

# Building Strengths Reinforcing Resilience

Annual Report 2024



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The annual report has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). This annual report 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 Ms Lim Hui Ling, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg)

Quantum Healthcare Limited ("**We**", or the "**Company**", "**Quantum Healthcare**" and together with its subsidiaries the "**Group**") is a Singapore-based company listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (Stock Code: V8Y.SI) since 29 July 2022.

Prior to 29 July 2022, the Group was previously known as QT Vascular Ltd ("**QTV**"), which underwent a scheme of arrangement to transfer its listing status to Quantum Healthcare on a 1:1 share arrangement, and QTV became a wholly-owned subsidiary of Quantum Healthcare. The transfer of listing was completed on 28 July 2022, and the Company began trading on the Catalist Board on 29 July 2022.

Prior to the restructuring, the Group was primarily engaged in the design, assembly, and distribution of advanced therapeutic solutions for the minimally invasive treatment of complex vascular diseases. The Company collaborates with industry specialists and physicians who are key opinion leaders to develop and offer physicians and patients new and differentiated devices to improve outcomes in complex peripheral and coronary interventions. The Group still retains its original vascular business under QTV. Subsequent to the restructuring, the Group has also diversified its core business to include:

- (a) the Healthcare Business, which includes, inter alia, the following activities:
  - i. provision of dental services; and
  - ii. operations management and consultancy services to certain government entities and/or corporate clients,

(collectively, the "**Healthcare Business**");

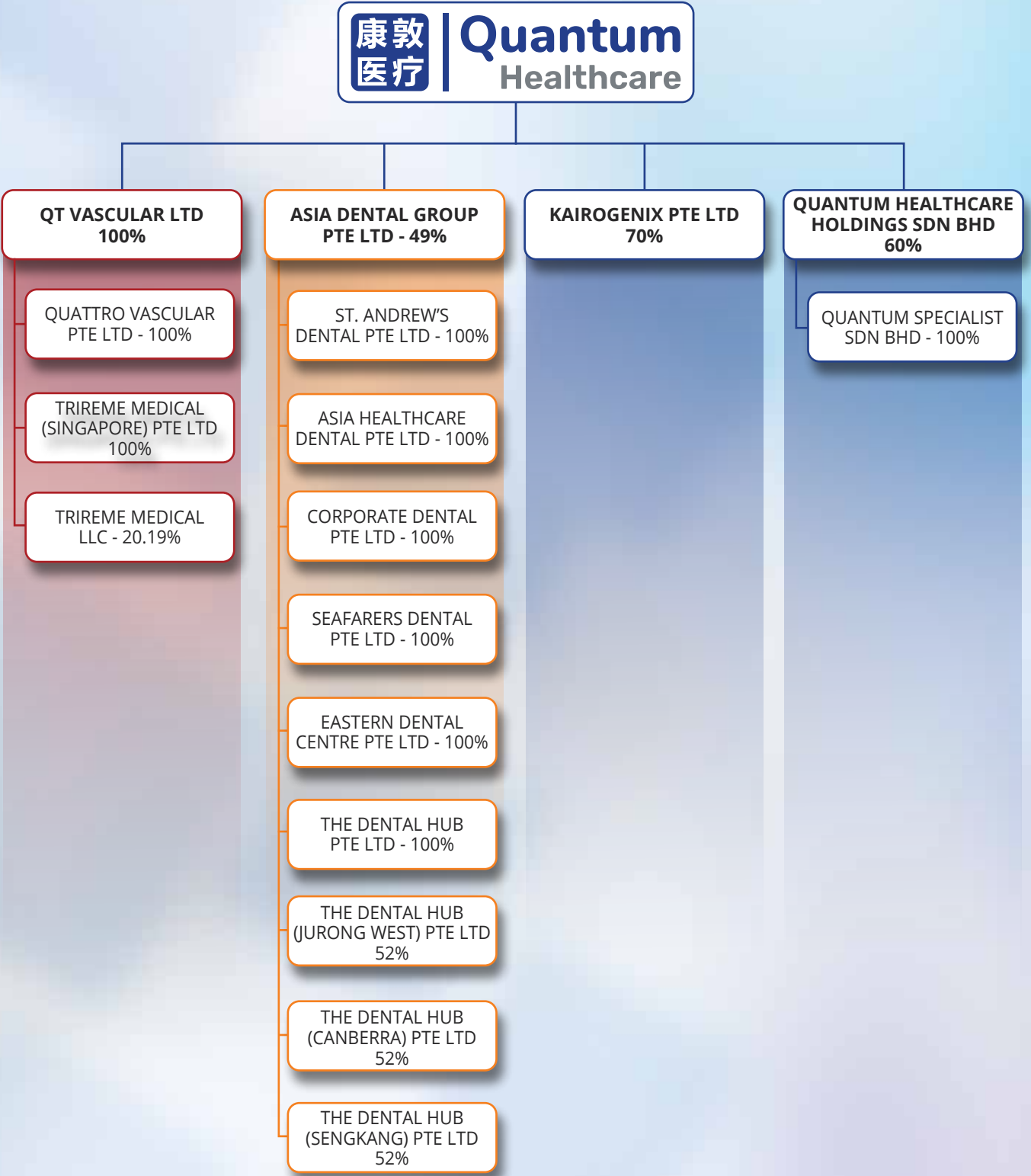
- (b) the Medical Equipment Business, which includes, inter alia, the following activities:
  - i. research, develop and design of medical equipment and other related products including but not limited to geriatric medical rehabilitation equipment and medical equipment for use in hospitals as well as for emergency and rescue ("**Medical Equipment**"); and
  - ii. to engage in the trading, manufacturing, distributing and/or marketing of these Medical Equipment,

(collectively, the "**Medical Equipment Business**"); and

- (c) the Medical and Wellness Business, which includes the provision of general and specialized medical care including but not limited to the fields of aesthetics and wellness services ("**Medical and Wellness Business**").



# ORGANISATION CHART



Updated as at 11 April 2025

## LETTER FROM THE CEO



***“Our unwavering commitment to excellence, coupled with our relentless pursuit of innovation, will continue to drive our success in the coming years.”***

**Thomas Tan Gim Chua**  
Chief Executive Officer and Executive Director



## LETTER FROM THE CEO

### Dear Shareholders,

I am pleased to present our Annual Report for the financial year ended 31 December 2024. This past year has seen progress with improvements in our financial performance compared to the previous year. While we continue to operate in a challenging environment, the result reflects that our ongoing efforts to strengthen the business are beginning to take effect.

We continue to face pressures in certain areas, but we are actively working to improve performance through more disciplined management, greater operational efficiency, and a sharper focus on our core dental services. These efforts are ongoing, and we remain committed to driving further improvement in the year ahead.

I would like to extend my heartfelt thanks to our Board of Directors for their continued guidance, to our dedicated employees for their hard work and resilience, and to our stakeholders for their trust and ongoing support.

Together, we remain focused on building a stronger and more sustainable future.

**Thomas Tan Gim Chua**

Chief Executive Officer and Executive Director



## BOARD OF DIRECTORS



**Ng Fook Ai Victor**  
Independent Chairman



**Thomas Tan Gim Chua**  
Chief Executive Officer and Executive Director

Mr Ng Fook Ai Victor was appointed to our Board as an Independent Non-Executive Director and Chairman on 31 January 2022. Victor is currently the Chairman of the Board of Directors and the Chairman of the Remuneration Committee as well as a member of the Audit Committee and Nominating Committee.

Victor has more than 30 years of experience as a director on various companies, including directorship held in companies listed in Singapore and Hong Kong. Victor is currently an independent non-executive director of SGX Mainboard listed The Place Holdings Limited, independent non-executive chairman of SGX Catalist listed HealthBanks Holdings Ltd, independent non-executive director of HKEX-Main Board listed Sunshine 100 China Holdings Ltd and independent non-executive chairman of 1Rockstead GIP Fund Ltd which is an approved fund under the Global Investor Program that invest in Singapore-based companies.

Victor holds BSc (Econs) (Hons), MSc (Econs) major in Econometrics, from Birkbeck College, University of London. He was awarded The University of London Convocation Book Prize (First) and the Lord Hailsham Scholarship, among other awards. In 1992, Victor was awarded the PBM (Community Services) by the President of the Republic of Singapore.

Mr Thomas Tan Gim Chua was appointed to our Board as Chief Executive Officer and Executive Director and a member of the Nominating Committee on 13 January 2022.

Thomas's working experience includes appointment as engineer from 1997 to 2000 in Nokia (S) Pte Ltd which is in the business of telecommunications, managing director of Ridgeline Technology Pte Ltd from 2000 to 2016 which is in the business of information technology info-communications and director and chief executive officer of Lifeline Corporation Pte Ltd since 2019, a company with a presence in Singapore, Malaysia, Philippines and Australia specialising in the manufacture, sale and distribution of certain medical rehabilitation devices such as wheelchairs and beds to hospitals.

Thomas graduated from the Nanyang Technological University in 1997 with a Bachelor of Engineering and is a full member of the Singapore Institute of Directors. Thomas also has more than 16 years experience as a managing director of Ridgeline Technology Pte Ltd and over five years as an executive director/chief executive officer of Lifeline Corporation Pte Ltd.

It should be noted that all Directors who were appointed prior to the restructuring have been subsequently re-appointed to Quantum Healthcare following the restructuring. Therefore, for the avoidance of doubt, QTV and Quantum Healthcare should be viewed as one group. This clarification is provided to avoid any ambiguity or confusion regarding the continuity of the Directors' roles and responsibilities throughout the financial year.

## BOARD OF DIRECTORS



**NG BOON ENG**  
Independent Director

Mr Ng Boon Eng was appointed to our Board as an Independent Non-Executive Director on 30 July 2021. Boon Eng was re-designated as the Chairman of the Audit Committee as well as a member of the Remuneration Committee with effect from 5 November 2024.

Boon Eng has been the Chief Executive Officer and a director of Capstone Investment Corporate Finance Pte. Ltd. (previously known as CEL Impetus Corporate Finance Pte.Ltd.) since 2017, an entity that holds capital market services license issued by the Monetary Authority of Singapore. He formerly held the position of Director and Head of Corporate Finance in RHB Securities Pte. Ltd. (formerly known as DMG & Partners Securities Pte. Ltd.) and Executive Director and Head of Corporate Finance in Mitsubishi UFJ Securities (Singapore), Limited. Boon Eng has close to 30 years of experience in advising on corporate finance, covering IPOs, RTOs, general offers, privatization and delisting and mergers and acquisitions.

Boon Eng graduated from Nanyang Technological University with a Degree of Bachelor of Engineering (Electrical) with honours and is also a Chartered Valuer and Appraiser.



**MELVIN LIM**  
Independent Director

Dr Melvin Lim holds a doctorate in Chemical Engineering from the University of Queensland, a Bachelor of Engineering (Civil) from Nanyang Technological University, and a Graduate Certificate in Intellectual Property (IP) Law, with expertise in IP protection, enforcement, and commercialization. With over 20 years of experience in research and development (R&D), intellectual property management, and technology commercialization, he has held senior leadership positions across academia and industry, bringing a wealth of expertise in innovation strategy, intellectual asset management, and business development.

His previous roles include Patent Scientist at Spruson & Ferguson, where he focused on intellectual property strategy and technology assessment, Senior Technology Manager at ShayoNano Singapore & USA, where he played a key role in advancing nanotechnology solutions, and Assistant Director at the Singapore Institute of Technology, where he led initiatives in technology transfer and industry partnerships. Currently, Dr. Lim is the Chief Executive Officer of MUJ Technologies Co. Private Limited where he drives corporate strategy, technological innovation, and business growth.

Additionally, he is a Certified Patent Valuation Analyst (USA) and a Senior Accredited Director (Singapore Institute of Directors), with deep experience in IP valuation, corporate governance, and strategic leadership. His extensive experience positions him as a key driver of innovation and value creation in the organizations he serves.





**DR GIAN SIONG LIN JIMMY**  
Chief Operating Officer (Dental)



**ALEX ONG CHAI TIAM**  
Chief Financial Officer

Dr Gian Siong Lin Jimmy was appointed as the Group's Chief Operating Officer (Dental) on 13 January 2022. As the Group's Chief Operating Officer (Dental), Jimmy oversees the newly expanded Healthcare Business of the Group.

Jimmy graduated from the Bachelor of Dental Surgery, National University of Singapore with Dean's List Award in his Final Professional Examinations. He has been in private practice for more than 20 years and his interests is in Orthodontic and Implant Dentistry.

Jimmy is a Certified Invisalign Practitioner, Certified Incognito Lingual Braces Practitioner and Certified CEREC Practitioner.

He is also a member of the following associations:

- American Orthodontic Society – USA
- Chicago Dental Society - Michigan, USA
- Academy of General Dentistry - USA
- Society for The Advancement of Gnathology - Singapore
- Guild of Dental Graduates - Singapore
- Aesthetic Dentistry Society of Singapore
- Singapore Dental Association

Mr Alex Ong Chai Tiam was appointed as the Group's Chief Financial Officer on 5 February 2025.

He is also responsible for the financial, accounting, internal audit and risk management functions of the Group. He has more than 30 years of experience in finance and accounting.

Mr Alex Ong obtained a Bachelor of Arts (Honours) in Business Accounting from Oxford Brookes University, UK in 2002. He is the member of the Institute of Singapore Chartered Accountants ("ISCA") and was a Fellow member of The Association of Chartered Certified Accountant, UK., until December 2022.

# FINANCIAL & OPERATIONS REVIEW

## REVIEW OF INCOME STATEMENT

The Group recorded revenue of S\$12,685,000 and a cost of sales of S\$7,028,000 for FY2024, showcasing resilience in a challenging market environment. This led to a decrease in gross profit by S\$103,000, from S\$5,760,000 in FY2023 to S\$5,657,000 in FY2024. This decline mainly attributed to slower growth from newly commenced clinics such as TDH Canberra, TDH Jurong West and TDH Sengkang, coupled with slowdown in business volume due to market condition from The Dental Hub Pte Ltd ("TDH") and Corporate Dental Pte Ltd under the ADG Group, the Group has strategically focused on enhancing operational efficiencies and exploring new growth opportunities.

In FY2024, the Group's loss before taxation improved by S\$760,000 mainly attributed to:

- a) Decrease in gross profit by S\$103,000 mentioned above;
- b) Decrease in administrative expenses by S\$1,842,000 in FY2024 was mainly due to (i) the absence of legal expenses incurred for the InnoRa Arbitration case during FY2023, amounting to S\$2,000,000, which is non-operating and one-off in nature, and partially offset by (ii) increase in overall operation expenses for ADG Group due to the commencement of new dental clinics;
- c) Increase in other expenses of S\$1,010,000 due to the impairment of goodwill arising from Asia Dental Group Pte Ltd, The Dental Hub Pte Ltd and The Dental Hub (Jurong West) Pte Ltd.
- d) Increase in other income of S\$1,000 due to additional government grants received; and
- e) Decrease in finance costs of S\$30,000 due to repayment of bank loans.

## REVIEW OF FINANCIAL POSITION

Our non-current assets increased by S\$19,000 mainly due to:

- (i) Decrease in goodwill of S\$1,010,000 due to impairment of goodwill arising from Asia Dental Group, The Dental Hub Pte Ltd and The Dental Hub (Jurong West) Pte Ltd
- (ii) Increase in plant and equipment mainly due to additions of dental equipment, renovation, machinery for new dental clinics for S\$353,000, offset by depreciation of S\$285,000;
- (iii) Decrease in intangible assets mainly due to amortisation of S\$234,000; and
- (iv) Increase in right-of-use assets in relation to the office and clinics rental leases of S\$1,281,000.

Our current assets decreased by S\$525,000 mainly due to:

- (i) Decrease in cash and cash equivalents of S\$358,000 due to reasons presented in the cashflow analysis below; and
- (ii) Decrease in trade and other receivables of S\$177,000 mainly due to slowdown in business volume due to market condition.

Our non-current liabilities decreased by S\$1,085,000 mainly due to:

- (i) Increase in lease liabilities due to Group's rental leases of approximately S\$1,213,000;
- (ii) Decrease in amount due to non-controlling interest of S\$1,314,000 due to offsetting of last milestone payment to Dr Jimmy Gian via disposal of 11% shareholdings in ADG to Dr Jimmy Gian; and
- (iii) Decrease in loans and borrowings of S\$979,000 due to repayment of loan and borrowing, offset by additional loan secured..

Our current liabilities increased by S\$526,000 mainly due to:

- (i) Increase in trade and other payables of S\$1,015,000 mainly due to negotiations to stretch extended payment terms with creditors;
- (ii) Increase in provision of reinstatement for new clinics and provision for unutilised leave of S\$34,000;

## FINANCIAL & OPERATIONS REVIEW

- (iii) increase in loans and borrowings and lease liabilities of S\$903,000 due additional bank loan less repayment made; and
- (iv) Decrease in amount due to non-controlling interest of S\$1,383,000 due to payment of second tranche milestone payment to Dr Jimmy Gian.

The Group has undertaken the following steps to address the Group's negative working capital of S\$8,240,000 and deficit in shareholders' equity of S\$2,975,000 as at 31 December 2024.

- (i) The Group is expected to obtain an additional loan from the financial institution with a repayment term of 5 years;
- (ii) The Group is expected to obtain additional loan, totalling S\$300,000, from a shareholder and a director in which the loan is unsecured, interest-free and repayable on demand;
- (iii) The Group is not expected to pay out the legal fee payables recognised as current liabilities in the other payables account;
- (iv) The Group is not expected to repay the director's loan of S\$357,000 and shareholder's loan of S\$97,000 until the cash resource of the Group permit, or within another 18 months from 28 February 2025;
- (v) The Group is not expected to repay the loan from a related company of S\$1,673,000, until the cash resource of the Group permit, or within the next 18 months from 28 February 2025;
- (vi) Positive cash inflow from the healthcare businesses. Since the financial year ended 31 December 2022, the Group diversified into the healthcare business, primarily the provision of dental services, which are expected to be profitable and generating positive cash flows for the Group.
- (vii) Management would continue to implement comprehensive cost-cutting measures and does not expect the Group to have any significant operational commitments that will require significant cash outflow in the foreseeable future other than those incurred in the ordinary course of business and also continues to explore any potential for strategic initiatives with a view to generate new business opportunities and/or fund-raising exercises.

Based on the foregoing, the Board confirms that the Group will be able to meet its short-term debt obligations when they fall due based on the implementation of the aforementioned steps and continue to operate as a going concern and confirmed that all material disclosures have been provided for trading of the Company's shares to continue in an orderly manner.



# FINANCIAL & OPERATIONS REVIEW

## REVIEW OF CASH FLOW

The Group recorded cash generated from operating activities of approximately S\$1,448,000 in FY2024 mainly due to:

- (i) Operating profit for the period after non-cash adjustments of S\$599,000;
- (ii) Increase in trade receivables and other receivables of approximately S\$357,000 due to slow down in business activities;
- (iii) Increase in overall movement of trade and other payables for approximately S\$530,000 due to extended payment terms; partially offset by
- (iv) Tax payment of S\$55,000.

Net cash used in investing activities for FY2024 of approximately S\$1,073,000 was mainly due to:

- (i) Purchase of plant and equipment of approximately S\$353,000; and
- (ii) Partial repayment of second tranche milestone payment for contingent consideration to Dr Jimmy Gian for the acquisition of ADG in January 2024 of S\$1,083,000
- (iii) Proceeds from disposal of plant and equipment of S\$83,000 and
- (iv) Proceeds from disposal of subsidiaries of S\$280,000

Net cash used in financing activities for FY2024 of approximately S\$733,000 was mainly due to:

- (i) Net proceeds from the placement exercise in February 2024 of approximately S\$745,000;
- (ii) Proceeds from additional drawdown of loans and borrowings of S\$450,000; partially offset by
- (iii) Dividend paid to minority interest of S\$200,000;
- (iv) Repayment of loan borrowings of S\$931,000; and
- (v) Repayment of lease liability of S\$1,251,000.
- (vi) Advance from a director of S\$357,000
- (vii) Advance from a related party of S\$97,000





## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### *Non-Executive:*

**Ng Fook Ai Victor**

Independent Director and  
Chairman of the Board of Directors

**Ng Boon Eng**

Independent Director

**Melvin Lim Chun Siong**

Independent Director

#### *Executive:*

**Thomas Tan Gim Chua**

Chief Executive Officer and  
Executive Director

### AUDIT COMMITTEE

**Ng Boon Eng** (Chairman)

**Ng Fook Ai Victor**

**Melvin Lim Chun Siong**

### NOMINATING COMMITTEE

**Melvin Lim Chun Siong** (Chairman)

**Thomas Tan Gim Chua**

**Ng Fook Ai Victor**

### REMUNERATION COMMITTEE

**Ng Fook Ai Victor** (Chairman)

**Melvin Lim Chun Siong**

**Ng Boon Eng**

### COMPANY SECRETARY

**Lee Pih Peng**

### REGISTERED OFFICE

745 Lorong 5 Toa Payoh,  
#01-00

Singapore 319455

### SHARE REGISTRAR

**Tricor Barbinder Share  
Registration Services**

(a division of Tricor Singapore Pte. Ltd.)

80 Robinson Road

#02-00

Singapore 068898

### AUDITORS

**Forvis Mazars LLP**

**135 Cecil Street #10-01**

Singapore 069536

**Audit Partner-in-charge**

**Zhang Liang**

Since Financial Year ended

31 December 2023

### SPONSOR

**PrimePartners Corporate Finance  
Pte. Ltd.**

16 Collyer Quay #10-00

Collyer Quay Centre

Singapore 049318

### PRINCIPAL BANK

**OCBC Bank**

65 Chulia Street

OCBC Centre

Singapore 049513



# SUSTAINABILITY REPORT

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## BOARD STATEMENT

The Board of Directors ("**Board**") is pleased to present our Annual Sustainability Report ("**Report**") for the financial year ended 31 December 2024. At Quantum Healthcare Limited ("**Quantum Healthcare**" or the "**Company**", and together with its subsidiaries, the "**Group**"), we believe that sustainability is not just a responsibility but a fundamental principle that guides our business decisions and actions. As stewards of our planet and advocates for the well-being of our communities, we are committed to integrating Environmental, Social, and Governance ("**ESG**") considerations into every aspect of our operations.

In reflecting on the challenges faced in 2024, the Board acknowledges the resilience and dedication demonstrated by our team amidst a difficult operating environment. Despite the adversities encountered, we remain steadfast in our commitment to our vision and values. Looking ahead, we are optimistic that the strategic measures implemented during this challenging period will pave the way for a stronger future for our company. Leveraging the lessons learned and building upon our strengths, we are confident in our ability to navigate uncertainties and capitalize on opportunities for growth and innovation. With a clear focus on sustainability, agility, and customer-centricity, we believe that 2024 will serve as a foundation for our continued success and resilience in the years to come.

## Sustainability Governance

The Board is responsible for sustainability reporting and oversees and is supported by the Sustainability Committee ("**SC**") and the Sustainability Task Force ("**STF**") in its continuous efforts to integrate sustainability strategies into Quantum Healthcare's strategies formulation and oversee sustainability performance and reporting. The SC, comprising all board members, develops sustainability objectives and strategies based on the Board's directions, manages Quantum Healthcare's overall sustainability performance, and reports to the Board regularly. The STF, consisted of senior management representatives from different business functions, implements sustainability practices and action plans across Quantum Healthcare based on the sustainability objectives and strategies formulated.

We look forward to sharing our sustainability progress with you in this Report.

## Board of Directors

Quantum Healthcare Limited

# SUSTAINABILITY REPORT

## ABOUT THIS REPORT

### REPORTING PERIOD AND SCOPE

This Report summarises Quantum Healthcare's sustainability policies, practices, and performance from 1 January 2024 to 31 December 2024 ("**FY2024**"), with a focus on its material ESG factors. The report covers the listed entity, Quantum Healthcare Limited and its subsidiaries, except for TriReme Medical LLC as it is an associated company.

### REPORTING FRAMEWORK

This report has been prepared in accordance with 711A and 711B of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist with reference to the Global Reporting Initiative ("**GRI**") Standards. We have adopted the GRI reporting framework due to its comprehensive structure and detailed guidelines, which provide an internationally recognized standard for disclosing governance practices, environmental impacts, social performance, and economic indicators within organizations. The GRI content index, along with relevant references, is included at the end of the report.

This Report also incorporates recommendations from the Task Force on Climate-related Financial Disclosures ("**TCFD**") to give stakeholders on our climate-related disclosures. The TCFD framework enables the Group to evaluate how climate-related risks, such as physical and transition risks, may impact the Group and outlines strategies and actions for managing and mitigating these impacts, as well as potential opportunities.

In ensuring our commitment to sustainability, it's crucial to align executive remuneration with performance in this area. While this linkage may not currently exist, we recognize the importance of integrating sustainability metrics into our compensation structures in the future. This can involve methods such as performance-based incentives and embedding sustainability goals into overall performance evaluations. To guarantee that our compensation strategies are in line with our strategic objectives, we will carefully evaluate our existing frameworks. By identifying pertinent sustainability metrics for our industry and stakeholders, we aim to directly connect executive remuneration with our sustainability objectives. This not only motivates executives to prioritize sustainability initiatives but also demonstrates our dedication to long-term value creation and ethical business practices.

Across the Report, for each of the initiative in the material ESG factors, we will indicate target timing of completion, i.e. within 1-2 years ("**Short Term**"), within 2-5 years ("**Medium Term**") or within 5-10 years ("**Long Term**"). All these initiatives are on ongoing basis and will be reviewed annually.

