doctors are on at least three panels or more.

Nicole: Okay, just wanted to follow up on that. So, when you say that the doctors are empanelled on these three insurers. What does this mean? The reason why I am asking this question is because of the case of Mount E and Great Eastern. Taking the example of Mount E and Great Eastern - I understand many of your doctors also have clinics at Mount E. What happens in that scenario?

Shook: So, essentially, for you and I as policyholders, the sentiment in Singapore is as such that policyholders prefer to see doctors who are on panel, because you do have the additional benefit of your coverage. As an example, your post-hospitalisation coverage may be for a longer duration when you see a panel doctor. Consumers would tend to have the propensity to see doctors who are within their insurance panel, therefore having our doctors on more panels increases their accessibility to patients.

One important distinction for Foundation Healthcare is that we are hospital-agnostic. Our doctors can admit patients to various private hospitals across Singapore, which allows us to help patients navigate according to their coverage. When a patient's plan promotes or encourages admission at a particular facility, our doctors are able to operate or admit patients at that facility. So, whether an insurer restricts a letter of guarantee to a particular hospital or not, it does not materially affect us, because we have clinics across multiple private hospitals in Singapore.

Nicole: What you are saying is that essentially if the patient is a Great Eastern policyholder and cannot get a letter of guarantee at Mount E, you can admit them to another hospital in Singapore?

Shook: Exactly. And more importantly, wherever patients see us - we have the flexibility to support any policyholder to be admitted or operated on at a facility recognised by their insurer. That is why the network effect of Foundation Healthcare is critical. We have the footprint and the clinics across the island, in all major facilities, which allow our doctors to move freely and serve different patient segments in a way that is customised to their needs.

Ming: This is also one of the reasons our model is more resilient than some of the hospital-based players. We can operate across any hospital. If insurance companies try to drive utilisation toward lower-cost facilities, that has less impact on us. Insurers also favour the Foundation Healthcare platform because we have built our medical centres to manage costs well. They see that as a benefit, which is why we are able to maintain close partnerships with the insurers. Over time, you will likely see changes in insurer product design that increasingly encourage policyholders to utilise facilities such as day surgery centres, and we are well-positioned to capitalise on that.

Nicole: Okay, thank you.

Justin: Thanks. Next question is from Joanna from Jefferies.

Joanna Cheah (Jefferies): Thanks for the call. Can I confirm that with the organic revenue growth from the existing practices, I think you mentioned it was single digit versus the overall specialist revenue growth of 20%? Can you help us quantify whether this was low single digit or mid-single digit growth? Is this a good trajectory that we can extrapolate for the next couple of halves or six months, or were there any kind of seasonality effects that would have affected that organic growth rate? That is my first question.

Justin: First of all, our 20% revenue growth in the first half of 2026 included both organic and inorganic components. On organic growth specifically, on a pro forma basis, it was approximately low to mid-single digits. There were a few one-off factors in the first half that acted as a drag, including the renovation at Foundation Ambulatory Centre, Orchard, which took the centre offline for the bulk of the first half. We do not anticipate these factors recurring and expect a reversion to normal levels in the second half and beyond.

Joanna: The renovation would have affected the medical centre revenue line specifically. Is the low to mid-single-digit organic growth figure for the specialist segment only, or is it overall?

Justin: When we think about organic revenue, we think about it on a group basis. We look at organic growth in totality given the synergies between the specialists and the Others segment, which is part of our overall strategy of driving overlapping value via cross-referrals amongst our different specialists and across the different parts of our platform, including medical centres.

Joanna: Okay, noted. Second question, I think there was a mention of the migration from emerging to established specialist. Can I understand this a bit better? How does one qualify to be established specialist? Is it purely number of years of experience? Are there any other factors? How does remuneration change, and do they then get shares after they get converted?

Ming: The graduation from emerging specialist to established specialist is purely defined by the number of years, and the number of years that we have set is five. When they have more than five years of experience in private practice, they will graduate to established specialists. In terms of pay structure, it remains the same, there is no change. In terms of shares that you mentioned, we are exploring ESOP for all new doctors, regardless of whether they are emerging or established. That is part of the retention plan that we put in place. It does not mean that you have to be an established specialist in order to enjoy or to be rewarded with ESOP.

Joanna: On the ESOP, do we have a sense of the annual dilution to factor in from both acquisitions and the ESOP?

Ming: We will share that in greater detail in due course, but it will be within market.

Chun Sung (CIMB Securities): Good evening. Thank you for the presentation. My name is Chun Sung from CIMB Securities. Just one question. Can you help us understand what the actual impact is from a patient footfall perspective following the implementation of the new Integrated Shield Plan that came into effect in April this year. If you have any operating statistics from the patient's perspective, that would be helpful.

Shook: As presented, we have shown revenue growth. I would stress again that 92% of our doctors are on at least three insurer panels, which gives us a clear pathway to access patients across Singapore. Our patient portfolio spans a mix of complex specialist care as well as lower-acuity care, and that positions us well for the changes in rider design.

For the complex specialist care, patient need is typically less discretionary, and clinical urgency is higher. As a result, patient choice is primarily driven by clinical needs and access to appropriate specialist care. Importantly, the annual copayment will be capped at $6,000. There is also certainty regarding the deductible that is already predetermined before admission, which provides patients with greater certainty over what the out-of-pocket exposure is. That helps us ensure that private specialist care remains accessible and affordable, even where treatment needs are more complex. The patient funnel is still very healthy from what we see in our practices.