As part of our ongoing efforts to ensure that our sustainability reporting meets relevant industry standards, we have referenced and integrated, where applicable, our sustainability strategy with the 17 core Sustainable Development Goals ("**SDGs**"). These goals were introduced in the 2030 Agenda for Sustainable Development, which was adopted by all United Nations Member States in 2015 (the "**UN Sustainability Agenda**"). This agenda serves as a shared roadmap for achieving global peace and prosperity, emphasizing the importance of harmonizing human well-being with environmental health both presently and in the future.

SOCIAL FACTOR GOAL	
	<b>DATA PRIVACY, CORPORATE GOVERNANCE</b> Our dental clinic prioritizes patient confidentiality by safeguarding personal details from unauthorized access. We uphold strong governance, ensuring accountability, fairness, and transparent management of patient care.
	<b>SAFE WORKING ENVIRONMENT</b> Our dental clinics ensures a safe environment, protecting against hazards, promoting staff well-being, offering proper training, and complying with health and safety regulations for our team.
	<b>REDUCE WATER CONSUMPTION &amp; PROPER WASTE MANAGEMENT</b> Minimize water use in dental clinics by repairing leaks and using water-saving equipment. Adopt waste management, recycle, compost, and reduce single-use plastics for environmental sustainability.
	<b>STAFF DEVELOPMENT &amp; TRAINING</b> Dental clinic staff development and training include structured programs to boost employees' dental skills and knowledge. These efforts enhance performance, raise productivity, and promote professional growth within the clinic.
	<b>ENERGY CONSERVATION &amp; EMISSION REDUCTION</b> Our dental clinic's energy conservation minimizes power use while maintaining or improving output. We reduce emissions with eco-friendly technologies, aiming for sustainability and environmental protection.
	<b>GENDER EQUALITY WITH GOOD MIX OF MALE &amp; FEMALES, RACES, ETHNICITY</b> Promoting gender equality in our dental clinic fosters a harmonious balance, embracing diverse backgrounds and ensuring equal opportunities, rights, and representation, cultivating inclusivity and mutual respect.

## REVIEW

This Report has undergone the internal review of SR reporting process by internal auditors and has been reviewed by the Board.

The Group has not sought external assurance for FY2024 and may consider it for future periods.

## FEEDBACK

All information is disclosed in good faith and to the best of our knowledge. Please forward any enquiries or feedback to [ir.sg@quantumhealthcare.com.sg](mailto:ir.sg@quantumhealthcare.com.sg).

# SUSTAINABILITY REPORT





## STAKEHOLDER ENGAGEMENT

We recognize the importance of engaging our stakeholders to improve our sustainability practices and enhance our social and environmental impact. As part of our commitment, we implemented a stakeholder engagement process as follows:

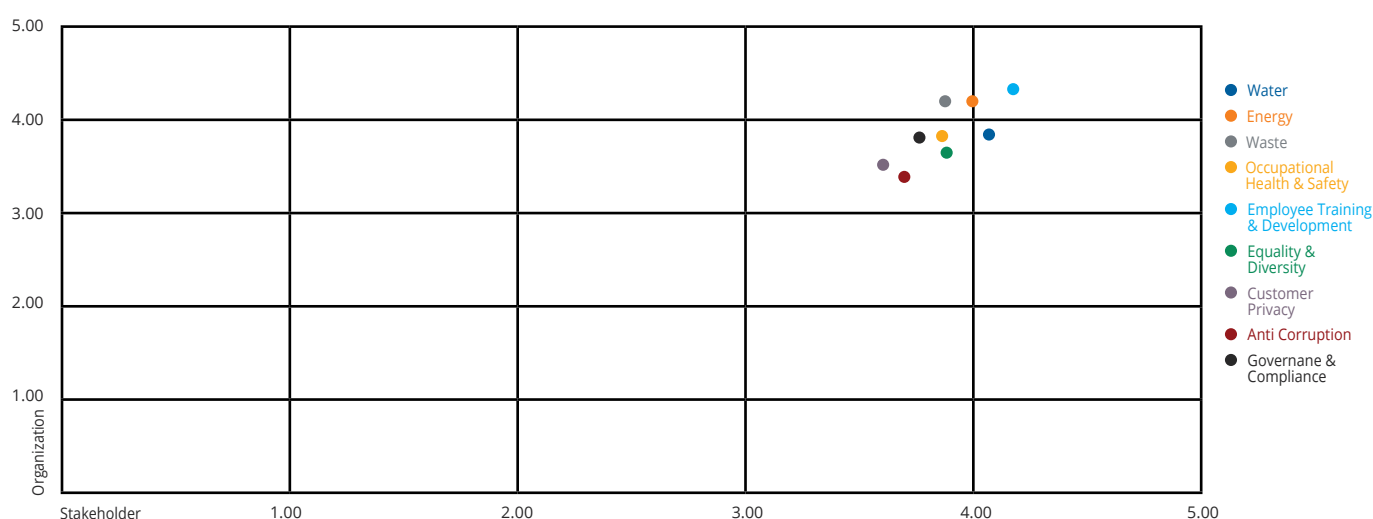
Stakeholder	Method of Engagement	Frequency	Topics of Engagement
<b>Patients</b>	<ul style="list-style-type: none"> <li>• Service quality feedback</li> <li>• Telephone calls</li> <li>• Email communications</li> <li>• Reviews</li> </ul>	<ul style="list-style-type: none"> <li>• Daily</li> </ul>	<ul style="list-style-type: none"> <li>• Quality, safety, and hygiene clinical services</li> <li>• Privacy and data protection</li> <li>• Health and safety regulations compliance</li> <li>• Surveys</li> </ul>
<b>Employees, including dentists and nurses</b>	<ul style="list-style-type: none"> <li>• Regular staff meetings</li> <li>• Training and development program</li> </ul>	<ul style="list-style-type: none"> <li>• Daily</li> </ul>	<ul style="list-style-type: none"> <li>• Remuneration and benefits</li> <li>• Safe, fair, and equal working environment</li> <li>• Training and development</li> <li>• Surveys</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Meetings – Physical or virtual</li> <li>• Telephone calls</li> <li>• Email communications</li> </ul>	<ul style="list-style-type: none"> <li>• Daily</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier quality assurance</li> <li>• Pricing and payment terms</li> </ul>
<b>Shareholders and investors</b>	<ul style="list-style-type: none"> <li>• AGM / EGM meetings</li> <li>• SGX announcement and circulars</li> <li>• Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>• Yearly</li> <li>• When Required</li> <li>• Yearly</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Financial performance</li> </ul>
<b>Government and Regulators</b>	<ul style="list-style-type: none"> <li>• Direct communication and meetings</li> <li>• SGX announcement</li> </ul>	<ul style="list-style-type: none"> <li>• When Required</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> </ul>
<b>Financier</b>	<ul style="list-style-type: none"> <li>• Annual Report</li> <li>• Telephone Calls</li> <li>• Email communications</li> </ul>	<ul style="list-style-type: none"> <li>• Yearly</li> <li>• When Required</li> </ul>	<ul style="list-style-type: none"> <li>• Financial covenants</li> <li>• Financial performance</li> </ul>



## MATERIALITY ASSESSMENT PROCESS

	<p><b>IDENTIFICATION</b></p> <p>The materiality assessment is a process which begins by identifying and prioritizing sustainability issues that are of significant importance to a company's stakeholders and business operations. The aim of this assessment is to identify the key sustainability issues that are most relevant to the Quantum Healthcare, as well as its stakeholders, and to develop strategies to improve its sustainability performance.</p>
	<p><b>ASSESSMENT</b></p> <p>For this materiality assessment, Quantum Healthcare engaged a range of stakeholders, including patients, employees, suppliers, shareholders, regulators, and financier, to identify their concerns and expectations regarding the company's sustainability performance. The assessment also took into consideration the key sustainability issues that are relevant to the dental industry and the broader Singapore context.</p>
	<p><b>PRIORITISATION</b></p> <p>We have engaged stakeholders in prioritising material ESG factors by evaluating their impact on the Group and influence on stakeholders' decisions.</p>
	<p><b>REVIEW</b></p> <p>Applying the guidance from SGX Practice Note 7F Sustainability Reporting Guide, we have identified 9 material ESG factors that are material to our business. As there has not been any major change in our business model in FY2024. These material ESG factors and their prioritisation are reviewed and updated on annual basis to reflect changes in business operations, economic, environment, and Sustainability trends.</p>

The materiality matrix below displays the ranked priority according to stakeholders' assessments.



# SUSTAINABILITY REPORT

## INTEGRATING TCFD GUIDANCE

Key Area	Our Response
<b>Governance</b>	Quantum Healthcare has established a Sustainable Committee, supported by the Sustainable Task Force and the Board, to oversee sustainability practices, review sustainability policies and address climate-related risks and opportunities.
<b>Strategy</b>	<p>Quantum Healthcare has conducted an extensive evaluation of climate-related risks and opportunities to guide its business strategy. Acknowledging the potential effects of climate change on its operations, supply chains, and patient care, the Company has formulated a strategy focused on pioneering sustainable healthcare practices. This approach involves investing in research and development for environmentally friendly medical equipment and procedures, advocating for energy-efficient technologies in healthcare facilities, and expanding services to address health issues exacerbated by climate change impacts.</p> <p>For risk assessment, the Sustainable Committee (SC) and Sustainable Task Force (STF) will proactively identify and address climate-related considerations within the business. This will involve evaluating key operational activities and identifying pertinent climate risks, conducting scenario analysis to comprehend potential impacts, and subsequently establishing climate targets. These efforts will enable the Company to make informed decisions aimed at mitigating climate change impacts effectively. The Company will progressively determine climate targets and provide detail scenario analysis wherever applicable in the future.</p>
<b>Risk Management</b>	<p>Quantum Healthcare has integrated climate risk assessments into its broader risk management framework. By evaluating key operational activities and identify relevant climate risks, and conducting scenario analysis to understand potential impacts, SC and STF identify and assess the key climate-related risks and opportunities as follows:</p> <ol style="list-style-type: none"> <li>1) Regulatory risks due to healthcare waste management (Long Term) - Mitigation strategies are implemented to minimize these risks, including appointing Ministry of Health ("MOH") approved waste management company, diversifying suppliers to eco-friendly suppliers, enhancing disaster preparedness plans, and advocating for policies that promote climate resilience within the healthcare industry.</li> <li>2) Transitional risks to low carbon economy (Long Term) - In alignment with Singapore's commitment to reduce emissions to around 60 MTCO<sub>2</sub>e (metric tons of carbon dioxide equivalent) by 2030 and achieve net-zero emissions by 2050, Quantum Healthcare recognizes the importance of addressing transitional risks associated with the shift to a low-carbon economy. As global efforts intensify to mitigate climate change, regulatory changes, technological advancements, and market shifts are expected to impact businesses across various sectors, including healthcare. Quantum Healthcare is proactively assessing these transitional risks and implementing strategies to navigate the transition effectively. This includes evaluating the potential implications of evolving regulations on healthcare practices, exploring opportunities to invest in renewable energy sources and energy-efficient technologies, and fostering partnerships with suppliers and stakeholders committed to sustainability.</li> </ol> <p>By embracing these initiatives, Quantum Healthcare aims to not only reduce its carbon footprint but also seize opportunities for innovation and contribute to Singapore's broader climate goals, while ensuring the provision of high-quality healthcare services for its patients.</p>

Key Area	Our Response												
Metrics and Targets	Quantum Healthcare discloses relevant metrics and targets related to climate-related risks and opportunities. The Company tracks its energy consumption, greenhouse gas (“GHG”) emissions across its operations and sets targets to reduce emissions intensity per unit of healthcare service provided.												
	To integrate TCFD in our sustainability reporting, we disclose our Scope 2 GHG emission specifically on purchased electricity below.												
	<table><tr><th>GHG Emissions</th><th>Unit of Measurement</th><th>FY2024</th><th>FY2023</th></tr><tr><td>GHG emissions (Scope 2)</td><td>Tonnes CO<sub>2</sub>e</td><td>71.8</td><td>65.3</td></tr><tr><td>GHG emissions intensity</td><td>Tonnes CO<sub>2</sub>e/revenue S\$'000</td><td>0.0057</td><td>0.0050</td></tr></table>	GHG Emissions	Unit of Measurement	FY2024	FY2023	GHG emissions (Scope 2)	Tonnes CO <sub>2</sub> e	71.8	65.3	GHG emissions intensity	Tonnes CO <sub>2</sub> e/revenue S\$'000	0.0057	0.0050
	GHG Emissions	Unit of Measurement	FY2024	FY2023									
	GHG emissions (Scope 2)	Tonnes CO <sub>2</sub> e	71.8	65.3									
	GHG emissions intensity	Tonnes CO <sub>2</sub> e/revenue S\$'000	0.0057	0.0050									
	This increase is primarily attributed to the expansion of dental clinics resulting from acquisitions in FY2024.												
We target to maintain or reduce these emissions by 5% for FY2025.													
There are no material Scope 1 Emissions for services provided by the Group because direct emission refers to vehicle / building emissions which are relatively low for dental practice as there are no major vehicle / building for the Group. We will continue to monitor our emissions and disclose Scope 3 GHG emissions wherever applicable and practicable.													
These metrics are reported annually in the Company's sustainability reports, providing transparency to stakeholders and demonstrating its commitment to addressing climate change while delivering quality healthcare services.													

## ENVIRONMENTAL

### WATER USE AND CONSERVATION PRACTICES

Water is a fundamental resource, and its scarcity and quality are increasingly critical sustainability concerns. Within the dental industry, water plays a pivotal role in various activities such as cleaning, sterilization, and dental procedures. Thus, it's imperative for dental clinics to manage water usage efficiently and sustainably to minimize their environmental footprint and ensure future availability of this resource.

Our Group recognizes the significance of water conservation and has outlined planned initiatives to address this issue effectively. These initiatives are aligned with Quantum Healthcare's broader sustainability strategy and are expected to contribute to cost savings over time, thereby supporting long-term operational resilience and financial performance:

- **Conducting a comprehensive water audit (Aligned with GRI Standard 303, Short Term):** Quantum Healthcare will conduct a thorough water audit to assess the company's water consumption and identify areas for potential conservation. This audit will pinpoint leaks, inefficient equipment, and other opportunities to save water.
- **Implement water conservation policies (Aligned with SDG 6, Short Term):** Quantum Healthcare is committed to implementing policies aimed at encouraging employees to conserve water. These policies will include practices such as turning off faucets when not in use and promptly reporting any leaks or water wastage.

# SUSTAINABILITY REPORT

- **Educate employees and patients (Aligned with GRI Standard 404 and TCFD Recommendation on Metrics and Targets, Medium Term):** Quantum Healthcare recognizes the importance of raising awareness about water conservation among both employees and patients. Through educational initiatives, we aim to inform and empower individuals to take proactive steps to reduce water usage in their daily activities.
- **Monitor water usage (Aligned with GRI Standard 303 and TCFD Recommendation on Risk Management, Ongoing):** Quantum Healthcare will establish a robust system for monitoring water consumption across its facilities. By tracking usage metrics and analysing trends, we can identify areas of improvement and measure progress over time. Regular monitoring will allow us to assess the effectiveness of our conservation efforts and make necessary adjustments to optimize water usage further.

## FY2024 Performance

In FY2024, the Group has not met FY2024 targets and consumed a total of 1,287m<sup>3</sup> of water, making an increase of 26.30% compared to FY2023. This increase in water usage was attributed to Quantum Healthcare’s expansion, particularly the incorporation of additional new dental clinics in FY2024.

Unit of Measurement	Target for FY2025	FY2024	FY2023
Cubic Meter, m <sup>3</sup>	Maintain or reduce 5%	1,287 m <sup>3</sup>	1,019 m <sup>3</sup>

As part of our commitment to sustainability, Quantum Healthcare is dedicated to continuously improving our water management practices. By implementing these initiatives and monitoring our progress, we aim to enhance water efficiency, minimize environmental impact, and demonstrate our unwavering dedication to sustainability.

## ENERGY CONSUMPTION

We recognize that energy consumption is a significant contributor to greenhouse gas emissions and climate change, and we are committed to managing our energy usage in an efficient and sustainable manner. Our primary energy consumption occurs within our dental clinics and offices.

To reduce our energy consumption and improve efficiency, we are implementing several key steps aimed at enhancing energy performance and supporting the transition to more sustainable business practices, which are expected to lower long-term operating costs:

- **Conducting an Energy Audit (Aligned with GRI Standard 302, Short Term):** We will conduct an energy audit to identify areas where we can conserve energy, such as pinpointing equipment or appliances that consume excessive energy.
- **Implementing Smart Technology (Aligned with TCFD Recommendation on Governance, Medium Term):** We will invest in smart technology and automation systems to optimize energy usage. This includes automated lighting, energy-efficient equipment, and appliances, as well as automated temperature control for air conditioning.
- **Establishing Energy-Saving Policies (Aligned with SDG 7, Short Term):** Quantum Healthcare will implement policies and procedures aimed at reducing energy consumption. This includes setting thermostats to appropriate temperatures, conducting regular maintenance for maximum efficiency, and ensuring equipment is turned off when not in use.
- **Educating Employees and Patients (Aligned with GRI Standard 404 and TCFD Recommendation on Metrics and Targets, Medium term):** We will educate our employees and patients about the importance of energy conservation.
- **Monitoring Electricity Usage (Aligned with GRI Standard 302 and TCFD Recommendation on Risk Management, Ongoing):** Quantum Healthcare will establish a system for monitoring electricity usage across our facilities. By tracking usage metrics and analysing trends, we can identify areas for improvement and measure progress over time.

## FY2024 performance

In FY2024, the Group has not met FY2024 targets and consumed a total of 172,215 kWh of electricity, representing a 10% increase compared to FY2023. This increase is primarily attributed to the expansion of dental clinics resulting from acquisitions in FY2024.

Unit of Measurement	Target for FY2025	FY2024	FY2023
Kilowatt-hour, kWh	Maintain or reduce by 5%	172,215	156,703
Electricity intensity, kWh / Revenue, S\$'000	Maintain or reduce by 5%	13.58	11.98

By considering these additional points and incorporating them into energy management strategies, Quantum Healthcare can maximize energy efficiency, reduce operational costs, and minimize environmental impact.

## WASTE MANAGEMENT

At Quantum Healthcare, our typical waste includes biomedical waste, such as sharps and contaminated materials, along with non-biomedical waste like paper, plastic, and other materials used in daily operations. Improper waste management can have adverse effects on the environment, public health, and safety, contributing to landfills and pollution.

We are steadfast in our commitment to managing waste responsibly and sustainably, aiming to reduce waste generation. Here are the steps we're taking to achieve this goal and ensure safe and responsible waste management:

- **Segregating Waste (Aligned with GRI Standard 306, Medium Term):** We segregate waste at the point of generation into categories such as biomedical waste, recyclable waste, and non-biodegradable waste. This practice makes it easier to manage and dispose of waste in an appropriate and sustainable manner.
- **Recycling and Reusing (Aligned with SDG 12, Medium Term):** Implementing recycling and reusing programs helps reduce landfill waste. This includes recycling paper, plastic, and other materials, as well as repurposing and reusing items wherever possible.
- **Proper Disposal of Biomedical Waste (Ongoing):** We ensure the proper disposal of biomedical waste, such as sharps and biohazardous materials, to uphold public health and safety standards. Quantum Healthcare engages licensed waste disposal services from MOH's approved list of medical waste contractors to collect and dispose of sharps and biohazardous waste.
- **Educating Employees (Aligned with TCFD Recommendation on Governance, Ongoing):** We educate our employees on proper waste management practices to ensure correct handling and disposal. This education emphasizes the importance of waste reduction and sustainability to all staff members.
- **Monitoring and Evaluation (Aligned with GRI Standard 306 and TCFD Recommendation on Metrics and Targets, Ongoing):** We monitor and evaluate our waste management practices to identify areas for improvement and uphold our sustainability goals. Through these efforts, we aim to lead by example in the industry and contribute to a more sustainable future for our patients, employees, and the community.

Additionally, Quantum Healthcare has met its FY2024 target and consistently utilized MOH approved waste management companies for both FY2023 and FY2024. Our target for FY2025 is to continue using the same approved waste management company, as they continue to be endorsed by MOH, thereby ensuring compliance and adherence to regulatory standards.



# SUSTAINABILITY REPORT

We will continue to monitor and evaluate our waste management practices to identify areas for improvement and uphold our sustainability goals, including obtaining waste management comparative data in the future. Through these efforts, we aim to lead by example in the industry and contribute to a more sustainable future for our patients, employees, and the community.

## SOCIAL

### OCCUPATIONAL HEALTH AND SAFETY

Occupational hazards in dental practices include exposure to infectious diseases, musculoskeletal disorders, and exposure to hazardous substances. We are committed to mitigating these hazards and creating a safe and healthy workplace for all.

By reporting on our occupational health and safety practices and taking steps to continuously improve workplace safety, we hope to reduce the risk of workplace accidents and illnesses, and contribute to a safer and healthier workplace for our employees and patients.

We recognize the importance of promoting a culture of safety in our workplace and ensure that our employees are properly trained and equipped to work safely, the following measures will be implemented progressively over next few years:

- **Conducting risk assessments (Aligned with TCFD Recommendation on Risk Management, Short Term):** Conducting regular risk assessments can help identify potential hazards and implement measures to prevent accidents or incidents from occurring.
- **Providing training and education (Aligned with GRI Standard 404 and SDG 4, Medium Term):** Providing employees with the necessary training and education on workplace hazards and safety measures can help to ensure that they are equipped with the necessary skillsets to work safely.
- **Implementing safety protocols and procedures (Aligned with SDG 3, Short Term):** Implementing safety protocols and procedures, such as infection control procedures, and the use of personal protective equipment (PPE), can help to minimize occupational hazards.
- **Monitoring and reporting incidents (Aligned with GRI Standard 403 and TCFD Recommendation on Metrics and Targets, Ongoing):** Regular monitoring and reporting of workplace incidents can help to identify trends and areas for improvement in our occupational health and safety practices.

During FY2024, we recorded Nil (FY2023: Nil) workplace fatalities, Nil (FY2023: One) work-related injuries, Nil (FY2023: Nil) occupational disease. We are committed to continuously improving our performance and ensuring a safe and healthy workplace for our employees, patients, and visitors.

	Target for FY2025	FY2024	FY2023
Workplace fatalities	Nil	Target Met	Nil
Work-related injuries	Nil	Target Met	Nil
Occupational disease	Nil	Target Met	Nil

## DIVERSITY AND INCLUSION IN THE WORKFORCE AND LEADERSHIP

We believe that embracing diversity and creating an inclusive workplace is not only the right thing to do but also essential for our long-term success.

Diversity and inclusion in the workforce are crucial for creating a fair and equitable society. By ensuring that individuals from all backgrounds have equal access to opportunities, resources, and support, companies can help reduce social inequalities and promote social justice. This can also improve employee satisfaction, engagement, and retention, which can lead to a more stable and productive workforce.

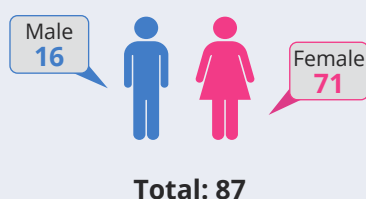
We have taken the following approach to achieve our goals in promoting diversity and inclusion in our workforce:

- **Recruitment and hiring practices (Aligned with GRI Standard 404, Ongoing):** We have implemented recruitment and hiring practices that promote diversity and inclusivity. We actively seek out a diverse pool of candidates for all open positions and ensure that our hiring process is fair, non-discriminative and unbiased.
- **Employee Feedback and Engagement (Aligned with TCFD Recommendation on Metrics and Targets, Ongoing):** We regularly seek feedback formally (via yearly appraisals) and informally (ongoing communication) from our employees to understand their experiences, perspectives, and suggestions for improving diversity and inclusion in the workplace. We also encourage open communication and dialogue through regular employee engagement and open-door policies.
- **Flexible work arrangements (Aligned with SDG 3, Ongoing):** We understand that our employees may face unique challenges when it comes to balancing work and personal responsibilities. As such, we offer flexible work arrangements, such as telecommuting and flexible schedules, to help our employees achieve a healthy work-life balance.

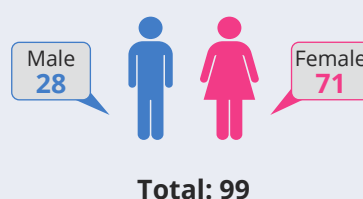
As at 31 December 2024, the Group has a total of 87 employees (FY2023: 99) due to strategic workforce optimization, which involved streamlining operations, enhancing efficiency, and aligning resources with evolving business priorities. This reduction enables us to maintain agility, improve cost management, and sustain long-term growth.

### Employees By Gender

Number of Employees FY2024

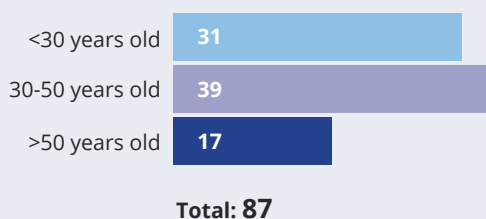


Number of Employees FY2023

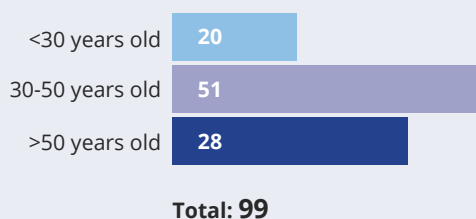


### Employees By Age Group

Number of Employees FY2024



Number of Employees FY2023



# SUSTAINABILITY REPORT

## BOARD OF DIRECTORS

The absence of female representation on the current Board of Directors prompts the Company to pursue a more inclusive and diverse decision-making approach. Actively seeking female participation aligns with the Company's dedication to sustainability and responsible business practices. Introducing gender diversity reflects the Company's commitment to embracing varied perspectives and experiences, essential for addressing future challenges and opportunities. As the Company gears up for its next sustainability report, it acknowledges the significance of fostering an inclusive and diverse board and is actively progressing toward this objective.

Since FY2022, the Board has implemented the following measures to uphold or enhance its balance and diversity:

- The Nominating Committee conducts an annual review to determine if the existing attributes and core competencies of the Board complement one another, thereby bolstering the Board's effectiveness.
- Directors conduct an annual evaluation to assess the skill sets possessed by their peers, utilizing the Board Skill Matrix (reference to Corporate Governance Section) as a reference point to identify areas where expertise may be lacking.

Based on these actions, the Board is reasonably content that it possesses the requisite blend of skills, experience, and diversity to meet the needs and objectives of the Group.

Nonetheless, in FY2024, the Group prioritized optimizing the Board's composition in accordance with the Board Skill Matrix. Consequently, the Board affirms that its current practices align with Principle 2 of the Code of Corporate Governance 2018 and 710A of the Catalist Rule.

The Group aims to achieve gender diversity by ensuring at least 25% female representation on the Board by 2030.

At Quantum Healthcare, we recognize the importance of diversity and inclusion in driving our success. Our commitment lies in fostering a workplace environment where every individual is esteemed, respected, and aided. We acknowledge that the promotion of diversity and inclusion is an evolving endeavour, and we remain dedicated to advancing our objectives and implementing measures to cultivate an even more inclusive workspace for everyone.

## TRAINING AND EDUCATION

Committed to fostering a sustainable growth trajectory, our workforce stands as a cornerstone of our success, deemed among our most invaluable assets. Embracing this ethos, the Group is steadfast in its commitment to employee development, epitomized through robust training and continuous development initiatives aimed at cultivating a competitive and sustainable workforce.

### *Dental Professionals (Ongoing)*

Recognizing the importance of continued professional education, all dentists are mandated to obtain 70 Continuing Professional Education (CPE) hours within a two-year cycle to maintain their practicing license. Additionally, newly appointed dentists undergo a two-year supervision period by senior peers, during which they must accrue 33 hours of supervised practice before obtaining their license.

Our dentists met all training requirements in FY2024 (FY2023: All requirements were met).

## ***New employees on-the-job training (Short Term)***

For new hires, closely guided handholding by senior mentors ensures the acquisition of requisite skills and knowledge essential for job efficacy. Each employee undergoes a mandatory probation period, allowing for evaluation across various dimensions including abilities, work ethic, and efficiency. Further bolstering their integration, new employees shadow experienced counterparts, acquainting themselves with operational intricacies and job scopes under the direct guidance and support of senior mentors.

## ***Regular training and career development for existing non-dental employees (Ongoing)***

For existing non-dental employees, they will also be provided with training to improve their skills, knowledge and abilities. The main training programmes to be considered by existing employees includes customer services training, team building workshops, health and safety training, software and technology, financial reporting, etc which can be done via internal training or training by external experts.

## ***Internship program (Short Term)***

Our internship program offers students hands-on experience alongside dental professionals, providing a platform to learn about our practices while contributing to meaningful sustainability initiatives. Meanwhile, tailored training models cater to the development of dental professionals, ensuring service quality remains paramount. Internal training sessions throughout the year serve to nurture our employees' expertise, supplemented by platforms encouraging knowledge exchange and professional development discussions.

Performance Measures	Target for FY2025	FY2024	FY2023
Training hours by non-dental employees	20	4	4
Unlawful employee discrimination	0	0	0
Work related injury	0	0	1

In FY2024, the Group has not met FY2024 targets and training hours by non-dental employees remained the same training hours as FY2023. This was mainly due to staffing limitations which impacted our ability to sustain the full targeted training hours.

At Quantum Healthcare, we are dedicated to fostering a culture of continuous learning and professional development among our employees. To further this commitment, we have set a target of providing a minimum of 20 training hours annually for our non-dental employees.

In both FY2024 and FY2023, Quantum Healthcare has not received any complaints regarding unlawful employee discrimination.

Other than that, there were no work-related injuries during for FY2024. In response, all staff members have been educated on safe chemical handling practices to prevent incidents. Our aim for FY2025 is to have zero occurrences of similar incidents.

# SUSTAINABILITY REPORT

## GOVERNANCE AND COMPLIANCE

### CUSTOMER PRIVACY

We are firmly committed to safeguarding the privacy and security of our customers' personal information. Recognizing the paramount importance of customer privacy, we prioritize stringent measures to ensure compliance with all relevant laws and regulations while protecting our customers' data.

In our dental practices, we acknowledge various risks associated with customer privacy, such as the potential for data breaches, unauthorized access, and improper use or disclosure of personal information. These risks pose significant threats, including reputational damage, legal liabilities, and financial losses. Consequently, we treat these risks with the utmost seriousness and have implemented robust measures to mitigate them effectively. To address these concerns, we have enacted the following initiatives:

- **Privacy Policy (Aligned with GRI Standard 418, Short Term):** Our dental group has developed a comprehensive privacy policy that outlines our commitment to protecting customer privacy and the steps we take to ensure compliance with all applicable laws and regulations.
- **Enhanced IT Security Measures (Aligned with GRI Standard 418 and TCFD Recommendation on Governance, Short Term):** We have implemented advanced IT security protocols, including firewalls, encryption technologies, and multi-factor authentication mechanisms, to safeguard customer data against unauthorized access and cyber threats. Additionally, our patient data management is fortified by third-party vendors who uphold stringent security standards in line with current sustainability reporting practices.
- **Regular Data Privacy Assessments (Aligned with GRI Standard 418 and TCFD Recommendation on Risk Assessment, Ongoing):** Routine data privacy impact assessments are conducted to proactively identify and mitigate potential risks and vulnerabilities in our data management practices, aligning with contemporary sustainability reporting frameworks.
- **Appointment of Data Protection Officers (Aligned with TCFD Recommendation on Governance, Short Term):** Dedicated Data Protection Officers (DPOs) oversee our data privacy initiatives, ensuring compliance with evolving regulatory requirements and contemporary sustainability reporting guidelines.
- **Transparent Data Protection Policies (Aligned with SDG 16, Short Term):** We have developed transparent data protection policies articulated within our Data Protection Notice (DPN), underscoring our unwavering commitment to protecting customer privacy and adhering to contemporary sustainability reporting standards.



## SUSTAINABILITY REPORT

Performance Measures	Target for FY2025	FY2024	FY2023
Breach of customer data privacy	0	0	0

In both FY2024 and FY2023, Quantum Healthcare met its FY2024 target and has not received any complaints regarding breaches of customer data privacy.

At Quantum Healthcare, we prioritize data privacy and are committed to adhering to the Personal Data Protection Act (PDPA). We acknowledge the risks associated with data privacy and have implemented measures to mitigate them effectively. We remain dedicated to upholding the trust of our customers by safeguarding their personal information and complying with all relevant laws and regulations.

### ANTI-CORRUPTION

Operating fairly and ethically is imperative in maintaining the trust of our stakeholders. At Quantum Healthcare, we uphold rigorous standards of business ethics and independence across all facets of our operations.

We are steadfast in our commitment to maintaining independence in our interactions with healthcare professionals across various business domains, including research and development, as well as marketing and sales. Our policies on the provision of gifts, entertainment, or any other form of value to healthcare professionals are clearly defined. Moreover, all engagements with healthcare professionals are meticulously recorded and verified in accordance with regulatory requirements. These measures serve to prevent any perceived or actual breaches of independence, thereby safeguarding the integrity of research outcomes and the delivery of healthcare services.

As part of our comprehensive business ethics monitoring and assurance framework, Quantum Healthcare has implemented a whistle-blowing policy. This policy establishes transparent channels for employees to anonymously report any suspected ethical issues. In both FY2024 and FY2023, we have met FY2024 targets and received no whistle-blowing reports, reflecting our unwavering dedication to fostering a culture of integrity and accountability. Furthermore, the contact details of the Independent Directors of the Group have been prominently disclosed to all employees, underscoring our commitment to transparency and accountability.

Performance Measures	Target for FY2025	FY2024	FY2023
Number of confirmed incidents of corruption	0	0	0
Significant findings of internal and external audits conducted in relation to business ethics and independence	0	0	0

# SUSTAINABILITY REPORT

## REGULATORY COMPLIANCE

At Quantum Healthcare, we firmly believe that our reputation hinges on our commitment to responsibility and accountability. We consider regulatory compliance as the bedrock for our ongoing operations and are unwaveringly dedicated to upholding all pertinent laws and regulations. This encompasses regulations concerning customer health and safety, independence and anti-corruption, marketing and labeling, taxation, product pricing, as well as a range of audit and reporting requirements.

We are proud to report that in both FY2024 and FY2023, Quantum Healthcare incurred no fines or penalties for non-compliance during regulatory audits. In addition to regulatory compliance, we continuously endeavour to fortify our internal controls.

Our organization actively identifies and manages enterprise risks through a robust risk management system and a comprehensive suite of Standard Operating Procedures (SOPs). These SOPs cover essential aspects of risk management, including the development of risk management plans, risk assessment, risk minimization and control, risk-based decision making, and ongoing risk monitoring, review, and reporting.

To remain abreast of evolving laws and regulations, our team maintains regular communication with regulators and industry associations to stay informed about updates. Whenever regulatory changes occur, we promptly adapt our policies and procedures, ensuring strict documentation control, and promptly communicate these changes to our employees.

Should any instances of non-conformance with relevant laws and regulations arise, Quantum Healthcare is committed to promptly reporting such occurrences to the appropriate government agencies, in adherence to corresponding reporting obligations across various jurisdictions. Furthermore, we conduct thorough internal investigations to identify the root causes of non-conformance and develop robust risk controls to mitigate future occurrences. Through these measures, we reaffirm our dedication to responsible business practices and sustaining the trust of our stakeholders.

Performance Measures	Target for FY2025	FY2024	FY2023
Number of non-compliant incidents with laws and regulations in the social and economic area that results in significant fines and non-monetary sanctions	0	0	0*

\* A dentist has been temporarily suspended for 11 months since October 2023 due to an unfortunate outcome related to an implant procedure. This incident occurred at the dentist's previous dental company and is unrelated to the current workplace in the Company or the Group.

## GRI CONTENT INDEX

<b>Statement of Use</b>	Quantum Healthcare Limited has reported the information cited in this GRI content index for the period from 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

<b>GRI STANDARD</b>	<b>DISCLOSURE</b>	<b>LOCATION</b>
<b>GRI 2: General Disclosure 2021</b>	2-1 Organizational details	Corporate Profile
	2-2 Entities included in the organization's sustainability reporting	Organisation Chart
	2-3 Reporting period, frequency and contact point	SR Report - About This Report
	2-4 Restatements of information	No Restatement of information for prior year
	2-5 External assurance	SR Report - About This Report
	2-6 Activities, value chain and other business relationships	SR Report – Corporate Profile
	2-7 Employees	SR Report - Diversity and inclusion in the workforce and leadership
	2-8 Workers who are not employees	No workers who are not employees
	2-9 Governance structure and composition	Corporate Governance, SR Report - Board Statement
	2-10 Nomination and selection of the highest governance body	Corporate Governance, SR Report - Board Statement
	2-11 Chair of the highest governance body	Corporate Governance, SR Report - Board Statement
	2-12 Role of the highest governance body in overseeing the management of impacts	SR Report - Board Statement
	2-13 Delegation of responsibility for managing impacts	SR Report - Board Statement
	2-14 Role of the highest governance body in sustainability reporting	SR Report - Board Statement
	2-15 Conflicts of interest	Corporate Governance, SR Report - Board Statement
	2-16 Communication of critical concerns	SR Report - About This Report
	2-17 Collective knowledge of the highest governance body	Corporate Governance, SR Report - Board Statement
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance
	2-19 Remuneration policies	Corporate Governance
	2-20 Process to determine remuneration	Corporate Governance
	2-21 Annual total compensation ratio	Corporate Governance
	2-22 Statement on sustainable development strategy	Corporate Governance, SR Report - Regulatory Compliance

# SUSTAINABILITY REPORT

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 2: General Disclosure 2021</b>	2-23 Policy commitments	Corporate Governance, SR Report - Regulatory Compliance
	2-24 Embedding policy commitments	Corporate Governance, SR Report - Regulatory Compliance
	2-25 Processes to remediate negative impacts	Corporate Governance, SR Report - Regulatory Compliance
	2-26 Mechanisms for seeking advice and raising concerns	Corporate Governance, SR Report - Regulatory Compliance
	2-27 Compliance with laws and regulations	Corporate Governance, SR Report - Regulatory Compliance
	2-28 Membership associations	Corporate Governance
	2-29 Approach to stakeholder engagement	SR Report - Stakeholder Engagement
	2-30 Collective bargaining agreements	No collective bargaining agreements
<b>GRI 3: Material Topics</b>	3-1 Process to determine material topics	SR Report - Materiality Assessment Process
	3-2 List of material topics	SR Report - Materiality Assessment Process
	3-3 Management of material topics	SR Report - Materiality Assessment Process
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	SR Report - Anti Corruption
	205-2 Communication and training about anti-corruption policies and procedures	SR Report - Anti Corruption
	205-3 Confirmed incidents of corruption and actions taken	SR Report - Anti Corruption
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	SR Report - Energy Consumption
	302-2 Energy consumption outside of the organization	Not applicable as Group does not have energy consumption outside of the organisation.
	302-3 Energy intensity	SR Report - Energy Consumption
	302-4 Reduction of energy consumption	SR Report - Energy Consumption
	302-5 Reductions in energy requirements of products and services	Not applicable as Group does not sell products / services in relation to energy requirement.
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	SR Report - Water use and conservation practices
	303-2 Management of water discharge-related impacts	Not applicable as the Group does no discharge water that contains Total Dissolved Solids or Total Suspended Solids that exceed legal limits of the country.
	303-3 Water withdrawal	Not applicable as the Group does not operate in country under water stress.
	303-4 Water discharge	Not applicable as daily water discharged into public sewerage system and open drains, canals, and rivers is negligible.
	303-5 Water consumption	SR Report - Water use and conservation practices

GRI STANDARD	DISCLOSURE	LOCATION
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	SR Report - Waste Management
	306-2 Management of significant waste-related impacts	SR Report - Waste Management
	306-3 Waste generated	SR Report - Waste Management
	306-4 Waste diverted from disposal	Not applicable as the Group does not divert any waste from / to disposal
	306-5 Waste directed to disposal	Not applicable as the Group does not divert any waste from / to disposal
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	SR Report - Occupational health and safety
	403-2 Hazard identification, risk assessment, and incident investigation	SR Report - Occupational health and safety
	403-3 Occupational health services	SR Report - Occupational health and safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	SR Report - Occupational health and safety
	403-5 Worker training on occupational health and safety	SR Report - Occupational health and safety
	403-6 Promotion of worker health	SR Report - Occupational health and safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Not applicable as the Group does not have any occupational health and safety issue linked by business relationships.
	403-8 Workers covered by an occupational health and safety management system	Not applicable as the Group's principal activities are not legally required to implement such system.
	403-9 Work-related injuries	SR Report - Occupational health and safety
	403-10 Work-related ill health	SR Report - Occupational health and safety
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	SR Report - Training and Education
	404-2 Programs for upgrading employee skills and transition assistance programs	SR Report - Training and Education
	404-3 Percentage of employees receiving regular performance and career development reviews	SR Report - Training and Education
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	SR Report - Diversity and inclusion in the workforce and leadership
	405-2 Ratio of basic salary and remuneration of women to men	Confidentiality constraints due to intense competition for talent in the industry.
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR Report - Customer Privacy



## FINANCIAL CONTENTS

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# Corporate Governance Report

## **DISCLOSURE TABLE FOR ANNUAL REPORT IN COMPLIANCE TO THE CODE OF CORPORATE GOVERNANCE 2018 AND CATALIST RULES**

The Board of Directors (the “**Board**”) of Quantum Healthcare Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) are committed to maintaining high standards of corporate governance and places importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

This report outlines the Company’s corporate governance practices that were in place during the financial year ended 31 December 2024 (“**FY2024**”), with specific reference made to the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”), the accompanying Practice Guidance (the “**PG**”) as well as the disclosure guide developed by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Guide**”).

Provision	Code and/or Provision Description	Company’s Compliance or Explanation
General	<p>(a) Has the Company complied with all the principles and provisions of the Code?</p> <p>If not, please state the specific deviations and alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.</p>	<p>The Company has complied with the principles and provisions as set out in the Code and the Guide, where applicable.</p> <p>Not applicable. The Company has not deviated from the provisions of the Code and has not adopted any alternative corporate governance practices in lieu of the recommendations in the Code.</p>
	<p>(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines of the Code?</p>	<p>Not applicable. The Company did not adopt any alternative corporate governance practices in FY2024.</p>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation																																								
BOARD MATTERS																																										
The Board's Conduct of Affairs																																										
1.1 4.2 6.2 10.2 Catalist Rule 406(3)(e)  Catalist Rule 1204(10B)	What is the role of the Board?	<p>As at the date of this report, the Board has 4 members and comprises the following:</p> <table><tr><th colspan="5">Table 1.1 – Board and Board committees composition</th></tr><tr><th colspan="2">Composition of the Board</th><th colspan="3">Composition of the Board Committees</th></tr><tr><td colspan="2"></td><td colspan="3">● C – Chairman ● M - Member</td></tr><tr><th>Name of Director</th><th>Name of Director</th><th>AC <sup>(1)</sup></th><th>NC <sup>(2)</sup></th><th>RC <sup>(3)</sup></th></tr><tr><td>Thomas Tan Gim Chua</td><td>Chief Executive Officer (“CEO”) and Executive Director</td><td>–</td><td>M</td><td>–</td></tr><tr><td>Ng Fook Ai Victor</td><td>Independent Chairman</td><td>M</td><td>M</td><td>C</td></tr><tr><td>Ng Boon Eng</td><td>Independent Director</td><td>C</td><td>–</td><td>M</td></tr><tr><td>Melvin Lim Chun Siong</td><td>Independent Director</td><td>M</td><td>C</td><td>M</td></tr></table> <p>Notes:</p> <p>(1) The Audit Committee (“AC”) comprises three (3) members, all of whom are independent. All members of the AC are non-executive Directors.</p> <p>(2) The Nominating Committee (“NC”) comprises three (3) members, the majority of whom, including the Chairman, are independent. Majority of the members of the NC are non-executive Directors.</p> <p>(3) The Remuneration Committee (“RC”) comprises three (3) members, all of whom are independent. All members of the RC are non-executive Directors.</p> <p>The terms of reference of the AC, NC and RC are set out in Sections 10.1, 4.1 and 6.1 respectively. The Board is entrusted to lead and oversee the Group, with the fundamental principle to act in the best interests of the Group and hold management accountable for performance. In addition to its statutory duties, the Board’s principal functions are, <i>inter alia</i>:</p> <ul style="list-style-type: none"><li>overseeing the Group, including establishing and maintaining effective internal controls, risk management its control and accountability systems to safeguard shareholders’ interest and the Group’s assets;</li><li>set out overall long-term strategic plans and objectives for the Group and ensure that the necessary resources are in place for the Group to meet its objectives;</li><li>monitoring and reviewing senior management’s performance and implementation of strategy;</li></ul>	Table 1.1 – Board and Board committees composition					Composition of the Board		Composition of the Board Committees					● C – Chairman ● M - Member			Name of Director	Name of Director	AC <sup>(1)</sup>	NC <sup>(2)</sup>	RC <sup>(3)</sup>	Thomas Tan Gim Chua	Chief Executive Officer (“CEO”) and Executive Director	–	M	–	Ng Fook Ai Victor	Independent Chairman	M	M	C	Ng Boon Eng	Independent Director	C	–	M	Melvin Lim Chun Siong	Independent Director	M	C	M
Table 1.1 – Board and Board committees composition																																										
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Ng Fook Ai Victor	Independent Chairman	M	M	C																																						
Ng Boon Eng	Independent Director	C	–	M																																						
Melvin Lim Chun Siong	Independent Director	M	C	M																																						

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
		<ul style="list-style-type: none"> <li>• satisfying itself that senior management has developed and implemented a sound system of risk management and internal controls in relation to financial reporting risks and has reviewed the effectiveness of the operation of that system;</li> <li>• assessing the effectiveness of senior management's implementation of systems for managing material business risks, including the making of additional enquiries and to request assurances regarding the management of material business risks, as appropriate;</li> <li>• ensuring compliance with all laws and regulations as may be relevant to the business;</li> <li>• formulating and approving financial objectives of the Group and monitoring its performance such as reviewing and approving of financial results announcements and financial statements; and</li> <li>• implementing and maintaining corporate governance practices in the Group to protect the interests of shareholders.</li> </ul> <p>The Company has in place practices to address potential conflicts of interest. All Directors are required to notify the Company promptly of all conflicts of interest as soon as it is practicable after the relevant facts become known to him as well as refreshing the required declaration annually. Directors are required to recuse themselves from all deliberations/voting in relation to the matters which he has a conflict of interest in, unless the Board is of the opinion that the participation of the conflicted Director is in the best interest to the Company. Nonetheless, he will abstain from voting in relation to the conflict-related matters.</p>
1.2 Catalist Rule 406(3)(a)	(a) Are new Directors given formal training? If not, please explain why.	Newly appointed Directors will receive comprehensive and tailored induction upon joining the Board, including their duties as directors and how to discharge those duties. An orientation program including site visits to the Group's operations will be held where required to ensure that the Directors are familiar with and understand the Group's business, organisation structure, corporate strategies and policies, and governance practices. The Company will also provide training for newly appointed Directors who have no prior experience as a director of a Singapore public listed company as prescribed by the SGX-ST under Rule 406(3)(a) and Practice Note 4D of the SGX-ST Listing Manual Section B: Rules of Catalist (the " <b>Catalist Rules</b> "). Such training must be completed within one year of the newly appointed Directors' initial appointment. The training of Directors will be arranged and funded by the Company.

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
	(b) What are the types of information and training provided to (i) new Directors and (ii) existing Directors to keep them up-to-date?	<p>The Board values on-going professional development and recognises that it is important that all Directors receive regular training so as to be able to serve effectively on and contribute to the Board. The Board will consider adopting a policy on continuous professional development for Directors.</p> <p>To ensure Directors can fulfil their obligations and to continually improve the performance of the Board, all Directors are encouraged to undergo continual professional development during the term of their appointment. Professional development may relate to a particular subject area, committee membership, or key developments in the Company's environment, market or operations which may be provided by accredited training providers such as the Singapore Institute of Directors. Directors are encouraged to consult the Chairman if they consider that they personally, or the Board as a whole, would benefit from specific education or training regarding matters that fall within the responsibility of the Board or relate to the Company's business. Such trainings costs are borne by the Company.</p> <p>Briefings and updates for the Directors in FY2024 include:</p> <ul style="list-style-type: none"> <li>the external auditors ("<b>EA</b>") had briefed the AC on changes or amendments to accounting standards;</li> <li>the Sponsors and Company Secretary had briefed the Board on regulatory changes, such as changes to the Companies Act and/or the Catalist Rules; and</li> <li>the Directors are regularly briefed by the CEO and Chief Financial Officer ("<b>CFO</b>") on the business activities of the Group.</li> </ul> <p>Mr Melvin Lim has no prior experience as a director of a listed issuer. He has already completed all the core and elective modules (except for LED 7 – Nominating Committee Essentials and LED 8 – Remuneration Committee Essentials) of his training in the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange and is currently a Senior Accredited Director of the Singapore Institute of Directors. Mr Melvin Lim will complete LED 7 and LED 8 within 1 year from his appointment.</p> <p>All of the Directors have completed their sustainability training as prescribed by SGX-ST.</p>



# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation																																													
1.3	What are the types of material transactions which require approval from the Board?	<p>Matters and transactions that require the Board's approval are clearly communicated to the Management in writing and it includes, amongst others, the following:</p> <ul style="list-style-type: none"><li>major capital expenditure, capital management and acquisitions and divestitures;</li><li>Chapter 9 and Chapter 10 transactions in theCatalist Rules ;</li><li>the Company's control and accountability systems;</li><li>share issuance, dividend release or changes in capital;</li><li>the Company's policies on risk oversight and management, internal compliance and control, Code of Conduct, and legal compliance;</li><li>the Company's financial statements, financial results announcements, budgets; and</li><li>all matters which cross the relevant thresholds stipulated in the Catalist Rules or which the Board considers material for announcement. The Board will consider materiality in the context that reflects the stage of development of the Company and also takes into consideration the guidelines provided in the Catalist Rules.</li></ul>																																													
1.4	Has the Board delegated certain responsibilities to committees? If yes, please provide details.	The Board has delegated certain responsibilities to the AC, the NC and the RC (collectively, the <b>"Board Committees"</b> ). The compositions of the Board Committees have been set out in Section 1.1 of this report.																																													
1.5	Have the Board and Board Committees met in the last financial year?	<p>The Board meets at least two (2) times a year, and as and when circumstances require. Directors with multiple Board representations ensure that sufficient time and attention are given to the affairs of each company. During FY2023, the number of the Board and Board Committee meetings held and the attendance of each Board member are shown below:</p> <table><tr><th colspan="5"><b>Table 1.5 – Attendance of Board and Board Committee Meetings in FY2024</b></th></tr><tr><th></th><th><b>Board</b></th><th><b>AC</b></th><th><b>NC</b></th><th><b>RC</b></th></tr><tr><td>Number of Meetings Held</td><td>3</td><td>3</td><td>1</td><td>1</td></tr><tr><th><b>Name of Director</b></th><th colspan="4">Number of Meetings Attended</th></tr><tr><td>Melvin Lim Chun Siong</td><td>1</td><td>1</td><td>0</td><td>0</td></tr><tr><td>Sho Kian Hin<sup>2</sup></td><td>3</td><td>3</td><td>1*</td><td>1</td></tr><tr><td>Ng Fook Ai Victor</td><td>3</td><td>3</td><td>1</td><td>1</td></tr><tr><td>Thomas Tan Gim Chua</td><td>3</td><td>3*</td><td>1</td><td>1*</td></tr><tr><td>Ng Boon Eng</td><td>3</td><td>3*</td><td>1</td><td>1*</td></tr></table> <p>* By invitation</p>	<b>Table 1.5 – Attendance of Board and Board Committee Meetings in FY2024</b>						<b>Board</b>	<b>AC</b>	<b>NC</b>	<b>RC</b>	Number of Meetings Held	3	3	1	1	<b>Name of Director</b>	Number of Meetings Attended				Melvin Lim Chun Siong	1	1	0	0	Sho Kian Hin <sup>2</sup>	3	3	1*	1	Ng Fook Ai Victor	3	3	1	1	Thomas Tan Gim Chua	3	3*	1	1*	Ng Boon Eng	3	3*	1	1*
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Ng Boon Eng	3	3*	1	1*																																											