For lower-acuity care, our network of medical centres is well-aligned to serve this segment. The new rider designs directionally encourage patients to seek care in settings where co-payments are lower, such as medical centres and day surgery centres. Our strategy already provides a care model that enables patients to access both our medical centres and our specialists.

Taken together, the breadth of this portfolio allows us to serve patients across different levels of clinical need and care settings. We see this change as consistent with our strategy and overall view them positively. Not only that, based on what we are focusing on within Foundation Healthcare, we are also actively pursuing our relationship with international private medical insurance companies. We are widening our coverage and our network so that we can expand our reach beyond just the domestic Integrated Shield Plan market. That opens the patient funnel to a broader demographic. I think that is sustainable in the long run, and it sits very well with things that we are doing tactically on the ground.

Paul Chew (Phillip Securities): Thanks for the presentation. Just two questions. Some of the data that we see, which I am not sure is accurate, seems to suggest that admissions to public hospitals are outpacing those admissions to private hospitals. More patients are being funnelled to the public sector by insurance. My second question is, you mentioned organic growth, if you expand your day surgery, will it move the needle for your organic growth in terms of admission volumes? Thanks.

Ming: I think with regard to your second question, yes, building up medical centres and greenfield medical centres will contribute to our organic growth.

Paul: I am sorry to interrupt. I just wonder how we get the sense of at least how much of a difference you can make?

Justin: The medical centre segment for us is quite small today. We have four medical centres in total, with two of those being new and renovated day surgery centres. We expect this to be an investment area for us going forward. One of the features of this business is the synergies with our specialist segment. A lot of how we think about investing in these medical centres is looking at the latent demand from our specialists. We project the potential utilisation of the specialists that we have, given that most of them perform surgical procedures, and build out a base case that achieves an attractive return for us based on that demand. Then we factor in demand from third party specialists on top of that, including the volumes we expect to see from our insurer partners. The medical centre segment is very complementary to our specialist segment, and we expect it to be a bigger part of our business going forward.

Ming: To answer your first part of the question, you mentioned that there has been an increase in admissions in the public, and a decrease in the private. I think all in all, insurers in general are moving or trying to move cases to lower cost facilities. This includes lower-cost facilities within private, whether it is a private hospital or private day surgical centres. As we grow our day surgical centre space and work with insurance companies to offer them lower fixed price packages, that would be compelling for them. I think the keyword for insurance companies is lower cost facilities, not necessarily just public hospitals. Another thing to note is that there is also certain capacity constraint, at least from our own internal observations. Waiting times there are increasing, based on our own observations. Unless public capacity expands significantly, private sector providers will continue to play a complementary role in serving rising demand.

Paul: Just a quick follow-up. If I were one of your established specialists, would the shift toward day care move the needle for me in terms of volumes, regardless of which facility is used?

Shook: Whether a procedure is performed as day surgery or inpatient is ultimately determined by the patient's clinical condition - that is about right-siting of care. What we would say is that by having centres with the right technology and software, and the ability to support more procedure types, volumes will increase because insurers increasingly view day surgery as a favourable proposition. We expect volumes to grow in areas where day surgery is appropriate. This will not cause a reduction in inpatient numbers, because clinical conditions determine that, and the two are complementary rather than substitutable.

Yen Voo (J.P. Morgan): Good evening. Thanks for having me on the call. I am trying to understand how you decide which specialty or specialist to add next. Are you underwriting medical demand, referral flow patterns, or insurer panel access? And historically, which of those factors has been the best predictor of whether a new doctor successfully transitions from emerging to established?

Ming: I will take the second part first. We were established in 2023, so for doctors brought on as emerging specialists that year, we do not yet have the full five-year operating history to observe a clear graduation to established. The one doctor who graduated to established specialist this year was part of an acquired group, so there was a unique one-off element. We expect to see more organic graduations once we reach our five-year anniversary for the cohort that joined in 2023.

Yen Voo: Should graduation really be purely time-based? Is there no target number of complex cases or other metrics that would allow a doctor to graduate faster?

Ming: No, we do not measure it in that way. On your first question - how do we identify specialists to bring on board - we look at our 16 areas of specialties, the majority of which are surgical disciplines. This is because surgical specialties are complementary to our overall platform: they feed day surgery centres, imaging centres, and anaesthesiology. Every surgeon needs an operating theatre, many require imaging before performing a procedure, and most require an anaesthetist. So, any specialty we add must provide a multiplier effect across the Foundation Healthcare platform.

Yen Voo: What are the top three specialties you are looking to add as you continue to grow?

Ming: Rather than purely adding more surgical disciplines, we are looking at specialties that complement our existing 16 specialties. For example, orthopaedics and hand surgery are our largest specialties in Singapore, and rheumatology complements them well - and we currently have no rheumatology presence. We also look at sub-specialties within existing disciplines to ensure a strong and complementary mix. We leverage data from our patient funnel and primary care referral network as a proxy for market demand, and we use that to prioritise which specialties to bring on board.

Yen Voo: That is clear. Thank you very much.

Justin: That brings our first earnings call to a close. Thanks again to everyone for your support, and we look forward to the opportunities ahead. Thank you all.