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation																											
		<p>Note:</p> <p>(1) Melvin was appointed on 5 November 2024 and attended the quarterly Board and AC meetings held in November 2024 subsequent to his appointment.</p> <p>(2) Sho Kin Hin ceased to be a Director of the Company with effect from 5 November 2024.</p> <p>The Company's Constitution (the "<b>Constitution</b>") allows for Board meetings to be held through teleconferencing and/or videoconferencing.</p>																											
1.6	What types of information does the Company provide to Non-Executive Directors to enable them to understand its business and financial environment as well as the risks faced by the Company? How frequently is the information provided?	<p>It is the aim of the Board to provide shareholders with a balanced and understandable assessment of the Company's performance, position, and prospects. This responsibility extends to the interim and full-year financial results announcements, other price-sensitive public reports, and reports to regulators (if required).</p> <p>Management provides the Board with key information that is complete, adequate, and timely. The types of information which are provided by Management to the Board are set out in the table below:</p> <table> <tr> <th colspan="3"><b>Table 1.6 – Types of information provided by Management</b></th></tr> <tr> <th></th><th>Information</th><th>Frequency</th></tr> <tr> <td>1.</td><td>Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)</td><td>Quarterly*</td></tr> <tr> <td>2.</td><td>Updates to the Group's operations and the markets in which the Group operates in</td><td>As and when required</td></tr> <tr> <td>3.</td><td>Reports on on-going or planned corporate actions</td><td>As and when required</td></tr> <tr> <td>4.</td><td>Internal auditors' ("IA") report(s)</td><td>Yearly</td></tr> <tr> <td>5.</td><td>Regulatory updates and implications</td><td>As and when required</td></tr> <tr> <td>6.</td><td>Significant project updates</td><td>As and when required</td></tr> <tr> <td>7.</td><td>External Auditors' reports</td><td>Yearly</td></tr> </table> <p>*Pursuant to Rule 705(2C) of the Catalist Rules, the Company is required to announce its quarterly financial statements in view of the disclaimer of opinion issued by the Company's auditors in the audited financial statements for the financial year ended 31 December 2023.</p>	<b>Table 1.6 – Types of information provided by Management</b>				Information	Frequency	1.	Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)	Quarterly*	2.	Updates to the Group's operations and the markets in which the Group operates in	As and when required	3.	Reports on on-going or planned corporate actions	As and when required	4.	Internal auditors' ("IA") report(s)	Yearly	5.	Regulatory updates and implications	As and when required	6.	Significant project updates	As and when required	7.	External Auditors' reports	Yearly
<b>Table 1.6 – Types of information provided by Management</b>																													
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# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
		<p>Management recognises the importance of circulating information on a timely basis to ensure that the Board has adequate time to review the materials to facilitate a constructive and effective discussion during the scheduled meetings. As such, Management endeavours to circulate information for the Board meetings at least one week prior to the meetings to allow sufficient time for the Directors' review.</p> <p>Key management personnel will also provide any additional material or information that is requested by Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects. Directors are also provided with the contact details of key management personnel to facilitate direct and independent access to Management.</p>
1.7	Do the Directors have separate and independent access to Management, the Company Secretary and professional advisers?	<p>All Directors have separate and independent access to the Management and Company Secretary at all times.</p> <p>The role of the Company Secretary, the appointment and removal of whom is a matter for the Board as a whole, is as follows:</p> <ul style="list-style-type: none"> <li>• Ensuring that board procedures are followed and that the Company's Constitution, applicable rules and regulations, including requirements of the Securities and Futures Act 2001 of Singapore, the Companies Act 1967 of Singapore and the Catalist Rules, are complied with;</li> <li>• Ensuring good information flows within the Board and its board committees and between the senior management and the Directors,</li> <li>• Advising the Board on all corporate governance matters,</li> <li>• Facilitating orientation and assisting with professional developments;</li> <li>• Attending all board and committee meetings;</li> <li>• Ensuring coordination and liaison between the Board, the Board Committees and key management personnel; and</li> <li>• Assisting the Chairman, the Chairman of each Board Committee and key management personnel in the development of agendas for the various Board and Board Committee meetings.</li> </ul>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
		Individually or collectively, in order to execute their duties, Directors are able to obtain independent professional advice at the Company's expense as and when required. The appointment of such independent professional advisors is subject to approval of the Board.
<b>Board Composition and Guidance</b>		
2.1 2.2 2.3	Does the Company comply with the provisions on the proportion of Independent Directors and/ or Non-Executive Directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company.	<p>As at the date of this Annual Report, the Board comprises one Executive Director and three Independent Non-Executive Directors.</p> <p>In view that the Chairman of the Company is an Independent Non-Executive Director and the Independent Directors make up more than one-third of the Board, there is a strong and independent element on the Board which provide independence of thought when making decisions which are in the best interest of the Company. The Company has complied with the relevant provisions as a majority of the Board members are Independent Non-Executive Directors.</p> <p>As the Chairman of the Company, Mr Ng Fook Ai Victor, is an Independent Non-Executive Director, no Lead Independent Director was appointed in the Company. Mr Ng Fook Ai Victor makes himself available to shareholders if they have any concerns relating to matters that contact through the CEO or CFO has failed to resolve, or where such contact is inappropriate, as well as at the Company's general meetings.</p>
2.1 4.4	Has the independence of the Independent Directors been reviewed in the last financial year?	Independent Directors make up the majority of the Board members. In determining the independence of the Independent Directors, the Board takes into account the existence of relationships or circumstances, including those identified by the Code, that are relevant in its determination as to whether a Director is independent. The NC has reviewed and confirmed the independence of the Independent Directors in accordance with the Code, PG and Catalist Rules. The Independent Directors have also confirmed their independence in accordance with the Code, PG and Catalist Rules.
	(a) Is there any Director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent? If so, please identify the Director and specify the nature of such relationship.	There is no Director who is deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent.

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation																																							
	(b) What are the Board's reasons for considering him independent? Please provide a detailed explanation.																																								
Catalist Rule 406(3)(d)	Has any Independent Director served on the Board for more than nine years since the date of his first appointment? If so, please identify the Director and set out the Board's reasons for considering him independent.	<p>Pursuant to Rule 406(3)(d)(iv) of the Catalist Rules, an Independent Director who has held his or her position for an aggregate period of more than nine (9) years (whether before or after listing) will cease to be independent thereafter. However, such director may continue to be considered independent until the conclusion of the next annual general meeting of the Company.</p> <p>As at the date of this annual report, there is no Independent Director who has served beyond nine (9) years since the date of his first appointment by the Company.</p>																																							
2.4	(a) What is the Board's policy with regard to diversity in identifying new director appointees?	<p>The Board understands and believes that a diverse Board enhances the Board's decision-making capability and is more effective in dealing with business and industry challenges or developments and organizational changes faced by the Company and its subsidiaries (the "<b>Group</b>"). A diverse Board would comprise Directors with a balanced and diversified set of skills, experiences and perspectives, to ensure that decisions made by the Board have been considered from all points of view, and to foster or continue to foster robust or constructive debate.</p> <p>To that end, the Company has adopted a Board Diversity Policy that sets out a framework for promoting diversity in respect of the composition of the Board, including in identifying new Director appointees where applicable.</p>																																							
	(b) Please state whether the current composition of the Board provides diversity on each of the following – skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.	<p>The current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:</p> <table border="1"> <thead> <tr> <th colspan="3"><b>Table 2.4 – Balance and Diversity of the Board</b></th></tr> <tr> <th></th><th><b>Number of Directors</b></th><th><b>Proportion of Board (%)</b></th></tr> </thead> <tbody> <tr> <td colspan="3"><b>Core Competencies</b></td></tr> <tr> <td>a) Accounting or finance</td><td>3</td><td>75</td></tr> <tr> <td>• Business management</td><td>4</td><td>100</td></tr> <tr> <td>• Legal or corporate governance</td><td>4</td><td>100</td></tr> <tr> <td>• Relevant industry knowledge or experience</td><td>4</td><td>100</td></tr> <tr> <td>• Strategic planning experience</td><td>4</td><td>100</td></tr> <tr> <td>• Customer based experience or knowledge</td><td>3</td><td>75</td></tr> <tr> <td>• Information Technology</td><td>3</td><td>75</td></tr> <tr> <td colspan="3"><b>Gender</b></td></tr> <tr> <td>• Male</td><td>4</td><td>100</td></tr> <tr> <td>• Female</td><td>–</td><td>–</td></tr> </tbody> </table>	<b>Table 2.4 – Balance and Diversity of the Board</b>				<b>Number of Directors</b>	<b>Proportion of Board (%)</b>	<b>Core Competencies</b>			a) Accounting or finance	3	75	• Business management	4	100	• Legal or corporate governance	4	100	• Relevant industry knowledge or experience	4	100	• Strategic planning experience	4	100	• Customer based experience or knowledge	3	75	• Information Technology	3	75	<b>Gender</b>			• Male	4	100	• Female	–	–
<b>Table 2.4 – Balance and Diversity of the Board</b>																																									
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• Customer based experience or knowledge	3	75																																							
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• Male	4	100																																							
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# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
	(c) What steps have the Board taken to achieve the balance and diversity necessary to maximise its effectiveness?	<p>In designing, determining or assessing (as the case may be) the Board's composition, Board diversity has been considered from a wide range of aspects, including but not limited to skills, experience, educational background, length of service, gender, age and any other factors that the Board may consider relevant and applicable from time to time. High emphasis is placed on ensuring a balanced composition of skills and experience at the Board level in order to provide a range of core competencies, knowledge, perspectives and insights that will enable the Board to discharge its duties and responsibilities effectively, support good decision-making in view of the core businesses and strategy of the Company and the Group, and support succession planning and development of the Board. The Board is of the view that, while it is important to promote boardroom diversity in terms of gender or age, where the opportunity arises, the normal selection criteria based on an effective blend of skills and experience, including meeting a matrix of skills, competencies and knowledge in areas such as accounting and finance, law, information technology (IT), human resources (HR) and business and industry knowledge (collectively the <b>"Board Skills Matrix"</b>) to strengthen the decision-making capabilities of the Board should remain a priority. The Board would take into consideration the following measures:</p>
		<p><b>a) Skills and Experience diversity</b> The Committee will evaluate from time to time the existing attributes and core competencies of the Board based, <i>inter alia</i>, on the Board Skills Matrix, so as to assess and understand the range of expertise which is lacking by the Board (if applicable) and/or the necessary skills and experiences required on the Board. By using the Board Skills Matrix that sets out the mix of skills, knowledge and experience that the Board currently has or is looking for from its members from time to time, this will help identify any gaps in the collective skills of the Board that should be addressed as part of the Company's professional development initiatives for its directors or as part of its Board succession planning.</p> <p><b>b) Gender diversity</b> The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender or family status. The same principle is applied to the selection of potential candidates for appointment to the Board in order to attract and retain women participation on the Board.</p>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
		<p><b>c) Age diversity</b> The Company does not fix an age limit for its Directors given that there is no longer a statutory age limit requirement for Directors and senior Directors are generally more experienced and able to contribute or share their wealth of knowledge and experience with the rest of the Board. The Board is fully committed to promoting age diversity, but at the same time, valuing the contribution of its members regardless of age, and seek to eliminate age stereotyping and discrimination based on age.</p> <p>The Board has taken the following steps in FY2024 to maintain or enhance its balance and diversity:</p> <ul style="list-style-type: none"> <li>• Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and</li> <li>• Annual evaluation by the Directors of the skill sets the Directors possess, <i>inter alia</i>, based on the Board Skills Matrix, with a view to understand the range of expertise which is lacking by the Board.</li> </ul> <p>Based on the foregoing, the Board is reasonably satisfied that the Board as a whole generally has the relevant combination of skills, experience, and diversity to ensure smooth transition of new business, serve the needs and plans of the Company and the Group but will continue to focus its efforts in FY2024 in optimising the Board composition based on the Board Skills Matrix.</p> <p>In addition, the Group target to achieve gender diversity by having at least 25% female participation on the Board by year 2030.</p> <p>The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.</p>
2.5	Have the Non-Executive Directors and/or Independent Directors met in the absence of management in the last financial year?	<p>The Non-Executive Directors and/or Independent Directors, led by the Independent Non-Executive Chairman, are scheduled to meet regularly, and as warranted, either via physical meetings or other means of communication such as email correspondence, to discuss concerns or matters such as the effectiveness of Management. Such discussions are conducted where appropriate in the absence of management.</p> <p>The Non-Executive Directors and/or Independent Directors have met once in the absence of management in FY2024. The Chairman of such meetings provide feedback to the Board and/or Chairman as appropriate.</p>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
<b>Chairman and Chief Executive Officer</b>		
3.1 3.2 3.3	Are the duties between Chairman and CEO segregated?	<p>The roles of the Chairman and CEO are separate to ensure a clear division of their responsibilities, increased accountability and greater capacity of the Board for independent decision making. The Chairman is not related to the CEO.</p> <p>The responsibilities of the Chairman are as follows:</p> <ul style="list-style-type: none"> <li>(a) to lead the Board to ensure its effectiveness on all aspects of its role;</li> <li>(b) to promote a culture of openness and debate at the Board;</li> <li>(c) to facilitate the effective contribution of non-executive directors in particular; and</li> <li>(d) to promote high standards of corporate governance.</li> </ul> <p>The responsibilities of the CEO are as follows:</p> <ul style="list-style-type: none"> <li>(a) to progress and advance the strategic direction provided by the Board;</li> <li>(b) the operational running of the Company, pursuant to the Board delegating to the CEO certain of the Board's powers, authorities and discretions;</li> <li>(c) to set the agenda of Board meetings and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;</li> <li>(d) to ensure that the directors receive complete, adequate and timely information;</li> <li>(e) to ensure effective communication with shareholders; and</li> <li>(f) to encourage constructive relations within the Board and between the Board and Management.</li> </ul> <p>The Board is satisfied that there is sufficient transparency and accountability in view of the distinction of responsibilities. Mr Ng Fook Ai Victor is an Independent Director and is also the Chairman of the Board and he is also available to shareholders at the Company's general meetings and can be contacted at <a href="mailto:victor@nextrevolutionnow.com">victor@nextrevolutionnow.com</a>. Hence, the Board is of the view that there is no need to appoint a lead independent director as there is a sufficiently strong independent element on the Board which enables the exercise of judgement with regards to the corporate affairs of the Group.</p>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
<b>Board Membership</b>		
4.1	What are the duties of the NC?	<p>The NC is guided by key terms of reference as follows:</p> <ul style="list-style-type: none"> <li>(a) the review of board succession plans for directors, in particular, the Chairman, the CEO and key management personnel;</li> <li>(b) the development of a process and criteria for evaluation of the performance of the Board, its board committees and directors;</li> <li>(c) the review of training and professional development programs for the Board;</li> <li>(d) to decide whether or not a director of the Company is able to and has been adequately carrying out his duties as a director;</li> <li>(e) board appointments and re-nominations of existing directors for re-election in accordance with the Company's Constitution (including alternate directors, if applicable) after having considered important issues, as part of the process for the selection, appointment and re-appointment of directors, as to composition and progressive renewal of the Board and each director's competencies, commitment, contribution and performance (e.g. attendance, preparedness, participation, candour) including, if applicable, as an independent director as well as ensuring all directors submit themselves for re-nomination and re-appointment at regular intervals and at least once every three years;</li> <li>(f) setting the policy and objectives for achieving board diversity and reviewing the Company's progress towards achieving these objectives;</li> <li>(g) to review updates or changes to the board diversity policy, where appropriate, from time to time; and</li> <li>(h) reviewing the composition of the Board of Directors to ensure that the Board of Directors and Board committees are of an appropriate size, comprise Directors who as a group provide an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate, and function competently and efficiently</li> </ul>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation		
4.3 Catalist Rule 720(4)	Please describe the board nomination process for the Company in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors.	<b>Table 4.3(a) - Process for the Selection and Appointment of New Directors</b>		
		1.	Determination of selection criteria	<ul style="list-style-type: none"> <li>The NC, in consultation with the Board, would identify the current needs of the Board in terms of expertise and skills that are required in the context of the strengths and weaknesses of the existing Board to complement and strengthen the Board.</li> <li>In reviewing Board composition, the NC will consider the benefits of all aspects of diversity including, but not limited to, those described in the Board Diversity Policy, in order to maintain an appropriate range, balance and diversity of skills, experience, and background on the Board.</li> <li>In identifying suitable candidates for appointment to the Board, the NC will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.</li> </ul>
		2.	Search for suitable candidates	<ul style="list-style-type: none"> <li>The NC would consider candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage professional search firms where necessary.</li> </ul>
		3.	Assessment of shortlisted candidates	<ul style="list-style-type: none"> <li>The NC would meet and interview the shortlisted candidates to assess their suitability.</li> </ul>
		4.	Appointment of director	<ul style="list-style-type: none"> <li>The NC would recommend the selected candidate to the Board for consideration and approval.</li> </ul>



# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation						
		<table><tr><td colspan="2"><b>Table 4.3(b) – Process for Re-electing Incumbent Directors</b></td></tr><tr><td>Assessment of director</td><td><ul style="list-style-type: none"><li>• The NC would assess the contributions and performance of the director in accordance with the performance criteria set by the Board; and</li><li>• The NC would also review the range of expertise, skills and attributes of current Board members and consider the current needs of the Board.</li></ul></td></tr><tr><td>Re-appointment of director</td><td><ul style="list-style-type: none"><li>• Subject to the NC's satisfactory assessment of their overall contributions and performance, the NC would recommend the proposed re-appointment of the director to the Board for its consideration and approval. .</li></ul></td></tr></table> <p>Pursuant to Article 110 of the Constitution, at least one-third of the Directors for the time being (or if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation (excluding Directors appointed as casual vacancies who are required to retire at the AGM pursuant to Article 114 of the Constitution). Rule 720(4) of the Catalist Rules also requires all Directors to submit themselves for re-nomination and re-appointment at least once every three (3) years. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment or have been in office for three (3) years since their last election.</p> <p>Based on the foregoing Mr Ng Boon Eng, who has served the longest in office since he was last re-appointed during the AGM held on 27 April 2023, should be the Director to retire and seek re-appointment pursuant to Article 110 of the Company's Constitution at the upcoming AGM. However he has decided not to seek re-election due to his own professional and personal commitments and accordingly will retire and cease to hold office as Director as at the conclusion of such AGM. In the event of Mr Ng Boon Eng's retirement, which results in the AC being unable to meet the minimum requirement of three member, the Company will be looking for a suitable candidate for appointment as Director in place of Mr Ng Boon Eng and to reconstitute the Board Within two months, but in any case, no later than three months and will make the appropriate announcement(s)in due course.</p>	<b>Table 4.3(b) – Process for Re-electing Incumbent Directors</b>		Assessment of director	<ul style="list-style-type: none"><li>• The NC would assess the contributions and performance of the director in accordance with the performance criteria set by the Board; and</li><li>• The NC would also review the range of expertise, skills and attributes of current Board members and consider the current needs of the Board.</li></ul>	Re-appointment of director	<ul style="list-style-type: none"><li>• Subject to the NC's satisfactory assessment of their overall contributions and performance, the NC would recommend the proposed re-appointment of the director to the Board for its consideration and approval. .</li></ul>
<b>Table 4.3(b) – Process for Re-electing Incumbent Directors</b>								
Assessment of director	<ul style="list-style-type: none"><li>• The NC would assess the contributions and performance of the director in accordance with the performance criteria set by the Board; and</li><li>• The NC would also review the range of expertise, skills and attributes of current Board members and consider the current needs of the Board.</li></ul>							
Re-appointment of director	<ul style="list-style-type: none"><li>• Subject to the NC's satisfactory assessment of their overall contributions and performance, the NC would recommend the proposed re-appointment of the director to the Board for its consideration and approval. .</li></ul>							

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation						
4.4		<p><b>Table 4.3(c) - Re-election of Director retiring at the forthcoming AGM Name Designation Roles</b></p> <table> <tr> <th>Name</th><th>Designation</th><th>Roles</th></tr> <tr> <td>Melvin Lim Chun Siong</td><td>Independent Director</td><td>NC Chairman and AC, RC member</td></tr> </table> <p>Melvin Lim Chun Siong is seeking re-election pursuant to Article 114 as he was appointed as Director on 5 November 2024. After assessing his contribution and performance, the NC with Melvin Lim Chun Siong having abstained from the deliberation, has recommended that he be nominated for re-election. The Board has accepted the NC's recommendation to seek the approval of Shareholders at the upcoming AGM for the re-election of Mr Melvin Lim Chun Siong.</p> <p>Melvin Lim Chun Siong is considered independent for the purpose of Rule 704(7) of the Catalist Rules. Further details on Mr Melvin Lim Chun Siong as per Appendix 7F of the Catalist Rules are set out from pages 158 to 161 of the Annual Report.</p>	Name	Designation	Roles	Melvin Lim Chun Siong	Independent Director	NC Chairman and AC, RC member
Name	Designation	Roles						
Melvin Lim Chun Siong	Independent Director	NC Chairman and AC, RC member						
4.5	(a) What is the maximum number of listed company board representations that the Company has prescribed for its directors? What are the reasons for this number?	The Board has set the maximum number of listed company board representations as 8. As of date of this report, none of the directors have directorship in more than 8 listed companies. Having assessed the capacity of the Directors based on factors disclosed in Section 4.5(c) below, the Board is of the view that this number would allow Directors to have increased exposure to different Boards and broaden their experience and knowledge in relation to Board matters, hence ultimately benefiting the Company.						
	(b) If a maximum has not been determined, what are the reasons?	Not applicable.						

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
	(c) What are the specific considerations in deciding on the capacity of directors?	<p>The considerations in assessing the capacity of Directors include the following:</p> <ul style="list-style-type: none"> <li>Expected and/or competing time commitments of Directors, including whether such commitment is a full-time or part-time employment capacity;</li> <li>Geographical location of Directors;</li> <li>Size and composition of the Board;</li> <li>Nature and scope of the Group's operations and size; and</li> <li>Capacity, complexity and expectations of the other listed directorships and principle commitments held.</li> </ul> <p>The measures and evaluation tools in place to assess the performance and consider competing time commitments of the Directors include the following:-</p> <ul style="list-style-type: none"> <li>Declarations by individual Directors of their other listed company board directorships and principal commitments;</li> <li>Annual confirmations by each Director on his/her ability to devote sufficient time and attention to the Company's affairs, having regard to his/her other commitments; and</li> <li>Assessment of the individual Directors' performance based on the criteria set out in Section 5 of this report.</li> </ul>
	(d) Have the Directors adequately discharged their duties?	<p>The NC has reviewed the time spent and attention given by each of the Directors to the Company's affairs, taking into account the multiple directorships and other principal commitments of each of the Directors (if any) and is satisfied that all Directors holding office in FY2024 have discharged their duties adequately for FY2024.</p>
PG 4	Are there alternate Directors?	<p>The Company does not have any alternate directors currently. Alternate Directors will be appointed as and when the Board deems necessary.</p>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation												
<b>Board Performance</b>														
5.1 5.2	What are the performance criteria set to evaluate the effectiveness of the Board as a whole and its board committees, and for assessing the contribution by each Director to the effectiveness of the Board?	<p>Table 5 sets out the performance criteria, as recommended by the NC and approved by the Board, to be relied upon to evaluate the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution by each Director to the effectiveness of the Board to address how the Board has enhanced long-term shareholders' value:</p> <table> <tr> <th colspan="3"><b>Table 5 - Performance Criteria for Evaluating Board Effectiveness</b></th></tr> <tr> <th><b>Performance Criteria</b></th><th><b>Board and Board Committees</b></th><th><b>Individual Directors</b></th></tr> <tr> <td><b>Qualitative</b></td><td> <ol style="list-style-type: none"> <li>Size and composition</li> <li>Access to information</li> <li>Board processes</li> <li>Inputs to strategic planning</li> <li>Board accountability</li> <li>CEO/Top Management interaction</li> <li>Standards of Conduct</li> <li>Board Committee' performance in relation to discharging their responsibilities set out in their respective terms of reference</li> </ol> </td><td> <ol style="list-style-type: none"> <li>Commitment of time</li> <li>Knowledge and abilities</li> <li>Teamwork</li> <li>Overall effectiveness</li> <li>Engagement with Management</li> <li>Independence and objectivity</li> </ol> </td></tr> <tr> <td><b>Quantitative</b></td><td colspan="2"> <ol style="list-style-type: none"> <li>Attendance at Board and Board Committee meetings</li> </ol> </td></tr> </table> <p>The evaluations are designed to assess the Board's effectiveness to enable the NC Chairman and Board to identify the areas of improvement or enhancement which can be made to the Board. No external facilitator was used in the evaluation process.</p>	<b>Table 5 - Performance Criteria for Evaluating Board Effectiveness</b>			<b>Performance Criteria</b>	<b>Board and Board Committees</b>	<b>Individual Directors</b>	<b>Qualitative</b>	<ol style="list-style-type: none"> <li>Size and composition</li> <li>Access to information</li> <li>Board processes</li> <li>Inputs to strategic planning</li> <li>Board accountability</li> <li>CEO/Top Management interaction</li> <li>Standards of Conduct</li> <li>Board Committee' performance in relation to discharging their responsibilities set out in their respective terms of reference</li> </ol>	<ol style="list-style-type: none"> <li>Commitment of time</li> <li>Knowledge and abilities</li> <li>Teamwork</li> <li>Overall effectiveness</li> <li>Engagement with Management</li> <li>Independence and objectivity</li> </ol>	<b>Quantitative</b>	<ol style="list-style-type: none"> <li>Attendance at Board and Board Committee meetings</li> </ol>	
<b>Table 5 - Performance Criteria for Evaluating Board Effectiveness</b>														
<b>Performance Criteria</b>	<b>Board and Board Committees</b>	<b>Individual Directors</b>												
<b>Qualitative</b>	<ol style="list-style-type: none"> <li>Size and composition</li> <li>Access to information</li> <li>Board processes</li> <li>Inputs to strategic planning</li> <li>Board accountability</li> <li>CEO/Top Management interaction</li> <li>Standards of Conduct</li> <li>Board Committee' performance in relation to discharging their responsibilities set out in their respective terms of reference</li> </ol>	<ol style="list-style-type: none"> <li>Commitment of time</li> <li>Knowledge and abilities</li> <li>Teamwork</li> <li>Overall effectiveness</li> <li>Engagement with Management</li> <li>Independence and objectivity</li> </ol>												
<b>Quantitative</b>	<ol style="list-style-type: none"> <li>Attendance at Board and Board Committee meetings</li> </ol>													

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
		The NC would review the criteria on a periodic basis to ensure that the criteria is able to provide an accurate and effective performance assessment taking into consideration industry standards and the economic climate with the objective to enhance long term shareholders value, thereafter propose amendments if any, to the Board for approval.
	(a) What was the process upon which the Board reached the conclusion on its performance for the financial year?	<p>The review of the performance of the Board and the Board Committees is conducted by the NC annually via a performance evaluation questionnaire to be completed by each Director and each Board Committee member. The review of the performance of each Director is also conducted at least annually and when the individual Director is due for re-election.</p> <p>For FY2024:</p> <ol style="list-style-type: none"> <li>1. All Directors individually completed a board evaluation questionnaire on the effectiveness of the Board and Board Committees, and the individual Directors based on criteria disclosed in Table 5 above.</li> <li>2. The questionnaire results are collated for the NC's discussion and the NC concluded the performance results during the NC meeting; and</li> <li>3. All NC members have abstained from the voting or review process of any matters in connection with the assessment of his performance.</li> </ol> <p>No external facilitator was used in the evaluation process.</p>
	(b) Has the Board met its performance objectives?	Yes, the Board, Board Committees and the Directors have met their performance objectives for FY2024.
6.1 6.3	What is the role of the RC?	<p>The RC is guided by key terms of reference which include, amongst others, the following:</p> <ol style="list-style-type: none"> <li>(a) Review and recommend to the Board a general framework of remuneration for the Board and key management personnel, as well as specific remuneration packages for each Director and key management personnel of the Company;</li> <li>(b) Review annually the remuneration of the key management personnel and the Executive Director(s) including the terms of renewal for their Service Agreements;</li> </ol>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
		<p>(c) Review the Company's obligations arising in the event of termination of the Executive Director(s) and key management personnel's contracts of service and to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous; and</p> <p>(d) Oversee the allotment and issue of Shares pursuant to the Varied Options granted under the Option Schemes and the Varied Awards granted under the Share Plan. Please refer to page 128 of this annual report for further details of the Varied Options and Varied Awards. .</p> <p><b>Termination Clause</b></p> <p>There is currently no amount for termination, retirement and post-employment benefits granted to the Executive Director and the top key management personnel (who are not Executive Directors).</p> <p><b>Claw-back mechanism</b></p> <p>The Company does not use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Director and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Director owes a fiduciary duty to the Company. The Company will avail itself to remedies against the Executive Director in the event of such breach of fiduciary duties.</p> <p>The Board is of the view that as the Group pays performance bonuses based on the actual performance of the Group and/or Company (and not on forward-looking results) as well as the actual results of its Executive Director and key management personnel, hence, "claw-back" provisions in the service agreements may not be relevant or appropriate.</p>
6.4	Were remuneration consultants engaged in the last financial year?	In FY2024, the Company did not engage any remuneration consultants.
<b>Level and Mix of Remuneration</b>		
7.1 7.3	What is the Company's remuneration policy?	The Company's remuneration policy, which covers all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, benefits-in-kind, bonuses, options, share-based incentives and awards, is one that seeks to attract, retain and motivate talent to achieve the Company's business vision and create sustainable value for its stakeholders. The policy articulates to staff the link that total compensation has to the achievement of organisational and individual performance objectives and benchmarked against relevant and comparative compensation in the market.



# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation								
	(a) Please describe how the remuneration received by Executive Directors and key management personnel has been determined by the performance criteria.	<p>The remuneration received by the Executive Director and key management personnel are based on the terms of service contracts or employment letters entered into between the Company and the Executive Director and key management personnel respectively. Their remuneration is made up of fixed and variable compensation. The fixed compensation consists of an annual base salary, fixed allowance and annual wage supplement. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives, at the sole discretion of the Board on the recommendation of the RC.</p> <p>There was no variable compensation paid to the Executive Director and key management personnel for FY2024.</p>								
	(b) What were the performance conditions used to determine their entitlement under the short term and long term incentive schemes?	<p>The following performance conditions were chosen for the Group to remain competitive and to motivate the Executive Director to provide good stewardship of the Group and for key management personnel to work in alignment with the long term goals of all stakeholders:</p> <table><tr><th colspan="2">Table 7 – Incentive Performance Conditions</th></tr><tr><th>Performance Conditions</th><th>Short-term Incentives (such as performance bonus)</th></tr><tr><td>Qualitative</td><td><div>1. Leadership</div><div>2. People development</div><div>3. Commitment</div><div>4. Teamwork</div></td></tr><tr><td>Quantitative</td><td>The Company currently does not have in place any profit-sharing or performance incentive arrangements for the Executive Director or the key management personnel which is based on the Company or the Group meeting a prescribed financial performance or financial condition target or condition, and variable compensation for the Executive Director and the Key Management personnel, if any, would be based on discretionary bonuses to be determined of the sole discretion of the Board on the recommendation of the RC. The Board and Board Committees will monitor and evaluate whether to provide for such quantitative performance conditions depending, <i>inter alia</i>, on the business and plans of the Company and the Group.</td></tr></table>	Table 7 – Incentive Performance Conditions		Performance Conditions	Short-term Incentives (such as performance bonus)	Qualitative	<div>1. Leadership</div> <div>2. People development</div> <div>3. Commitment</div> <div>4. Teamwork</div>	Quantitative	The Company currently does not have in place any profit-sharing or performance incentive arrangements for the Executive Director or the key management personnel which is based on the Company or the Group meeting a prescribed financial performance or financial condition target or condition, and variable compensation for the Executive Director and the Key Management personnel, if any, would be based on discretionary bonuses to be determined of the sole discretion of the Board on the recommendation of the RC. The Board and Board Committees will monitor and evaluate whether to provide for such quantitative performance conditions depending, <i>inter alia</i> , on the business and plans of the Company and the Group.
Table 7 – Incentive Performance Conditions										
Performance Conditions	Short-term Incentives (such as performance bonus)									
Qualitative	<div>1. Leadership</div> <div>2. People development</div> <div>3. Commitment</div> <div>4. Teamwork</div>									
Quantitative	The Company currently does not have in place any profit-sharing or performance incentive arrangements for the Executive Director or the key management personnel which is based on the Company or the Group meeting a prescribed financial performance or financial condition target or condition, and variable compensation for the Executive Director and the Key Management personnel, if any, would be based on discretionary bonuses to be determined of the sole discretion of the Board on the recommendation of the RC. The Board and Board Committees will monitor and evaluate whether to provide for such quantitative performance conditions depending, <i>inter alia</i> , on the business and plans of the Company and the Group.									

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
	(c) Were all of these performance conditions met? If not, what were the reasons?	Yes, the RC has reviewed and is satisfied that the performance conditions were met for FY2024.
7.2	Please describe how the remuneration received by Non-Executive Directors has been determined by the performance criteria.	<p>The Non-Executive Directors do not have any service agreements with the Company. Except for directors' fees, which have to be approved by shareholders at AGMs, the Non-Executive Directors do not receive any other forms of remuneration from the Company.</p> <p>All director's fees are proposed by the Management, submitted to the RC for review and thereafter recommended to the Board for approval. The director's fees for the financial year ended 31 December 2024 was approved by Shareholders' at the AGM held on 29 April 2024 and Shareholders' approval will be sought for the director's fees for the financial year ending 31 December 2025 at the upcoming AGM.</p> <p>The RC has reviewed and assessed that the remuneration of the Non-Executive Directors for FY2024 is appropriate, considering the effort, time spent and responsibilities of the said Directors.</p>

## Disclosure on Remuneration

8.1	(a) Has the Company disclosed each Director's and the CEO's remuneration as well as a breakdown (in percentage) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	<p>The breakdown for the remuneration of the Directors for FY2024 is as follows:</p> <table><tr><th>Name</th><th>Salary (%)</th><th>Bonus (%)</th><th>Directors Fees (%)</th><th>Benefits -in-kind (%)</th><th>Share awards (%)</th><th>Total S\$'000</th></tr><tr><td><b>Executive Director &amp; CEO</b></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Thomas Tan Gim Chua</td><td>100</td><td>-</td><td>-</td><td>-</td><td>-</td><td>225</td></tr><tr><td><b>Independent Directors</b></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Ng Fook Ai Victor</td><td>-</td><td>-</td><td>100</td><td>-</td><td>-</td><td>50</td></tr><tr><td>Ng Boon Eng</td><td>-</td><td>-</td><td>100</td><td>-</td><td>-</td><td>45</td></tr><tr><td>Sho Kian Hin<sup>(1)</sup></td><td>-</td><td>-</td><td>100</td><td>-</td><td>-</td><td>37</td></tr><tr><td>Melvin Lim Chun Siong<sup>(2)</sup></td><td>-</td><td>-</td><td>100</td><td>-</td><td>-</td><td>13</td></tr></table> <p>Notes:</p> <p>(1) Resigned on 5 Nov 2024.</p> <p>(2) Appointed on 5 Nov 2024.</p> <p>There were no termination, retirement and post-employment benefits that may be granted to Directors, the CEO and the top key management personnel (who are not Directors or the CEO).</p>	Name	Salary (%)	Bonus (%)	Directors Fees (%)	Benefits -in-kind (%)	Share awards (%)	Total S\$'000	<b>Executive Director &amp; CEO</b>							Thomas Tan Gim Chua	100	-	-	-	-	225	<b>Independent Directors</b>							Ng Fook Ai Victor	-	-	100	-	-	50	Ng Boon Eng	-	-	100	-	-	45	Sho Kian Hin <sup>(1)</sup>	-	-	100	-	-	37	Melvin Lim Chun Siong <sup>(2)</sup>	-	-	100	-	-	13
Name	Salary (%)	Bonus (%)	Directors Fees (%)	Benefits -in-kind (%)	Share awards (%)	Total S\$'000																																																				
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# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation																												
	(b) Has the Company disclosed each key management personnel's remuneration, in bands of S\$250,000 or more in detail, as well as a breakdown (in percentage) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	<p>The Company only had two (2) top key management personnel during FY2024.</p> <p>The breakdown for the remuneration of the Company's key management personnel (who are not Directors or the CEO) for FY2024 is as follows:</p> <table><tr><th colspan="7">Table 8.2 - Remuneration of Key Management Personnel</th></tr><tr><th>Name</th><th>Remuneration Bands<sup>(1)</sup></th><th>Salary (%)</th><th>Bonus (%)</th><th>Benefits -in-kind (%)</th><th>Share awards (%)</th><th>Total (%)</th></tr><tr><td>Dr Gian Siong Lin Jimmy</td><td>B</td><td>100</td><td>-</td><td>-</td><td>-</td><td>100</td></tr><tr><td>Fu Ching Xiong<sup>(2)</sup></td><td>A</td><td>100</td><td>-</td><td>-</td><td>-</td><td>100</td></tr></table> <p>Note:</p> <p>(1) Remuneration Bands:</p> <p>Band "A" refers to remuneration of up to S\$250,000 per annum; and</p> <p>Band "B" refers to remuneration from S\$250,001 to S\$500,000 per annum.</p> <p>(2) Fu Ching Xiong resigned as CFO with effect from 31 January 2025 and Ong Chai Tiam, Alex was appointed as CFO with effect from 5 February 2025.</p>	Table 8.2 - Remuneration of Key Management Personnel							Name	Remuneration Bands <sup>(1)</sup>	Salary (%)	Bonus (%)	Benefits -in-kind (%)	Share awards (%)	Total (%)	Dr Gian Siong Lin Jimmy	B	100	-	-	-	100	Fu Ching Xiong <sup>(2)</sup>	A	100	-	-	-	100
Table 8.2 - Remuneration of Key Management Personnel																														
Name	Remuneration Bands <sup>(1)</sup>	Salary (%)	Bonus (%)	Benefits -in-kind (%)	Share awards (%)	Total (%)																								
Dr Gian Siong Lin Jimmy	B	100	-	-	-	100																								
Fu Ching Xiong <sup>(2)</sup>	A	100	-	-	-	100																								
		<p>After reviewing the industry practice and analysing the advantages and disadvantages in relation to the disclosure of remuneration of each key management personnel to the nearest thousand dollars, the Company is of the view that such disclosure would be prejudicial to its business interest given the highly competitive environment and the nature of the industry for which specialised skill sets are required.</p> <p>There were no termination, retirement and post-employment benefits that may be granted to the top key management personnel (who are not Directors or the CEO).</p>																												

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
	(c) Please disclose the aggregate remuneration paid to the top five key management personnel (who are not Directors or the CEO).	The Company only had two key management personnel (excluding the Executive Director and CEO) in FY2024. The total aggregate remuneration of the key management personnel in FY2024 was S\$486,000. The specific disclosure of remuneration of the key management personnel is not disclosed in this annual report as the Board is of the opinion that such disclosure would be prejudicial to the Company's business interests, given the highly competitive conditions in the industry and the fact that the management team consists of only two key executive personnel (excluding the Directors and CEO). After taking into account the reasons for non-disclosure state above, the Board is of the view that the current disclosure of the remuneration presented herein in this report is reasonably sufficient to provide shareholders with information on the Group's remuneration policies, as well as the level and mix of remuneration. Accordingly, the Board is of the view that the Company complies with Principle 8 of the Code.
8.2	Is there any employee who is substantial shareholder of the Company or is an immediate family member of a Director or the CEO or is immediate family of substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the last financial year? If so, please identify the employee and specify the relationship with the relevant Director or the CEO.	There is no employee who is a substantial shareholder or employee of the Group who is an immediate family member of a Director, substantial shareholder or the CEO whose remuneration exceeded S\$100,000 in FY2024.

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
8.3	Please provide details of the employee share scheme(s).	<p>The Company does not have any employee share scheme(s).</p> <p>Under the Scheme mentioned under Provision 6 above:</p> <p>a) the Company had assumed all liabilities and obligations of QT Vascular Ltd, its wholly-owned subsidiary, in connection with the outstanding options ("<b>Varied Options</b>") granted by QT Vascular Ltd to the holders of the options under the 2014 QTV Employee Share Option Scheme, QT Vascular Ltd 2013 Share Plan and the TriReme Medical, LLC 2005 Stock Plan (collectively, the "<b>Option Schemes</b>").</p> <p>b) the Company had assumed all liabilities and obligations of QT Vascular Ltd, its wholly-owned subsidiary in connection with the outstanding awards ("<b>Varied Awards</b>") granted by QT Vascular Ltd to the holders of the awards under the QT Vascular Restricted Share Plan 2015 (the "<b>Share Plan</b>").</p> <p>pursuant to which the Company shall be liable to allot and issue new ordinary shares in the capital of the Company pursuant to the exercise of the Varied Options and/or the vesting of the Varied Awards.</p> <p>There are no participants who received 5% or more of the total number of outstanding Varied Options that have been granted under the Option Schemes. Information relating to the Varied Options and Varied Awards is set out on pages 128 to 130 of this Annual Report.</p>
<b>ACCOUNTABILITY AND AUDIT</b>		
<b>Risk Management and Internal Controls</b>		
9.1 9.2 Catalist Rule 1204(10)	(a) In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.	<p>The Board is responsible for the overall risk governance, risk management and internal control framework of the Group and is fully aware of the need to put in place a system of internal controls within the Group to safeguard shareholders' interests and the Group's assets, and to manage risks.</p> <p>The CEO meets with key management personnel on a regular basis to discuss operational, business and strategic matters. During these meetings, key projects and operational risks are identified and discussed, along with proposed mitigating measures to address these risks to ensure residual risks are mitigated to an acceptable level. Follow-ups are then performed in subsequent meetings to ensure mitigating actions are executed. Any significant issues identified from these meetings are brought to the attention of the Board.</p>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
		<p>The Group has in place a structured and systematic approach to risk management and aims to mitigate the exposures through appropriate risk management strategies and internal controls. Risk management in the Group is a continuous, iterative and integrated process which has been incorporated into various planning, approval, execution, monitoring, review and reporting systems. The Group adopts a top-down as well as bottom-up approach on risk management to ensure strategic, business, operational, financial, reporting, compliance and information technology risk exposures are identified and appropriately managed.</p> <p>The Board and the AC is of the view that the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective for FY2024.</p> <p>The bases for the Board's view are as follows:</p> <ol style="list-style-type: none"> <li>1. Assurance has been received from the CEO and CFO (refer to Section (b) below);</li> <li>2. An internal audit has been done by the internal auditors and significant matters highlighted to the AC and key management personnel were appropriately addressed;</li> <li>3. Key management personnel regularly evaluates, monitors and reports to the AC on material risks;</li> <li>4. Discussions were held between the AC and auditors in the absence of the key management personnel to review and address any potential concerns; and</li> <li>5. Risk appetite statements with tolerance limits have been approved by the Board to contain risks within acceptable levels.</li> </ol> <p>The Company is gradually placing emphasis on sustainability and would implement appropriate policies and programmes when the opportunities arise.</p>



# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
	(b) In respect of the past 12 months, has the Board received assurance from the CEO and the CFO as well as the IA that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?	<p>The Board has received assurance from the CEO and CFO (a) that the financial records have been properly maintained and the financial statements for the financial year ended 31 December 2024 give a true, accurate and complete fair view of the Group's operations and finances; and (b) that the Group's risk management and internal control systems are adequate and effective to address the financial, operational, compliance and information technology risks in the context of the current scope of the Group's business operations.</p> <p>Based on the assurance from the CEO and CFO referred to in the preceding paragraph, the framework of risk management and internal controls established and maintained by the Group, the review performed by the Management and the AC, the work performed by the internal auditors and the review undertaken by the external auditors as part of their statutory audit, the Board, with the concurrence of the AC, is satisfied with the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems as at 31 December 2024.</p>
<b>Audit Committee</b>		
10.1	What is the composition of and role of the AC?	<p>All members of the AC are Independent, Non-Executive Directors who do not have any management and business relationships with the Company or any substantial shareholder of the Company. None of the AC members were previous partners or directors of the Company's external audit firm within the last two years and none of the AC members hold any financial interest in the external audit firm.</p> <p>The AC is guided by the following key terms of reference:</p> <ul style="list-style-type: none"> <li>(a) reviewing the significant financial reporting issues and judgements to ensure the integrity of the financial statements of the Company and any formal announcements relating to the Group's financial performance;</li> <li>(b) considering the appointment, re-appointment or removal of the external auditors, the level of their remuneration and matters relating to resignation or removal of the external auditors, and reviewing with the external auditors the audit plans, their evaluation of the system of internal accounting controls, their audit reports, their management letter and the Company's management's response before submission of the results of such review to the Board for approval;</li> </ul>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
		<p>(c) considering the appointment, re-appointment or removal of the internal auditors, the level of their remuneration and matters relating to resignation or removal of the internal auditors, and reviewing with the internal auditors the internal audit plans and their evaluation of the adequacy of the Company's system of internal accounting controls and accounting system before submission of the results of such review to the Board for approval prior to the incorporation of such results in the Company's annual report (where necessary);</p> <p>(d) reviewing the system of internal accounting controls and procedures established by management and discussing problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of management where necessary);</p> <p>(e) overseeing and managing the current risk exposures and future risk strategy of the Company;</p> <p>(f) reviewing the annual and quarterly (where applicable) financial statements and results announcements, before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major areas of judgement, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/ regulatory requirements;</p> <p>(g) reviewing the effectiveness and adequacy of the Company's administrative, operating, internal accounting, financial control procedures and risk management system;</p> <p>(h) reviewing the scope and results of the external and internal audit, and the independence and objectivity of the external and internal auditors;</p> <p>(i) reviewing the assurance from the CEO and CFO on the financial records and financial statements; and</p> <p>(j) reviewing whistleblowing reports by which the staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up.</p>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation								
		<p>Yes. The Company's staff and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistle blowing report to the following AC members:</p> <table><tr><th>Name</th><th>Email Address</th></tr><tr><td>Melvin Lim Chun Siong</td><td>cs30000@hotmail.com</td></tr><tr><td>Ng Boon Eng</td><td>booneng.ng@cicf.com.sg</td></tr><tr><td>Ng Fook Ai Victor</td><td>victor@nextrevolutionnow.com</td></tr></table> <p>The AC, upon receipt of complaints or allegations from any employee, determines if an investigation is necessary. If an investigation should be carried out, it will direct an independent investigation to be conducted on the complaint received. The independent investigation has a well-defined process which ensures independent investigation of issues/ concerns raised and appropriate follow-up action and provides assurance that employees will be protected from detrimental, unfair treatment and/or reprisal within the limits of the law or victimisation for whistle blowing in good faith. Anonymous reporting will also be attended to, and anonymity honoured.</p> <p>The AC is responsible for oversight and monitoring of the whistle blowing policy and procedures and review them from time to time to ensure that they remain relevant.</p> <p>The AC reports to the Board on such matters at the Board meetings. Should the AC receive reports relating to serious offences and/or criminal activities in the Group, the AC and the Board have access to the appropriate external advice where necessary. Where appropriate or required, a report will be made to the relevant government authorities for further investigation or action.</p> <p>In FY2024, there were no whistle-blowing reports received by the AC.</p>	Name	Email Address	Melvin Lim Chun Siong	cs30000@hotmail.com	Ng Boon Eng	booneng.ng@cicf.com.sg	Ng Fook Ai Victor	victor@nextrevolutionnow.com
Name	Email Address									
Melvin Lim Chun Siong	cs30000@hotmail.com									
Ng Boon Eng	booneng.ng@cicf.com.sg									
Ng Fook Ai Victor	victor@nextrevolutionnow.com									
Catalist Rules 1204 (6) (a) and 1204(6)(b)	Has the AC reviewed the independence of the EA?	The AC has reviewed the audit and non-audit services (if any) provided by the EA and is satisfied that the nature and extent of such services would not prejudice the independence of the EA, and has recommended the re-appointment of the EA at the forthcoming AGM.								

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation															
	(a) Please provide a breakdown of the fees paid in total to the EA for audit and non-audit services for the financial year.	<p><b>Table 10.1 – Fees Paid/Payable to the EA for FY2024</b></p> <table> <tr> <th colspan="3"><b>Table 10.1 – Fees Paid/Payable to the EA for FY2024</b></th></tr> <tr> <th></th><th><b>S\$'000</b></th><th><b>% of total</b></th></tr> <tr> <td><b>Audit fees</b></td><td>180</td><td>100</td></tr> <tr> <td><b>Non-audit fees</b></td><td>–</td><td>–</td></tr> <tr> <td><b>Total</b></td><td><b>180</b></td><td><b>100</b></td></tr> </table>	<b>Table 10.1 – Fees Paid/Payable to the EA for FY2024</b>				<b>S\$'000</b>	<b>% of total</b>	<b>Audit fees</b>	180	100	<b>Non-audit fees</b>	–	–	<b>Total</b>	<b>180</b>	<b>100</b>
<b>Table 10.1 – Fees Paid/Payable to the EA for FY2024</b>																	
	<b>S\$'000</b>	<b>% of total</b>															
<b>Audit fees</b>	180	100															
<b>Non-audit fees</b>	–	–															
<b>Total</b>	<b>180</b>	<b>100</b>															
	(a) If the EA have supplied a substantial volume of non-audit services to the Company, please state the bases for the AC's view on the independence of the EA.	The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that Forvis Mazars LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.															
10.2	Qualification of the AC members	<p>Yes. The Board considers Mr Ng Boon Eng, who has extensive and practical accounting and financial management knowledge and experience, well qualified to chair the AC. Mr Ng Fook Ai Victor of the AC is also well versed in financial management.</p> <p>Further details on the key information and profile of the AC members, including academic and professional qualifications, are presented under the Director's Profile section of this Annual Report.</p> <p>The members of the AC collectively have many years of strong accounting and related financial management expertise and experience and are appropriately qualified to discharge their responsibilities.</p>															
10.3	Exclusion from membership of AC	None of the AC members are a former partner or director of the Company's existing auditing firm or audit corporation within the last two years and none of the AC members hold any financial interest in the external audit firm.															

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
10.4 Catalist Rules 719(3) and 1204(10C)	Please provide details of the Company's internal audit function, if any.	<p>The Company's internal audit function is outsourced to BDO LLP that reports directly to the AC Chairman and administratively to the CEO and CFO. The AC is responsible for the hiring, removal, evaluation and compensation of the accounting or auditing firm or corporation which the internal audit function of the Company is outsourced to. The AC is satisfied that internal auditor is able to discharge its duties effectively as the internal auditor:</p> <ul style="list-style-type: none"> <li>• is independent, given that the internal auditor reports directly to the AC and not to the management of the Company;</li> <li>• has the appropriate standing in the Company, given, <i>inter alia</i>, its involvement in certain AC meetings and its unfettered access to all the Group's documents, records, properties and personnel, including direct access to the AC, which allows the internal auditors to be effective in their audit of the Group's internal controls;</li> <li>• is adequately qualified, given that the partner and staff assigned to the internal audit of the Company are members of the Institute of Internal Auditors and it adheres to the Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors; and</li> <li>• is adequately resourced as there is a team of between 2 to 5 members assigned to the Company's internal audit, led by Willy Leow who has more than 15 years of diverse audit experience.</li> </ul> <p>Pursuant to the requirement under Rule 711B(3) of the Catalist Rules for the Group's sustainability reporting to be subject to internal review, the Company has expanded the Internal Audit function to include the review and coverage of material ESG areas in the annual internal audit plan. The Board will continue to monitor and assess if external assurance is required for the subsequent sustainability reports.</p>
10.5	Has the AC met with the External and Internal Auditors in the absence of key management personnel?	Yes, the AC has met with the IA and the EA once in the absence of key management personnel in FY2024.

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
<b>SHAREHOLDER RIGHTS AND RESPONSIBILITIES</b>		
<b>Shareholder Rights and Conduct of General Meetings</b>		
11.1	Shareholders' Participation at General Meetings  Appointment of Proxies	Shareholders are encouraged to attend the general meetings to ensure a greater level of shareholders' participation and for them to be kept up to date with the strategies and goals of the Group. All shareholders of the Company receive a copy of the Annual Report, the notice of AGM, circular and notice pertaining to any extraordinary general meetings (where applicable) of the Company.  To facilitate participation by the shareholders, the Constitution allows the shareholders to attend and vote at general meetings of the Company or to appoint not more than two proxies, other than a relevant intermediary (as defined in section 181(6) of the Companies Act) to attend and vote on their behalf. A relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the general meetings.
11.2	Bundling of Resolutions	Separate resolutions on each distinct issue are requisite unless they are closely related and are more appropriately tabled together. Reasons, and implications of why resolutions are bundled will be set out in the circulars sent out.
11.3	Directors' Attendance	At all general meetings, all Directors (including the respective chairman of the Board Committee) are present to attend and to answer queries from shareholders. Shareholders are given the opportunity at the general meetings of the Company to air their views and query the Directors and the Management on matters relating to the Group and its operations. The EA is also required to be present to address shareholders' queries about the conduct of audit and the preparation and content of the independent auditor's report.  All the Directors and the EA attended the AGM for the financial year ended 31 December 2023 held on 29 April 2024.  The Company views the AGM as a principal forum of dialogue and interaction with all shareholders. The Company will consider the use of other forums set out in the Code as and when such needs arise.
11.4	Absentia Voting	Voting in absentia such as voting via electronic mails or facsimile at the general meetings may only be possible following careful study to ensure that integrity of the information and authentication of the identity of shareholders through the web is not compromised. Thus, the Board do not intend to implement voting by in absentia by way of electronic mail or facsimile at the general meeting. Currently, the Board does not intend to implement voting in absentia by way of electronic mail or facsimile at the general meeting. Shareholders may, however, appoint a proxy or the Chairman of the general meeting as their proxy to vote on their behalf.



# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
11.5	Publication of Minutes	<p>The Company prepares minutes of general meetings which include substantial and relevant comments and queries from shareholders relating to the agenda of the general meetings together with responses from the Board and Management.</p> <p>For the general meetings held during FY2024, all minutes of such meetings were announced on the Company's corporate website and SGXNET. The minutes to the Company's upcoming AGM will be published on SGXNET and the Company's corporate website within one month after the AGM.</p>
11.6	Does the Company have a dividend policy?	The Company does not have a fixed dividend policy. Nonetheless, key management personnel will review, <i>inter alia</i> , the Group's performance in the relevant financial period, projected capital needs and working capital requirements and make appropriate recommendations to the Board on dividend declaration.
	Is the Company paying dividends for the financial year? If not, please explain why.	The Board has not declared or recommended any dividends for FY2024 as the Company was not profitable and intends to retain all available funds for working capital requirements.
<b>Engagement with Shareholders</b>		
12.1 12.2 12.3	Please disclose if the Company has an investor policy in place.	<p>In line with continuous disclosure obligations, the Company is committed to provide regular and proactive communication with its shareholders but considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders.</p> <p>All announcements are released via SGXNET including the quarterly/half yearly and full year financial results, distribution of notices, press releases and other major developments. Price sensitive information to shareholders is publicly released on an immediate basis where required under the Catalist Rules. All shareholders will receive the annual report which is made available on the SGXNET.</p> <p>The Company solicits feedback from and addresses the concerns of shareholders via the following:</p> <ul style="list-style-type: none"> <li>• an investor relations contact whose contact details can be found on the Investor Relations page of the Company's website, <a href="https://www.quantumhealthcare.com.sg/investor-relations">https://www.quantumhealthcare.com.sg/investor-relations</a></li> <li>• media publications; and</li> <li>• investor/analyst briefings.</li> </ul>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
		The Company's investor relations website at <a href="https://www.quantumhealthcare.com.sg/annual-reports">https://www.quantumhealthcare.com.sg/annual-reports</a> is a key resource of information for the investment community. It contains comprehensive information on the Company, including annual reports, past financial results, shares and dividend information.
	(a) Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?	The Company strives to communicate regularly with its shareholders and meets shareholders, investors and media who wish to seek a better understanding of the Group's operations as and when necessary and appropriate.
	(b) Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?	The Company does not have an internal investor relations team. The Company's CEO and CFO performs the role of investor relations.
	(c) How does the Company keep shareholders informed of corporate developments, apart from SGXNET announcements and the annual report?	Apart from the SGXNET announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website and its investor relations webpage at <a href="http://www.quantumhealthcare.com.sg">www.quantumhealthcare.com.sg</a> .
<b>MANAGING STAKEHOLDERS RELATIONSHIP</b>		
<b>Engagement with Stakeholders</b>		
13.1 13.2 13.3		<p>The Company undertakes an annual review in identifying its material stakeholders through various medium and channels to understand their needs and expectations, and to address their concerns so as to improve product standards, as well as to align the business interest with those of the stakeholders and ultimately to generate sustainable value in the long-run. It assesses the material environmental, social and governance factors that affects the Group.</p> <p>Please refer to the Company's latest sustainability report set out on pages 12 to 31 of this Annual Report for the assessment process and how such relationships with stakeholders are managed.</p>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
<b>COMPLIANCE WITH APPLICABLE CATALIST RULES</b>		
<b>Catalist Rule</b>	<b>Rule Description</b>	<b>Company's Compliance or Explanation</b>
712, 715	Appointment of Auditors	The Company confirms its compliance to the Catalist Rules 712 and 715.
1204(8)	Material Contracts	Save for the service agreement entered into between the Company and the Executive Director and save as disclosed, were no material contracts entered into by the Group involving the interest of the CEO, any Director, or controlling shareholder, which are either still subsisting at the end of FY2024 or if not then subsisting, entered into since the end of the previous financial year.
1204(10)	Confirmation of adequacy of internal controls	<p>The Board and the AC are of the opinion that the internal controls are adequate to address the financial, operational and compliance and information technology risks which the Group considers relevant and material to its current business scope and environment for FY2024 based on the following:</p> <ul style="list-style-type: none"> <li>• internal controls and the risk management system established by the Company;</li> <li>• work performed by the internal and external auditors;</li> <li>• assurances from the CEO and CFO; and</li> <li>• reviews done by the various Board Committees and key management personnel.</li> </ul>
1204(17)	Interested Persons Transaction ("IPT")	<p>The Group has procedures governing all IPTs to ensure that they are properly documented and reported on a timely manner to the AC and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.</p> <p>In FY2024, there were no interested person transactions which were S\$100,000 and above entered into during the current financial period reported on.</p>
1204(19)	Dealing in Securities	<p>The Company has adopted an internal policy which prohibits the Directors and officers from dealing in the securities of the Company while in possession of price-sensitive information.</p> <p>The Company, its Directors and officers are also discouraged from dealing in the Company's securities on short term considerations and are prohibited from dealing in the Company's securities during the period beginning two weeks before the announcement of the Company's quarterly financial statements and one month before the announcement of the Company's full-year financial statements respectively, and ending on the date of the announcement of the relevant results.</p>

# Corporate Governance Report

Provision	Code and/or Provision Description	Company's Compliance or Explanation
1204(21)	Non-sponsor fees	There were nil non-sponsor fees paid to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd for FY2024.
1204(22)	Use of Proceeds	<p>On 28 March 2023, the Company announced the completion of the placement of 571,428,600 new ordinary shares of the Company at the issue price of S\$0.0035 per share, which took place on 29 March 2023. The estimated net proceeds is approximately S\$1.9 million ("March 2023 Placement Net Proceeds")</p> <p>On 8 February 2024, the Company announced the completion of the placement of 400,000,000 new ordinary shares and settlement share issuance of 150,000,000 new ordinary shares at the issue price of S\$0.002 per share. The estimated net cash proceeds is approximately S\$745,000 ("February 2024 Placement Net Proceeds") which will be used for partial payment of the remaining balance of S\$1,083,333.33 of second tranche earn-out amount payable to Dr. Jimmy.</p> <p>As at the date of this annual report, the March 2023 Placement Net Proceeds and the February 2024 Placement Net Proceeds have been fully utilised.</p> <p>The above utilisation is in accordance with the intended use of proceeds as stated in the Company's circular dated 11 March 2023 and 24 January 2024.</p> <p>Details of the use of proceeds for working capital can be found in the Company's annual report announced on 13 April 2023 and the Company's circular dated 24 January 2024.</p>
Practice Note 7F	Update on Sustainability Report	<p>The Group recognises the importance of sustainability that creates long-term value to our stakeholders by embracing opportunities and managing risks derived from social developments and governance. The Group is committed towards implementing sustainable practices in order to achieve the right balance between the needs of the wider community and the requirements of stakeholders and business growth.</p> <p>The Company's sustainability report has been prepared in accordance with the Global Reporting Initiative Standards and in line with the requirements of the Catalist Rules on sustainability reporting. The report will highlight the key factors such as product quality, business ethics and regulatory compliance. The Company's Sustainability Report is set out on pages 12 to 31 of this Annual Report.</p>

# Directors' Statement

The directors present their statement to the members together with the audited consolidated financial statements of Quantum Healthcare Limited (the "Company") and its subsidiaries (collectively, the "Group") for the financial year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024.

## 1. Opinion of the directors

In the opinion of the directors,

- (a) the financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of the financial performance, changes in equity and 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 the debts as and when they fall due. The financial statements have been prepared on a going concern basis, after taking into consideration the factors as disclosed in Note 2.1(b) to the financial statements.

## 2. Directors

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

Ng Fook Ai Victor  
 Thomas Tan Gim Chua  
 Lim Chun Siong, Melvin (Appointed on 5 November 2024)  
 Ng Boon Eng

## 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 objects were, or one of whose objects 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, except as disclosed in paragraphs 4 and 5 below.

## 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 and debentures of the Company and its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act"), except as disclosed below:

Name of directors and company in which interest are held	Direct interest		Deemed interest	
	As at 1 January 2024	As at 31 December 2024	As at 1 January 2024	As at 31 December 2024
<b>The Company</b>				
<i>(Ordinary shares)</i>				
Ng Fook Ai Victor	2,000,000	2,000,000	–	–
Thomas Tan Gim Chua	871,296,804	–	827,424,658*	1,714,634,212**

# Directors' Statement

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

- \* Thomas Tan Gim Chua is deemed to be interested in 27,424,658 shares ("the shares") held in Emerald Apex Pte. Ltd. and MDIE Pte. Ltd. pursuant to Section 7 of the Act, as he has entered into a sale and purchase agreement with Emerald Apex Pte. Ltd. and MDIE Pte. Ltd. to purchase the shares. Additionally, Thomas has a deemed interest in the 800,000,000 shares held by his spouse, Ang Lay Koong pursuant to Section 133(4) of the Securities and Futures Act 2001 ("SFA").
- \*\* Thomas Tan Gim Chua is deemed to be interested in 800,000,000 shares held by his spouse, Ang Lay Koong pursuant to Section 133(4) of the Securities and Futures Act 2001 ("SFA"). On 22 November 2024, Thomas transferred 764,634,212 shares to Lifeline Corporation Pte Ltd ("Lifeline") and 150,000,000 shares to Arona Industrial Products Pte Ltd ("Arona"). Both Lifeline and Arona are companies wholly owned by Thomas. Therefore, Thomas is deemed interested in all of the shares held by Lifeline and Arona pursuant to Section 4(5) of the SFA.

There are no changes to the above shareholdings as at 21 January 2025.

## 5. Share options

### Share option programme

In September 2005 ("2005 Stock Plan"), November 2010 ("2010 Stock Plan") and September 2013 ("2013 Stock Plan"), QT Vascular Ltd. ("QTV") had established share option plans that entitle certain employees, directors and consultants to purchase ordinary shares in QTV. Further, in April 2014, QTV adopted the 2014 QTV Employee Share Option Scheme ("2014 Stock Plan") which had become effective upon the listing of QTV on the Catalist of the SGX-ST in April 2014.

As part of the corporate restructuring in financial year 2022, all liabilities and obligations in connection with the outstanding share options ("Options") granted under QTV's 2005, 2010, 2013 and 2014 Stock Plans (collectively, the "Option Schemes") are assumed by the Company ("Options Variation"). The Options Variation does not involve any changes made to the terms of the share options granted or the rules of the Option Schemes except the outstanding Options will be exercisable into shares of the Company.

The above schemes are administered by the remuneration committee of the Company authorised and appointed by the board of directors and are available to all employees and non-executive directors of the Group.

At the reporting date, the Option Schemes have 11 Option holders with 4,219,000 outstanding Options. Details of the outstanding Options are set out below.

<u>Options granted</u>	<u>Date granted</u>	<u>Exercise period</u>	<u>Exercise price per option (\$\$)</u>	<u>Options outstanding at 31 December 2024</u>	<u>Number of Option holders</u>
2014 Stock Option	14 August 2015	Ten years from date of grant	0.095	4,219,000	11

The Company does not intent to issue additional Options under the Option Schemes.



## 5. Share options (Continued)

### Share option programme (Continued)

The detail movement of the Option during the financial year are as follow:

	<b>Group</b>	
	<b><u>No. of options</u></b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>'000</u></b>	<b><u>'000</u></b>
Outstanding at 1 January	4,219	12,186
Expired during the year	–	(7,967)
Outstanding at 31 December	4,219	4,219
Exercisable at 31 December	4,219	4,219

The details of the options granted under the Schemes to participants, who receive 5% or more of the total number of options available under the schemes:

<b>Name of participant</b>	<b>Options granted during financial year under review (including terms)</b>	<b>Aggregate options granted since commencement of scheme to end of financial year under review</b>	<b>Aggregate options exercised since commencement of scheme to end of financial year under review</b>	<b>Aggregate options outstanding as at end of financial year under review</b>
Ardakani, Shiva	–	1,127,000	–	1,127,000
Binyamin, Gary	–	1,000,000	–	1,000,000
Huynh, Gina	–	300,000	–	300,000
Ong, Gim Moey	–	972,000	–	972,000
Piva, Guillermo	–	400,000	–	400,000

As at 31 December 2024, no directors or controlling shareholders of the Company or their associates who held office at the end of the financial year have outstanding options under the Option Schemes.

### Restricted share awards

The QT Vascular Restricted Share Plan 2015 (“Award Scheme”) was adopted to allow QTV to grant share awards (“Awards”) to employees and directors of the Company or its subsidiaries, including controlling shareholders and their associates.

As part of the corporate restructuring in financial year 2022, all liabilities and obligations in connection with the outstanding Awards granted under the Award Scheme are assumed by the Company (“Awards Variation”). The Awards Variation do not involve any changes made to the terms of the Awards granted or the rules of the Award Scheme except the outstanding Awards shall be referenced to shares of the Company.

# Directors' Statement

## 5. Share options (Continued)

### Restricted share awards (Continued)

The above awards are administered by the remuneration committee of the Company authorised and appointed by the board of directors and are available to all employees and non-executive directors of the Group.

Since the commencement of the Scheme, no award has been granted to the directors, controlling shareholders of the Company or their associates and no participants under the Award Scheme have been granted 5% or more of the total number of awards available under the Award Scheme.

As at 31 December 2024, the Award Scheme has 1 (2023: 5) share awards holders with an aggregate of 70,000 (2023: 1,091,544) outstanding Awards. The Company does not intend to grant additional Awards under the Award Scheme.

The detail movement of the Awards during the financial year are as follow:

	<b>Group</b>	
	<b><u>No. of Awards</u></b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>'000</u></b>	<b><u>'000</u></b>
Outstanding at 1 January	1,092	1,242
Forfeited during the year	(1,022)	(150)
Outstanding at 31 December	70	1,092

Other than the disclosed above, there were no options granted by the Company or its subsidiaries during the financial year.

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

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

## 6. Audit committee

The audit committee of the Company comprises three members, all of whom are Independent Directors and at the date of this statement are:

Ng Boon Eng (Chairman)  
Ng Fook Ai Victor  
Lim Chun Siong, Melvin

## 6. Audit committee (Continued)

The audit committee carried out its functions in accordance with Section 201B (5) of the Act, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the audit committee:

- reviewing the significant financial reporting issues and judgements to ensure the integrity of the financial statements of the Company and any formal announcements relating to the Group's financial performance;
- considering the appointment, re-appointment or removal of the external auditors, the level of their remuneration and matters relating to resignation or removal of the external auditors, and reviewing with the external auditors the audit plans, their evaluation of the system of internal accounting controls and accounting system, their audit reports, their management letter and the Company's management's response before submission of the results of such review to the Board for approval;
- considering the appointment, re-appointment or removal of the internal auditors, the level of their remuneration and matters relating to resignation or removal of the internal auditors, and reviewing with the internal auditors the internal audit plans and their evaluation of the adequacy of the Company's system of internal accounting controls and accounting system before submission of the results of such review to the Board for approval prior to the incorporation of such results in the Company's Annual Report (where necessary);
- reviewing the system of internal accounting controls and procedures established by management and discussing problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of management where necessary);
- overseeing the development of the Company's risk framework to manage the current risk exposures and future risk strategy of the Company;
- reviewing the annual and half yearly financial statements and results announcements, where applicable, before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major areas of judgement, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/ regulatory requirements;
- reviewing the effectiveness and adequacy of the Company's administrative, operating, internal accounting, financial control procedures and risk management system;
- reviewing the scope and results of the external and internal audit, and the independence and objectivity of the external and internal auditors;
- reviewing the assurance from the CEO and CFO on the financial records and financial statements; and
- reviewing whistleblowing reports by which the staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up.

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

# Directors' Statement

## 6. Audit committee (Continued)

Further details regarding the audit committee are disclosed in the Report on Corporate Governance included in the Company's Annual Report.

The audit committee has recommended the nomination of Forvis Mazars LLP for re-appointment as external auditors of the Group at the forthcoming Annual General Meeting of the Company.

In appointing the auditors for the Company and its subsidiaries, Rules 712, and 715 of the SGX Listing Manual have been complied with.

## 7. Independent auditors

The auditors, Forvis Mazars LLP, have expressed their willingness to accept re-appointment.

On behalf of the directors

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**Ng Fook Ai Victor**

Director

Singapore  
14 April 2025

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**Thomas Tan Gim Chua**

Director

# Independent Auditor's Report

To the members of Quantum Healthcare Limited

## Report on the Audit of Financial Statements

### *Disclaimer of Opinion*

We were engaged to audit the financial statements of Quantum Healthcare Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, and 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 a summary of material accounting policies.

We do not express an opinion on the consolidated financial statements of the Group and the statement of financial position of the Company. Because of the significance of the matters described in the "*Basis for Disclaimer of Opinion*" section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

### *Basis for Disclaimer of Opinion*

The financial statements of the Group and the Company for the financial year ended 31 December 2023 were audited by us and we expressed a disclaimer of opinion on the going concern assumption which remain unresolved during the course of our audit of the financial statements for the financial year ended 31 December 2024.

#### (a) Appropriateness of the use of going concern assumption

For the financial year ended 31 December 2024, the Group incurred net loss and total comprehensive loss of S\$2,559,000. As at 31 December 2024, the Group's and Company's current liabilities exceeded its current assets by S\$8,240,000 and S\$1,442,000 respectively, and the Group have a deficit in shareholders' equity of S\$2,975,000, as at that date. These conditions indicate the existence of a material uncertainty which may cast a significant doubt on the ability of the Group and the Company to continue as going concern.

Notwithstanding the above, the directors are of the view that it is appropriate for the financial statements to be prepared on a going concern basis after considering the assumptions as disclosed in Note 2.1(a) to the financial statements.

The use of the going concern assumption by the directors in the preparation of the financial statements is dependent on various assumptions that are premised on future events, of which the viability relating to certain assumptions is materially uncertain in the absence of supporting evidence. This includes the potential impact arising from matter (b) described below.

Should the going concern assumption be inappropriate, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are recorded in the statement of financial position. In addition, the Group and the Company may have to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities, where applicable, as current assets and current liabilities respectively. No such adjustments have been made to these financial statements.

# Independent Auditor's Report

To the members of Quantum Healthcare Limited

## Report on the Audit of Financial Statements (Continued)

### *Basis for Disclaimer of Opinion (Continued)*

#### (b) Completeness of legal liabilities

Included in the trade and other payables (Note 23) recognised on the consolidated statement of financial position as at 31 December 2024 is accrual of legal claims of S\$956,696 and legal fees payable of S\$2,953,877 ("legal liabilities"). As disclosed in Note 35, the Group has been involved in legal proceedings since the financial year ended 31 December 2021 but during the financial year ended 31 December 2024, the claimant filed a request for dismissal of the legal claim. As of the date of the report, we were unable to obtain written confirmation from the Group's US legal counsel to ascertain the quantum of claims, if any, that the Group could be exposed to nor the amounts owing to the legal counsel. Consequently, we were unable to obtain sufficient appropriate audit evidence on the appropriateness of the carrying amount of related liabilities recognised by the Group as of 31 December 2024, as well as the related disclosures included in the financial statements. Should it be found necessary, adjustments would be made to the corresponding liabilities with a corresponding impact to the profit or loss, and amendments would be made to the corresponding disclosures.

### *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 reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

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

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our responsibility is to conduct an audit of the Group's financial statements in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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.



# Independent Auditor's Report

To the members of Quantum Healthcare Limited

## Report on Other Legal and Regulatory Requirements

In view of the significance of the matter referred to in the "*Basis for Disclaimer of Opinion*" section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Zhang Liang.

### **FORVIS MAZARS LLP**

Public Accountants and  
Chartered Accountants

Singapore  
14 April 2025

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 31 December 2024

		<b>Group</b>	
	<b>Note</b>	<b>2024 S\$'000</b>	<b>2023 S\$'000</b>
<b>Revenue</b>	4	12,685	13,081
Cost of sales		(7,028)	(7,321)
Gross profit		5,657	5,760
Administrative expenses		(6,888)	(8,730)
Other income	5	180	179
Impairment loss on goodwill	11	(1,010)	-
Finance costs	6	(460)	(490)
<b>Loss before income tax</b>	7	(2,521)	(3,281)
Income tax expense	8	(38)	(100)
<b>Loss for the financial year</b>		(2,559)	(3,381)
<b>Other comprehensive income:</b>			
<i>Components of other comprehensive income that will be reclassified to profit or loss, net of taxation</i>			
Exchange differences on translating foreign operations		-	(4)
<b>Total comprehensive loss for the financial year</b>		(2,559)	(3,385)
<b>Loss attributable to:</b>			
Owners of the Company		(2,234)	(3,621)
Non-controlling interests		(325)	240
<b>Loss for the financial year</b>		(2,559)	(3,381)
<b>Total comprehensive loss for the financial year attributable to:</b>			
Owners of the Company		(2,234)	(3,625)
Non-controlling interests		(325)	240
		(2,559)	(3,385)
<b>Loss per share attributable to owners of the Company (cents per share)</b>			
Basic and diluted	9	(0.03)	(0.05)

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Statements of Financial Position

As at 31 December 2024

		Group	Company		
Note	2024	2023	2024	2023	
	S\$'000	S\$'000	S\$'000	S\$'000	
<b>ASSETS</b>					
<b>Non-current assets</b>					
Plant and equipment	10	1,059	1,050	8	12
Goodwill	11	4,570	5,580	-	-
Intangible assets	12	452	686	-	-
Investments in subsidiaries	13	-	-	2,074	3,411
Investments in associate	14	-	-	-	-
Other investment	15	-	-	-	-
Right-of-use assets	24(a)	3,249	1,968	-	-
Other non-current assets	16	-	27	-	-
Total non-current assets		9,330	9,311	2,082	3,423
<b>Current assets</b>					
Inventories	17	47	37	-	-
Trade and other receivables	18	2,762	2,939	1	13
Cash and cash equivalents	19	386	744	32	21
Total current assets		3,195	3,720	33	34
<b>Total assets</b>		12,525	13,031	2,115	3,457
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	20	237,208	236,163	237,208	236,163
Reserves	21	11,076	9,638	(228,714)	(228,714)
Accumulated losses		(251,900)	(249,666)	(7,854)	(12,487)
<b>Equity attributable to owner of the Company</b>		(3,616)	(3,865)	640	(5,038)
Non-controlling interests		641	837	-	-
<b>Total equity</b>		(2,975)	(3,028)	640	(5,038)
<b>Non-current liabilities</b>					
Deferred tax liabilities	22	154	128	-	-
Other payables	23	-	31	-	-
Lease liabilities	24(b)	2,132	919	-	-
Loans and borrowings	25	1,779	2,758	-	-
Amount due to a non-controlling interest	26	-	1,314	-	1,314
Total non-current liabilities		4,065	5,150	-	1,314
<b>Current liabilities</b>					
Trade and other payables	23	7,353	6,338	1,475	5,798
Lease liabilities	24(b)	1,126	1,027	-	-
Loans and borrowings	25	2,608	1,804	-	-
Amount due to a non-controlling interest	26	-	1,383	-	1,383
Provisions	27	297	263	-	-
Provision for income tax		51	94	-	-
Total current liabilities		11,435	10,909	1,475	7,181
<b>Total liabilities</b>		15,500	16,059	1,475	8,495
<b>Total equity and liabilities</b>		12,525	13,031	2,115	3,457

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Consolidated Statements of Changes in Equity

For the financial year ended 31 December 2024

Group	Share capital S\$'000	Merger reserve S\$'000	Reserve for own shares S\$'000	Translation reserve S\$'000	Share-based payment reserve S\$'000	Accumulated losses S\$'000	Attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
<b>Balance at 1 January 2023</b>	234,230	(1,866)	(98)	-	11,678	(246,045)	(2,101)	597	(1,504)
Loss for the year	-	-	-	-	-	(3,621)	(3,621)	240	(3,381)
Other comprehensive income:									
Exchange translation differences	-	-	-	(4)	-	-	(4)	-	(4)
Total other comprehensive loss, net of taxation	-	-	-	(4)	-	(3,621)	(3,625)	240	(3,385)
Shares issued pursuant to share placement (Note 20)	2,000	-	-	-	-	-	2,000	-	2,000
Share-based payment transactions	-	-	-	-	(72)	-	(72)	-	(72)
Share issuance expenses (Note 20)	(67)	-	-	-	-	-	(67)	-	(67)
<b>Balance at 31 December 2023</b>	236,163	(1,866)	(98)	(4)	11,606	(249,666)	(3,865)	837	(3,028)
Loss for the year	-	-	-	-	-	(2,234)	(2,234)	(325)	(2,559)
Other comprehensive income:									
Exchange translation differences	-	-	-	-	-	-	-	-	-
Total other comprehensive loss, net of taxation	-	-	-	-	-	(2,234)	(2,234)	(325)	(2,559)
Shares issued pursuant to share placement (Note 20)	1,100	-	-	-	-	-	1,100	-	1,100
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(200)	(200)
Partial dilution of interest in a subsidiary to non-controlling interest without change in control (Note 13)	-	1,534	-	-	-	-	1,534	329	1,863
Share-based payment transactions	-	-	-	-	(96)	-	(96)	-	(96)
Share issuance expenses (Note 20)	(55)	-	-	-	-	-	(55)	-	(55)
<b>Balance at 31 December 2024</b>	237,208	(332)	(98)	(4)	11,510	(251,900)	(3,616)	641	(2,975)

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Consolidated Statement of Cash Flows

For the financial year ended 31 December 2024

	<b>Note</b>	<b>2024 S\$'000</b>	<b>2023 S\$'000</b>
<b>Operating activities</b>			
Loss before income tax		(2,521)	(3,281)
Adjustments for:			
Depreciation of plant and equipment	10	285	191
Amortisation of intangible assets	12	234	287
Depreciation of right-of-use assets	24	1,224	864
Impairment loss on goodwill	11	1,010	-
Gain on disposal of plant and equipment		(24)	-
Provision for reinstatement costs	27	-	67
Provision for unutilised leave	27	7	41
Loss allowance for trade receivables	18	20	27
Interest expense	6	460	490
Share-based compensation forfeited	28	(96)	(72)
Unrealised foreign exchange gain		-	(4)
Total operating cash flows before movements in working capital		599	(1,390)
<i>Changes in working capital</i>			
Inventories		(10)	(5)
Trade and other receivables		357	(1,285)
Other non-current assets		27	(24)
Trade and other payables		530	2,128
Cash generated from/(used in) operations		1,503	(576)
Income tax paid		(55)	(52)
<b>Net cash generated from/(used in) operating activities</b>		<b>1,448</b>	<b>(628)</b>
<b>Investing activities</b>			
Purchase of plant and equipment	10	(353)	(298)
Proceeds from disposal of plant and equipment		83	-
Proceeds from disposal of subsidiaries		280	-
Acquisition of business, net of cash acquired	13	-	(1,740)
Repayment made to non-controlling interest	26	(1,083)	(1,383)
<b>Net cash used in investing activities</b>		<b>(1,073)</b>	<b>(3,421)</b>
<b>Financing activities</b>			
Proceeds from issuance of ordinary shares	20	800	2,000
Share issuance expenses		(55)	(67)
Dividend paid to non-controlling interests		(200)	-
Loan from a director		357	-
Loan from a related party		97	-
Proceeds from loans and borrowings		450	-
Repayment of loans and borrowings		(931)	(1,255)
Repayment of lease liabilities		(1,251)	(950)
<b>Net cash used in financing activities</b>		<b>(733)</b>	<b>(272)</b>
<b>Net changes in cash and cash equivalents</b>		<b>(358)</b>	<b>(4,321)</b>
Cash and cash equivalents at beginning of financial year		744	5,065
<b>Cash and cash equivalents at end of financial year</b>	19	<b>386</b>	<b>744</b>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Consolidated Statement of Cash Flows

For the financial year ended 31 December 2024

## Reconciliation of liabilities arising from financing activities

	At 1 January 2024 S\$'000	Financing cash outflows S\$'000	Non-cash movements			At 31 December 2024 S\$'000
			Purchase of plant and equipment S\$'000	Addition from acquisitions S\$'000	Interest expense S\$'000	
Loan from a director	-	357	-	-	-	357
Loan from a related party	-	97	-	-	-	97
Loans and borrowings	4,562	(481)	-	-	306	4,387
Lease liabilities	1,946	(1,251)	2,478	-	85	3,258

	At 1 January 2023 S\$'000	Financing cash outflows S\$'000	Non-cash movements			At 31 December 2023 S\$'000
			Purchase of plant and equipment S\$'000	Addition from acquisitions S\$'000	Interest expense S\$'000	
Loans and borrowings	5,547	(1,255)	-	-	270	4,562
Lease liabilities	2,007	(950)	597	206	86	1,946

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# Notes to The Financial statements

For the financial year ended 31 December 2024

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

## 1. General

Quantum Healthcare Limited (the "Company") (Registration 202218645W) is incorporated and domiciled in Singapore and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The registered office and principal place of business of the Company is at 745 Lorong 5 Toa Payoh, #01-00 The Lifeline Building, Singapore 319455.

The principal activities of the Company are those of investment holding. The principal activities of the subsidiaries are set out in Note 13.

The financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 December 2024 were authorised for issue by the Board of Directors at the date of the Directors' Statement.

## 2. Summary of material accounting policies

### 2.1 Basis of preparation

The financial statements of the Group and the statement of financial position of the Company have been drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") including related Interpretations of SFRS(I) ("SFRS(I) INTs") and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Group and the statement of financial position of the Company are presented in Singapore Dollar ("S\$") which is also the functional currency of the Company, and all values presented are rounded to the nearest thousand (S\$'000), unless otherwise indicated.

#### a) Going concern assumption

For the financial year ended 31 December 2024, the Group incurred a net loss and a total comprehensive loss of S\$2,559,000. As at 31 December 2024, the Group's and Company's current liabilities exceeded its current assets by S\$8,240,000 S\$1,442,000 respectively, and the Group have a deficit in shareholders' equity of S\$2,975,000, as at that date.

The above conditions may cast a significant doubt on the ability of the Group and the Company to continue in operational existence for the foreseeable future and to discharge their liabilities in the normal course of business.



# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### a) Going concern assumption (Continued)

To support the financial statements having been prepared on a going concern basis and to ensure the adequacy of funds required to meet its obligations, working capital and capital commitment needs, management prepared a 16-months consolidated cash flow forecast from 1 January 2025 ("Cash Flow Forecast"). In preparing the Cash Flow Forecast, the management has taken the following into consideration:

- (i) The Group is expected to obtain an additional loan from the financial institution with a repayment term of 5 years;
- (ii) The Group is expected to obtain an additional loan, totalling S\$300,000, from a shareholder and a director in which the loan is unsecured, interest-free and repayable on demand;
- (iii) The Group is not expected to pay out the legal fee payables recognised as current liabilities in the other payables account;
- (iv) The Group is not expected to pay out the director's loan of S\$357,000 and shareholder's loan of S\$97,000 until the cash resource of the Group permits, or within another 18 months from 28 February 2025;
- (v) The Group is not expected to repay the loan from a related company of S\$1,673,000, until the cash resource of the Group permits, or within the next 18 months from 28 February 2025; and
- (vi) Positive cash inflow from the healthcare businesses. Since the financial year ended 31 December 2022, the Group diversified into the healthcare business, primarily the provision of dental services, which are expected to be profitable and generating positive cash flows for the Group.

Based on the cash flow projection, the Group and the Company will have sufficient working capital to continue in operation for the foreseeable future.

Additionally, management would continue to implement comprehensive cost-cutting measures and does not expect the Group to have any significant operational commitments that will require significant cash outflow in the foreseeable future other than those incurred in the ordinary course of business and also continues to explore any potential for strategic initiatives with a view to generate new business opportunities and/or fund-raising exercises.

Based on the above, the Directors of the Company are of the view that the Group and the Company will have sufficient cash resources to satisfy its working capital requirements, and the Group and the Company to continue in operational existence for the foreseeable future and to discharge their liabilities in the normal course of business, as and when they fall due. The Directors are of the opinion that the preparation of the financial statements on a going concern basis remains appropriate.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

#### *New and revised SFRS(I)s and SFRS(I) INTs*

In the current year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I) INTs that are relevant to its operations and effective for annual periods beginning on or after 1 January 2024. The adoption of these new or revised SFRS(I)s and SFRS(I) INTs did not result in changes to the Group's and Company's accounting policies and has no material effect on the current or prior year's financial statements and is not expected to have a material effect on future periods.

#### *SFRS(I)s and SFRS(I) INTs issued but not yet effective*

At the date of authorisation of these financial statements, the following SFRS(I)s and SFRS(I) INTs that are relevant to the Group were issued but not yet effective:

SFRS (I)	Title	Effective date (annual periods beginning on or after)
SFRS(I) 1-21, SFRS(I) 1	Amendments to SFRS(I) 1-21: <i>Lack of Exchangeability</i>	1 January 2025
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Amendments to the Classification and Measurement of Financial Statements</i>	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
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
SFRS(I) 10, SFRS(I) 1-28	Amendments to SFRS(I) 10 and SFRS(I) 1-28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

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

The Group does not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned revised/new standards will not have a material impact on the financial statements of the Group and the Company in the period of their initial adoption.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

*SFRS(I)s and SFRS(I) INTs issued but not yet effective (Continued)*

SFRS(I) 18, effective for annual periods beginning on or after 1 January 2027, replaces SFRS(I) 1- 1 Presentation of Financial Statements and introduces new requirements for presentation and disclosure in financial statements. SFRS(I) 18 mandates a new structure for the statement of profit or loss and also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. As a consequential result of SFRS(I) 18 requirements, all entities are required to use the operating profit subtotal, instead of profit or loss, as the starting point for presenting operating cash flows under the indirect method. The classification of cash flows from dividends and interests in either operating, investing and financing cash flows is also fixed.

SFRS(I) 18 will apply retrospectively. The Group is still in the process of assessing the corresponding impact on the primary financial statements and notes to the financial statements.

### 2.2 Basis of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) (i) over which the Group has power, and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from then through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstances indicate that there are changes to the one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intra-group assets and liabilities, equity, income, expenses and cashflows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.2 Basis of consolidation (Continued)

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. 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. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control over a 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 accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under *SFRS(I) 9 Financial Instruments ("SFRS(I) 9")* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Investments in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

### 2.3 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method when the acquired set of activities and assets constitute a business. When determining the acquired set of activities and assets constitute a business, the Group assesses whether the acquired set of activities and assets includes, at a minimum, an input and substantive process, which together contribute to the creation of outputs.

The Group has the option to apply a "concentration test" as a simplified assessment to determine whether an acquired set of activities and assets is a business. The Group makes the election separately for each transaction or other event. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The fair value of the acquisition consideration 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. For each business combination, the Group determines whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share in the recognised amounts of the acquiree's identifiable net assets. Acquisition-related costs are recognised in profit or loss as incurred.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.3 Business combinations (Continued)

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under *SFRS(I) 3 Business Combinations* are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held-for-sale in accordance with *SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations*, which are recognised and measured at the lower of cost and fair value less costs to sell.

The Group recognises any contingent consideration to be transferred to the acquiree at the fair value on the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement shall be accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of *SFRS(I) 9 Financial Instruments* is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with *SFRS(I) 9*. Other contingent consideration that is not within the scope of *SFRS(I) 9* is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

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.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.3 Business combinations (Continued)

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 (including the goodwill), 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.

The attributable amount of goodwill is included in the determination of gain or loss on disposal of the subsidiary or jointly controlled entity.

### 2.4 Revenue recognition

The Group is principally in the business of provision of dental and consultancy services. Revenue from contracts with its customers is recognised when or as the Group satisfies a performance obligation by transferring a promised goods or service generated in the ordinary course of the Group's activities to its customer, at a transaction price that reflects the consideration the Group expects to be entitled in exchange for the goods or service and that is allocated to that performance obligation. The goods or service is transferred when or as the customer obtains control of the goods or service.

#### Dental service income

The Group provides dental service to customers.

Dental service income is recognised at a point in time and arising from rendering of dental services to individual patients that typically completes within the same day from the point of commencement of the process.

#### Consultancy service income

Consultancy service fee income is recognised over time, arising from rendering of consultancy services to related parties.

### 2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.6 Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

### 2.7 Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

### 2.8 Share-based payment transactions

The grant date fair value of equity-settled share-based payment awards granted to employees are recognised as an employee expense with a corresponding increase in equity, over the period that the employees unconditionally become entitled to awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

### 2.9 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the financial year.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.



# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.9 Income tax (Continued)

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial period and based on the tax consequence that will follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax that is incurred on purchases is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

### 2.10 Dividends

Equity dividends are recognised as a liability when they become legally payable. Interim dividends are recorded in the financial period in which they are declared payable. Final dividends are recorded in the financial period in which dividends are approved by shareholders. A corresponding amount is recognised in equity.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.11 Foreign currency transactions and translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity through other comprehensive income.

Exchange differences relating to assets under construction for future productive use, are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore Dollars using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### 2.12 Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Subsequent expenditure relating to plant and equipment is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.12 Plant and equipment (Continued)

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Dental machinery	10 years
Dental equipment and instrument	5 years
Renovation	3 years
Furniture, fixtures and office equipment	3 years
Computers, network and software	3 years
Machinery and equipment	3 years
Motor vehicles	5 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of plant and equipment is recognised in profit or loss.

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

### 2.13 Intangible assets

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

The useful lives of intangible assets are assessed to be either finite or indefinite.

#### (a) Intangible assets with finite useful lives

Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

##### *Research and development*

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.13 Intangible assets (Continued)

#### (a) Intangible assets with finite useful lives (Continued)

##### *Research and development (Continued)*

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is carried at cost less accumulated amortisation and accumulated impairment losses.

##### *Customer relationships*

Customer relationships acquired in a business combination are measured at its fair value as at the date of acquisition. Following initial recognition, customer relationships are amortised over the estimated useful life of 5 years.

##### *Other intangible assets*

Other intangible assets that are acquired by the Group and have finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. These intangible assets include intellectual property and developed technology which amortised to profit or loss over their estimated useful lives of 5 years and 15 years respectively.

#### (b) Intangible assets with indefinite useful lives

Intangible assets with indefinite useful lives are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised.

### 2.14 Associate

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group accounts for its investment in associates using the equity method from the date on which it becomes an associate.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.14 Associate (Continued)

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities represents goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, investment in associate is carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. The profit or loss reflects the share of results of the operations of the associate. Distributions received from associate reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associate, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associate.

Where the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate. The Group determines at the end of each reporting period whether there is any objective evidence the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the profit or loss.

The financial statements of the associate are prepared as the same reporting date as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

### 2.15 Impairment of non-financial assets excluding goodwill

The Group reviews the carrying amounts of its non-financial assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.15 Impairment of non-financial assets excluding goodwill (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 2.16 Financial instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when the Group becomes party to the contractual provisions of the instrument.

#### **Financial assets**

##### Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Such trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient are measured at transaction price as defined in *SFRS(I) 15 Revenue from Contracts with Customers* in Note 2.4.

The classification of the financial assets at initial recognition as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL") depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Group's business model refers to how the Group manages its financial assets in order to generate cash flows which determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group determines whether the asset's contractual cash flows are solely payments of principal and interest ("SPPI") on the principal amount outstanding to determine the classification of the financial assets.

The Group recognises a financial asset or a financial liability in its statement of financial position when the Group becomes party to the contractual provisions of the instrument.

##### Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.16 Financial instruments (Continued)

#### **Financial assets (Continued)**

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, and recognised in interest income.

##### Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets measured at amortised cost. At each reporting date, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition.

The Group uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The Group applies the simplified approach to recognise the ECL for trade receivables and unbilled receivables, which is to measure the loss allowance at an amount equal to lifetime ECL. As a practical expedient, the Group uses an allowance matrix derived based on historical credit loss experience adjusted for current conditions and forecasts of future economic conditions for measuring ECL.

While they are not financial assets, contract assets arising from the Group's contracts with customers under SFRS(I) 15 are assessed for impairment in accordance with SFRS(I) 9, similar to that of trade receivables.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in profit or loss.



# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.16 Financial instruments (Continued)

#### **Financial assets (Continued)**

##### Impairment of financial assets (Continued)

The Group directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For details on the Group's accounting policy for its impairment of financial assets, refer to Note 32.

##### Derecognition of financial assets

The Group derecognises 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. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a capitalised borrowing for the proceeds receivables.

#### **Financial liabilities and equity instruments**

##### Classification as debt or equity

Financial liabilities and equity instruments issued by Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

##### *Ordinary share capital*

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.16 Financial instruments (Continued)

#### **Financial liabilities and equity instruments (Continued)**

##### Financial liabilities

##### Initial recognition and measurement

All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition. Financial liabilities classified as at fair value through profit or loss comprise derivatives that are not designated or do not qualify for hedge accounting.

##### Other financial liabilities

##### *Trade and other payables*

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis in finance cost. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

##### *Borrowings*

Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see Note 2.5 above). A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

##### *Financial guarantee contracts*

The Company has issued corporate guarantee to a bank for banking facilities granted by them to subsidiaries and these guarantees qualify as financial guarantee because the Company is required to reimburse the bank if this subsidiary breach any repayment terms.

Financial guarantee contract liabilities are measured initially at their fair values plus transaction costs and subsequently at the higher of the amount of the loss allowance and the amount initially recognised less cumulative amortisation in accordance with SFRS(I) 15.

##### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.16 Financial instruments (Continued)

#### Offsetting of financial instruments

A financial asset and a financial liability shall be offset, and the net amount presented in the statements of financial position when and only when, an entity:

- (a) currently has a legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with financial institutions which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

### 2.18 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in profit or loss.

### 2.19 Leases

At inception of a contract, the Group assessed whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **As lessee**

##### **(a) Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The estimated useful lives of right-of-use assets are determined between 1 to 3 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment set out in Note 2.15.

## 2. Summary of material accounting policies (Continued)

### 2.19 Leases (Continued)

#### (b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### (c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

### 2.20 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, which is discounted using a pre-tax discount rate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss as they arise.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 2. Summary of material accounting policies (Continued)

### 2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group of executive directors and the chief executive officer who make strategic decisions. Additional disclosures on each of these segments are shown in Note 30, including the factors used to identify the reportable segments and the measurement basis of segment information.

### 2.22 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. Where the grant relates to an expense, the grant is recognised as income in profit or loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, is expensed. Where the grant relates to an asset, the grant is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalment.

### 2.23 Contingencies

A contingent liability is:

- (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (ii) a present obligation that arises from past events but is not recognised because:
  - (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (b) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingencies are not recognised on the statements of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair value can be reliably determined.

## 3. Critical accounting judgements and key sources of estimation uncertainty

The Group made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

# Notes to The Financial statements

For the financial year ended 31 December 2024

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

### 3.1 Critical judgements in applying the Group's accounting policies

#### **Determination of control over subsidiary, ADG Group Pte. Ltd.**

The definition of control is defined in Note 2.2 of the financial statements. The management exercises significant judgement in analysing and evaluating relevant, subjective, diverse and sometimes contrasting qualitative and quantitative facts and circumstances surrounding its involvement in the investees, in determining whether the Group have control over the investees.

As of 31 December 2024, the Group held a 49% interest in its subsidiary, ADG Group Pte. Ltd. ("ADG"). The Group considered several factors, including the size of its voting rights relative to other vote holders, its representation at shareholders' and directors' meetings, voting patterns, the composition of key management personnel in ADG Group, and contractual arrangements. Consequently, the Group assessed that it has control over ADG and consolidate ADG as a subsidiary.

### 3.2 Key sources of estimation uncertainty

The 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 discussed below:

#### **Impairment of goodwill**

The Group tests goodwill for impairment at least on an annual basis. Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units ("CGU") to which goodwill has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the CGU, including their best estimate of a suitable discount rate in order to calculate present value. The carrying amount of goodwill as at 31 December 2024 was S\$4,570,000 (2023: S\$5,580,000) and an impairment loss of S\$1,010,000 were recognised during the financial year (2023: S\$Nil) (Note 11).

#### **Measurement of ECL of trade receivables**

The Group uses an allowance matrix to measure ECL for trade receivables. The ECL rates are based on the Group's historical loss experience of the customers, for the last 3 years prior to the reporting date for various customer groups that are assessed by geographical locations, product types and internal ratings, adjusted for forward looking factors specific to the debtors and the economic environment which could affect the ability of the debtors to settle the trade receivables. In considering the impact of the economic environment on the ECL rates, the Group assesses, for example, the gross domestic production growth rates of Singapore and the growth rates of the major industries in which its customers operate. The Group adjusts, as necessary, the allowance matrix at each reporting date. Such estimation of the ECL rates may not be representative of the actual default in the future. The carrying amount of the Group's trade receivables as at 31 December 2024 was S\$1,936,000 (2023: S\$1,846,000). The expected loss allowance on the Group's trade receivables as at 31 December 2024 was S\$47,000 (2023: S\$27,000) (Note 18).

# Notes to The Financial statements

For the financial year ended 31 December 2024

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

### 3.2 Key sources of estimation uncertainty (Continued)

#### Impairment of investments in subsidiaries

At the end of each financial year, an assessment is made on whether there are indicators that the Group's and the Company's investments are impaired. Where necessary, the Group's and Company's assessments are based on the estimation of the value-in-use of the assets defined in *SFRS(I) 1-36 Impairment of Assets* by forecasting the expected future cash flows for a period of up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Company's investments in subsidiaries as at 31 December 2024 was S\$2,074,000 (2023: S\$3,411,000) (Note 13) and an impairment loss of S\$871,000 (2023: S\$4,162,000) was recognised during the financial year (Note 13).

#### Impairment of intangible assets

The Group assess intangible assets for any indication of impairment at least on an annual basis. Determining whether intangible assets are impaired requires an estimation of the value-in-use. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the intangible assets, including their best estimate of a suitable discount rate in order to calculate present value. The carrying amount of intangible assets as at 31 December 2024 was S\$452,000 (2023: S\$686,000) and no impairment loss was recognised during the current and prior financial year (Note 12).

#### Measurement of ECL of other receivables

For other receivables, the Group and the Company considers the performance, financial capability as well as payment profile of these other receivables in order to determine the appropriate stage of expected credit loss for these receivables. Probability or risk of default is then being estimated by considering the future conditions. The carrying amounts of other receivables of the Group and the Company as at 31 December 2024 were S\$826,000 (2023: S\$1,093,000) and S\$1,000 (2023: S\$13,000), respectively. The expected loss allowance on the Group's other receivables as at 31 December 2024 was S\$83,000 (2023: S\$71,000).

#### Depreciation of plant and equipment

The Group depreciates the plant and equipment over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management's estimate of the period that the Group intends to derive future economic benefits from the use of the Group's plant and equipment. The residual value reflects management's estimated amount that the Group would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, as if the asset was already of the age and in the condition expected at the end of its useful life. Changes in the expected level of usage and technological developments could affect the economics, useful lives and the residual values of these assets which could then consequentially impact future depreciation charges. The carrying amounts of the Group's and the Company's plant and equipment at 31 December 2024 were S\$1,059,000 (2023: S\$1,050,000) and S\$8,000 (2023: S\$12,000) respectively (Note 10).

#### Impairment of property, plant and equipment

Property, plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. The recoverable amounts of these assets are determined by the management based on their highest and best use using its fair value less costs of disposal.

The carrying amount of property, plant and equipment of the Group as at 31 December 2024 was S\$1,059,000 (2023: S\$1,050,000). There was no allowance made on property, plant and equipment for the year ended 31 December 2024 and 2023 (Note 10).



# Notes to The Financial statements

For the financial year ended 31 December 2024

## 4. Revenue

	<u>2024</u> S\$'000	<u>2023</u> S\$'000
<u>At a point in time</u>		
Rendering of dental services	12,325	12,611
<u>Over time</u>		
Rendering of consultancy services	360	470
	<u>12,685</u>	<u>13,081</u>

The Group's revenue is derived wholly from Singapore and healthcare segment and is disaggregated by timing of revenue recognition.

## 5. Other income

	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Government grants	101	179
Gain on disposal of plant and equipment	24	-
Digital dental laboratory management fee	53	-
Others	2	-
	<u>180</u>	<u>179</u>

## 6. Finance costs

	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Interest expense on loan from a related company	151	90
Interest expense on bank loans	155	180
Interest expense on lease liabilities	85	86
Imputed interest expense on Earn-Out Amount	69	134
	<u>460</u>	<u>490</u>

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 7. Loss before income tax

The following charges were included in the determination of loss before income tax:

	<b><u>2024</u></b> <b>S\$'000</b>	<b><u>2023</u></b> <b>S\$'000</b>
Auditors' remuneration:		
- Auditors of the Company	180	175
- Other auditors	12	9
Professional fee	218	2,457
Depreciation of plant and equipment	285	191
Depreciation of right-of-use assets	1,224	864
Amortisation of intangible assets	234	287
Directors' fees – directors of the Company	145	145
Impairment loss on goodwill	1,010	–
Loss allowance on trade receivables	20	27
Employee benefits – director of the Company		
- Short term benefits	225	300
- Post-employment benefits	14	13
Key management remuneration other than directors		
- Short term benefits	486	468
- Post-employment benefits	42	37
Employee benefits expenses (excluding directors remuneration)		
- Salaries and other related costs	2,236	2,564
- Defined contribution plan	328	307

## 8. Income tax expense

	<b><u>2024</u></b> <b>S\$'000</b>	<b><u>2023</u></b> <b>S\$'000</b>
<b>Current tax expense</b>		
Current financial year	51	94
Overprovision in prior financial year	(39)	(4)
	12	90
<b>Deferred tax expense (Note 22)</b>		
Current financial year	26	33
Benefit arising from previously unrecognised tax losses	–	(23)
Income tax expense	38	100

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 8. Income tax expense (Continued)

The income tax varied from the amount of taxation determined by applying the Singapore statutory income tax rate of 17% (2023: 17%) to loss before tax as a result of the following differences:

	<b>2024</b> <b>S\$'000</b>	<b>2023</b> <b>S\$'000</b>
Loss before income tax	(2,521)	(3,281)
Tax expense at statutory rate of 17% (2023: 17%)	(429)	(558)
Tax effects of :		
Effect of income no subjected to tax	(109)	-
Effect of tax concessions and tax exemptions	(53)	(69)
Effects of non-deductible expenses	626	744
Overprovision for prior financial year	(39)	(27)
Deferred tax assets not recognised	46	10
Utilisation of previously unrecognised deferred tax assets	(4)	-
	<u>38</u>	<u>100</u>

The following deductible temporary difference has not been recognised:

	<b>2024</b> <b>S\$'000</b>	<b>2023</b> <b>S\$'000</b>
Tax losses	<u>308</u>	<u>57</u>

The tax losses are subject to agreement by tax authorities and compliance with tax regulations in Singapore in which the Company and subsidiaries operate. Deferred tax assets have not been recognised in respect of the capital allowance and tax losses due to uncertainty in the availability of future taxable profit against which the Group and the Company can utilise the tax losses.

## 9. Loss per share

Basic and diluted loss per share are calculated by dividing the loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year. The following table reflects the profit and share data used in the computation of basic earnings per share:

	<b>2024</b> <b>S\$'000</b>	<b>2023</b> <b>S\$'000</b>
Loss for the financial year attributable to the owners of the Company	(2,234)	(3,625)
Weighted average number of ordinary shares outstanding	7,946,878	7,326,732
Basic and diluted loss per share (cents)	<u>(0.03)</u>	<u>(0.05)</u>

The basic and diluted loss per share is the same as there were no potentially dilutive instruments.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 10. Plant and equipment

<b>Group</b>	<b>Dental machinery S\$'000</b>	<b>Dental equipment and instrument S\$'000</b>	<b>Renovation S\$'000</b>	<b>Furniture, fixtures and office equipment S\$'000</b>	<b>Computer, network and software S\$'000</b>	<b>Machinery and equipment S\$'000</b>	<b>Motor vehicles S\$'000</b>	<b>Total S\$'000</b>
<b><u>Cost</u></b>								
At 1 January 2023	516	85	78	217	163	1,018	131	2,208
Additions due to acquisition (Note 13)	-	101	-	3	12	-	-	116
Additions	90	169	5	10	24	-	-	298
At 31 December 2023	606	355	83	230	199	1,018	131	2,622
Additions	78	123	146	1	5	-	-	353
Disposal	-	-	-	-	-	-	(131)	(131)
At 31 December 2024	684	478	229	231	204	1,018	-	2,844
<b><u>Accumulated depreciation</u></b>								
At 1 January 2023	28	8	13	211	89	1,008	24	1,381
Depreciation	55	35	26	6	38	5	26	191
At 31 December 2023	83	43	39	217	127	1,013	50	1,572
Depreciation	68	78	63	6	44	4	22	285
Disposal	-	-	-	-	-	-	(72)	(72)
At 31 December 2024	151	121	102	223	171	1,017	-	1,785
<b><u>Carrying amount</u></b>								
At 31 December 2024	533	357	127	8	33	1	-	1,059
At 31 December 2023	523	312	44	13	72	5	81	1,050

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 10. Plant and equipment (Continued)

<u>Company</u>	<u>Computer, network and software S\$'000</u>
<b><u>Cost</u></b>	
At 1 January 2023	-
Addition	13
At 31 December 2023 and 31 December 2024	13
<b><u>Accumulated depreciation</u></b>	
At 1 January 2023	-
Depreciation	1
At 31 December 2023	1
Depreciation	4
At 31 December 2024	5
<b><u>Carrying amount</u></b>	
At 31 December 2024	8
At 31 December 2023	12

## 11. Goodwill

	<u>Group</u>	
	<u>2024 S\$'000</u>	<u>2023 S\$'000</u>
At 1 January	5,580	4,120
Arising from acquisition of subsidiaries/business (Note 13)	-	1,460
Impairment loss on goodwill	(1,010)	-
At 31 December	4,570	5,580

Goodwill acquired is allocated to the cash-generating units ("CGU") that are expected to benefit from the CGU.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 11. Goodwill (Continued)

The carrying amount of goodwill had been allocated to the respective CGU under the healthcare business operating segments as follows:

	<b>2024</b> <b>S\$'000</b>	<b>2023</b> <b>S\$'000</b>
ADG Group ("ADG Group CGU")	2,352	2,863
EDS Group ("EDS Group CGU")	1,257	1,257
The Dental Hub Pte Ltd ("TDH Group CGU")	961	1,262
The Dental Hub (Jurong West) Pte Ltd ("TDHJW CGU")	-	198
	<u>4,570</u>	<u>5,580</u>

### Impairment of goodwill

The Group tests CGU for impairment annually, or more frequently when there is an indication for impairment.

The recoverable amounts of the CGU are determined from value-in-use calculations. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by Directors covering a five-year period. The key assumptions for these value-in-use calculations are those regarding the discount rates, growth rates, terminal value and expected changes to gross margins during the period. 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. The growth rates are based on industry growth forecasts. Changes in gross margins are based on past practices and expectations of future changes in the market.

Key assumptions on which management has based its cash flow projections for the respective periods of the significant CGU are as follows:

	<b>Revenue growth rate</b>		<b>Terminal growth rate</b>		<b>Pre-tax discount rate</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
ADG Group	1.1 – 2.0	3.0	2.0	2.0	11.4	11.1
EDS Group	1.0 – 5.0	3.0	2.0	2.0	11.4	11.1
TDH Group	2.0	3.0	2.0	2.0	11.4	11.1
TDHJW CGU	2.0	6.5-596	2.0	2.0	12.1	11.9

### *Key assumptions used in the value-in-use calculations*

- (i) *Revenue growth rates* – The forecasted revenue growth rates are based on management's expectations for each CGU from historical trends and planned business strategies, as well as long-term average growth rates of the healthcare industry in the respective countries;
- (ii) *Terminal value growth rates* – The terminal growth rates are determined based on management's estimate of the long-term industry growth rates; and
- (iii) *Discount rates* – The discount rates used are based on the weighted average cost of the CGU's capital (the "WACC"), adjusted for the specific circumstances of the CGU and based on management's experience, and re-grossed back to arrive at the pre-tax rates.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 11. Goodwill (Continued)

### Impairment of goodwill (Continued)

#### *Sensitivity to changes in assumptions*

Management has determined the most likely revenue growth rates scenario based on their best estimates on the expectations for each CGU. Management has taken into consideration the historical trend and long term average growth rates of the healthcare industry.

Management is of the view that no reasonable possible changes in any of the key assumptions would cause the CGU's carrying amount to materially exceed its recoverable amount.

#### *Impairment loss recognised*

During the financial year, an impairment loss of S\$1,010,000 was recognised for goodwill relating to ADG Group CGU, TDH Group CGU and TDHJW CGU, as the recoverable amount of the CGUs were estimated to be less than the carrying amount.

## 12. Intangible assets

<b>Group</b>	<b>Intellectual property S\$'000</b>	<b>Developed technology in progress S\$'000</b>	<b>Customer relationship S\$'000</b>	<b>Total S\$'000</b>
<b><u>Cost</u></b>				
At 1 January 2023	501	1,922	917	3,340
Additions due to acquisition (Note 13)	-	-	285	285
At 31 December 2023 and 31 December 2024	501	1,922	1,202	3,625
<b><u>Accumulated depreciation</u></b>				
At 1 January 2023	501	1,922	229	2,652
Depreciation	-	-	287	287
At 31 December 2023	501	1,922	516	2,939
Depreciation	-	-	234	234
At 31 December 2024	501	1,922	750	3,173
<b><u>Carrying amount</u></b>				
At 31 December 2024	-	-	452	452
At 31 December 2023	-	-	686	686

#### *Customer relationships*

Customer relationships are acquired as part of business combinations. They are recognised at their fair value at the date of acquisition and are subsequently amortised on straight-line based on the timing of projected cash flows of the customer relationship over their estimated useful lives. The useful lives of the customer relationships are estimated to be 5 years by the management. The customer relationships related to the ADG Group and TDH CGU.



# Notes to The Financial statements

For the financial year ended 31 December 2024

## 13. Investments in subsidiaries

	<b>Company</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b><i>Unquoted shares, at cost</i></b>		
- QT Vascular Ltd	5,516	5,516
- Asia Dental Group Pte. Ltd.	6,638	8,129
- Kairogenix Pte. Ltd.	–#	–#
- Quantum Healthcare Holdings Sdn. Bhd.	–#	–#
	12,154	13,645
Less: Accumulated impairment loss		
At 1 January	(10,234)	(6,072)
Additions	(871)	(4,162)
Derecognised	1,025	–
At 31 December	(10,080)	(10,234)
	<u>2,074</u>	<u>3,411</u>

# Less than S\$1,000

### Impairment loss on investment in subsidiaries

During the financial year ended 31 December 2024, the Company recognised an impairment loss on QT Vascular Ltd amounting to S\$871,000 (2023: S\$4,162,000) in profit or loss due to indications of impairment for investment in subsidiaries. The recoverable amount of QT Vascular Ltd was determined based on the net asset value of the Company, which is approximately the fair value less cost to sales of the Company as QT Vascular Ltd has been dormant with no active business activities for the past few years.

In relation to the disposal of 11% on - Asia Dental Group Pte. Ltd. as disclosed below under disposal of subsidiaries, the Company had derecognised the impairment loss recognised previously amounting to S\$1,025,000.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 13. Investments in subsidiaries (Continued)

Details of subsidiaries directly held by the Company and held by subsidiaries of the Company as at respective financial year ended are as follows:

<u>Name of subsidiary</u>	<u>Principal activities</u>	<u>Country of incorporation and principal place of business</u>	<u>Effective equity held by the Company</u>	
			<u>2024</u> %	<u>2023</u> %
<u><b>Held directly by the Company</b></u>				
QT Vascular Ltd. <sup>(1)</sup> ("QTV")	Investment holding company	Singapore	100	100
Asia Dental Group Pte. Ltd. <sup>(1)</sup> ("ADG")	Management consultancy services for healthcare organisations and dental services	Singapore	49	60
Kairogenix Pte. Ltd. <sup>(3)</sup> ("Kairogenix")	Management consultancy services for healthcare organisations	Singapore	70	70
Quantum Healthcare Holdings Sdn. Bhd. <sup>(3)</sup> ("QHHSB")	Investment holding	Malaysia	60	60
<u><b>Held through QTV</b></u>				
Quattro Vascular Pte. Ltd. <sup>(1)</sup>	Medical clinic	Singapore	100	100
TriReme Medical (Singapore) Pte. Ltd. <sup>(1)</sup>	Orthopaedic clinic	Singapore	100	100
<u><b>Held through ADG</b></u>				
St. Andrew's Dental Pte. Ltd. <sup>(1)</sup>	Dental services	Singapore	49	60
Asia Healthcare Dental Pte. Ltd. <sup>(1)</sup>	Dental services	Singapore	49	60
Corporate Dental Pte. Ltd. <sup>(1)</sup>	Dental services	Singapore	49	60
Seafarers Dental Pte. Ltd. <sup>(1)</sup>	Dental services	Singapore	49	60
Eastern Dental Centre Pte. Ltd. <sup>(1)</sup>	Dental services	Singapore	49	60
The Dental Hub Pte. Ltd. <sup>(1)</sup> ("TDH")	Dental services	Singapore	49	60
The Dental Hub (Jurong West) Pte. Ltd. <sup>(1)</sup> ("TDHJW")	Dental services	Singapore	25.5	60
The Dental Hub (Canberra) Pte. Ltd. <sup>(1)</sup> ("TDHC")	Dental services	Singapore	25.5	60
The Dental Hub (Sengkang) Pte. Ltd. <sup>(1)</sup> <sup>(2)</sup> ("TDHSK")	Dental services	Singapore	25.5	–
<u><b>Held by QHHSB</b></u>				
Quantum Specialist Sdn. Bhd. <sup>(2)(3)</sup>	Dental services	Malaysia	60	60

<sup>(1)</sup> Audited by Forvis Mazars LLP.

<sup>(2)</sup> Incorporated during the financial year.

<sup>(3)</sup> Insignificant subsidiary of the Group audited by TY Teoh International.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 13. Investments in subsidiaries (Continued)

The Group has the following subsidiaries which have non-controlling interests ("NCI") that are material to the Group:

Subsidiaries	Proportion of ownership interest held by NCI		Profit/(loss) allocated to NCI during the financial year		Accumulated NCI at the reporting date	
	2024	2023	2024	2023	2024	2023
	%	%	S\$'000	S\$'000	S\$'000	S\$'000
ADG and its subsidiaries	51	40	(309)	247	673	854

Summarised financial information (before intercompany eliminations):

	ADG and its subsidiaries	
	2024	2023
	S\$'000	S\$'000
<b>Assets:</b>		
Non-current	6,681	5,862
Current	3,537	3,695
<b>Liabilities:</b>		
Non-current	(4,094)	(3,602)
Current	(5,405)	(4,737)
Net assets	719	1,218
Revenue	12,685	13,081
(Loss)/Profit after taxation	(478)	617
<b>Total comprehensive (loss)/income</b>	(478)	617
<b>Net cash flow generated from operation</b>	1,378	802

There are no significant restrictions on the Group's ability to access or use the assets and settle the liabilities of the Group.

### Incorporation of subsidiaries and acquisition of business or assets

#### (a) Incorporation of a subsidiary – The Dental Hub (Sengkang) Pte. Ltd.

On 20 March 2024, the Group incorporated a subsidiary, The Dental Hub (Sengkang) Pte. Ltd. ("TDHSC"), in Singapore, through ADG. ADG subscribed and was allotted 1,000 ordinary shares for total consideration of S\$1,000 fully paid in cash.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 13. Investments in subsidiaries (Continued)

### Incorporation of subsidiaries and acquisition of business or assets (Continued)

#### **(b) Acquisition of business – The Dental Hub Pte. Ltd.**

On February 2023, ADG completed the acquisition of 100% of the businesses of three clinics ("TDH Group"), via ADG's subsidiary, The Dental Hub Pte. Ltd., for a cash consideration of S\$1,650,000 from a third party. TDH Group is principally engaged in the provision of dental healthcare related services.

	<b>Fair value recognised on date of acquisition S\$'000</b>
<b>Assets</b>	
Plant and equipment	61
Intangible assets	285
Cash and cash equivalents	90
	<u>436</u>
<b>Liability</b>	
Deferred tax liability	<u>48</u>
<b>Net assets</b>	<u>388</u>
Goodwill arising from acquisition	1,262
Total consideration	<u>1,650</u>
	<b><u>2023</u></b>
	<b><u>S\$'000</u></b>
<u>Aggregate cash flow arising from acquisition of business</u>	
Consideration paid for the acquisition of TDH Group	1,650
Less: Cash and cash equivalents of TDH Group acquired	<u>(90)</u>
Net cash outflow arising from acquisition	<u>1,560</u>

Included in the loss for the year is net profit of approximately S\$102,000 attributable to the additional business generated by TDH Group. Revenue for the year included approximately S\$2,324,000 in respect of revenue generated by TDH Group. Had this business combination been effected at 1 January 2023, the impact to the revenue of the Group and the loss for the year is considered not material.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 13. Investments in subsidiaries (Continued)

### Incorporation of subsidiaries and acquisition of business or assets (Continued)

#### (c) *Incorporation of subsidiary and acquisition of business – The Dental Hub (Jurong West) Pte. Ltd.*

In September 2023, the Group incorporated a wholly owned subsidiary, The Dental Hub (Jurong West) Pte. Ltd. in Singapore, through ADG. Subsequently in the same month, the Group, via TDHJW, completed the acquisition of the business of 100% of Wow Dental Surgery for a total cash consideration of approximately S\$250,000 from a third party, with S\$180,000 upfront payment and S\$70,000 to be paid in two different tranches.

	<b>Fair value recognised on date of acquisition S\$'000</b>
<b>Assets</b>	
Plant and equipment	55
Right-of-use assets	206
	<u>261</u>
<b>Liabilities</b>	
Lease liabilities	206
Deferred tax liability	9
	<u>215</u>
<b>Net assets</b>	<u>46</u>
Goodwill arising from acquisition	198
Total consideration	250
Fair value adjustment for consideration	<u>(6)</u>
	<b><u>2023</u></b>
	<b><u>S\$'000</u></b>
<u>Aggregate cash flow arising from acquisition of business</u>	
Consideration paid for the acquisition of TDHJW	250
Second and third tranche to be paid	<u>(70)</u>
Net cash outflow arising from acquisition	<u>180</u>

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 13. Investments in subsidiaries (Continued)

### **Incorporation of subsidiaries and acquisition of business or assets (Continued)**

#### **(c) *Incorporation of subsidiary and acquisition of business – The Dental Hub (Jurong West) Pte. Ltd. (Continued)***

Included in the loss for the year is net loss of approximately S\$72,000 attributable to the transitioning of newly acquired business. Revenue for the year included approximately S\$60,000 in respect of revenue generated by TDHJW. Had this business combination been effected at 1 January 2023, the impact to the revenue of the Group and the loss for the year is considered not to be material.

#### **(d) *Incorporation of subsidiary – The Dental Hub (Canberra) Pte. Ltd.***

In October 2023, the Group incorporated a wholly owned subsidiary, The Dental Hub (Canberra) Pte. Ltd. ("TDHC"), in Singapore through ADG, where ADG subscribed and was allotted 1,000 ordinary shares for a total consideration of S\$1,000 fully paid in cash.

#### **(e) *Incorporation of subsidiary – Quantum Healthcare Holdings Sdn. Bhd.***

In February 2023, the Company incorporated a subsidiary, Quantum Healthcare Holdings Sdn. Bhd. ("QHHSB"), in Malaysia where the Company subscribed and was allotted 60 ordinary shares for a total consideration of S\$18 fully paid in cash.

#### **(f) *Incorporation of subsidiary – Quantum Specialist Sdn. Bhd.***

In February 2023, the Company incorporated a subsidiary, Quantum Specialist Sdn. Bhd. ("QSSB"), in Malaysia through its 60% owned subsidiary, QHHSB, where QHHSB subscribed and was allotted 100 ordinary shares for a total consideration of S\$30 fully paid in cash.

### **Disposal of subsidiaries**

#### **(a) *Disposal of shareholding in ADG, without loss of control***

In March 2024, the Company partially disposed of an 11% interest in ADG to one of the shareholders of ADG for consideration of S\$1,383,000. It is agreed that this consideration shall be fully set off against the contingent consideration arising from the acquisition of ADG Group.

Following the disposal, notwithstanding that the Company will hold 49% of the shares in ADG, the Company will continue to have control over the board seats and the relevant activities via shareholders agreements. In view of the foregoing, the management are of the opinion that the Company shall continue to consolidate the ADG as a subsidiary following completion of the disposal.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 13. Investments in subsidiaries (Continued)

### Disposal of subsidiaries (Continued)

#### **(a) Disposal of shareholding in ADG, without loss of control (Continued)**

The effect of the change in the Group's ownership interest in ADG on the equity attributable to owners of the Company has been recognised in "Merger reserve" within equity as summarised below:

	<b>S\$'000</b>
Consideration from disposal of interests to non-controlling interests	1,383
Changes in equity attributable to non-controlling interests	(74)
Changes in equity attributable to owners of the Company	<u>1,309</u>

#### **(b) Disposal of shareholding in TDHJW, TDHC and TDHSK**

In September 2024, the 49%-own subsidiaries, ADG, entered a Sales and Purchase Agreement to dispose of 48% equity interest in TDHJW, TDHC and TDHSK for a consideration of S\$480,000, retaining 52% of the ownership interests and control over the subsidiary through ADG. The transaction has been accounted for as an equity transaction with non-controlling interests.

The effect of the change in the Group's ownership interest in TDHJW, TDHC and TDHSK on the equity attributable to owners of the Company has been recognised in "Merger reserve" within equity as summarised below:

	<b>S\$'000</b>
Consideration from disposal of interests to non-controlling interests	480
Increase in equity attributable to non-controlling interests	(255)
Increase in equity attributable to owners of the Company	<u>225</u>

## 14. Investments in associate

	<b>2024</b>	<b>2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Investment in associates, at cost	<u>-</u>	<u>-</u>



# Notes to The Financial statements

For the financial year ended 31 December 2024

## 14. Investments in associate (Continued)

The detail of the associate is as follows:

Name of associate	Principal activities	Country of incorporation and principal place of business	Effective equity held by the Group	
			<u>2024</u> %	<u>2023</u> %
TriReme Medical, LLC ("TriReme")	Development, manufacturing and distribution of medical devices	United States of American	20.19	20.19

The Group has not recognised losses relating to the associate where its share of losses exceeds the Group's carrying amount of its investment in the associate. The Group has not recognise's cumulative share of unrecognised losses was S\$345,000 (2023: S\$196,000) of which there is no any share of the current year's losses. The Group has no obligation in respect of those losses.

## 15. Other investment

	<u>Group</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Non-current investment		
Equity Investment – Mandatorily at FVTPL	<u>-</u>	<u>-</u>

At the end of the current and previous financial year, management had recognised a full fair value loss for the unquoted equity investment of approximately US\$255,000 (approximately S\$344,000) in profit or loss of the Group in view of the negative financial position of the investee company.

## 16. Other non-current assets

	<u>Group</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Security deposits	<u>-</u>	<u>27</u>

## 17. Inventories

	<u>Group</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Dental supplies, at cost	<u>47</u>	<u>37</u>

The cost of inventories sold recognised as an expense and included under "cost of sales" of the Group amounted to S\$242,000 (2023: S\$102,000) for the financial year.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 18. Trade and other receivables

	<b>Group</b>		<b>Company</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Trade receivables				
- Third parties	1,209	1,342	-	-
- Related parties	774	531	-	-
Less: loss allowance (Note 32)	(47)	(27)	-	-
	<u>1,936</u>	<u>1,846</u>	<u>-</u>	<u>-</u>
Other receivables				
- Third parties	3	34	-	-
- Related parties	262	676	-	-
- Non-controlling interest	200	-	-	-
Deposits	328	322	-	10
Prepayments	33	61	1	3
Amount due from subsidiaries	-	-	83	71
Less: loss allowance (Note 32)	-	-	(83)	(71)
	<u>2,762</u>	<u>2,939</u>	<u>1</u>	<u>13</u>

The movement in the loss allowance during the financial year is as follows:

	<b>Group</b>		<b>Company</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
At 1 January	27	-	71	-
Loss allowance	20	27	20	71
Reversal	-	-	(8)	-
At 31 December	<u>47</u>	<u>27</u>	<u>83</u>	<u>71</u>

Trade receivables (including related parties) are non-interest bearing and are generally on 60 to 90 days (2023: 60 to 90 days) credit terms. Trade receivables are denominated in Singapore Dollars.

Other receivables from third parties, related parties, and amount due from subsidiaries are generally non-interest bearing, unsecured and repayable on demand.

Other receivables from non-controlling interest relates part of the consideration for the disposal of shareholding in TDHJW, TDHC and TDHSK as disclosed in Note 13, generally non-interest bearing and unsecured.

All other receivables are denominated in Singapore Dollars.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 19. Cash and cash equivalents

	<b>Group</b>		<b>Company</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
Cast at banks	358	678	32	21
Cash in hand	28	66	-	-
Cash and bank balances	<u>386</u>	<u>744</u>	<u>32</u>	<u>21</u>

Cash at banks earns interest at floating rates based on daily bank deposit rates.

## 20. Share capital

	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>Number of ordinary shares ('000)</u></b>		<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
<b><u>Group and Company</u></b>				
<b><u>Issued and fully paid</u></b>				
At 1 January	7,464,501	6,893,073	236,163	234,230
Shares issued pursuant to share placement (i)	550,000	-	1,100	-
Shares issued pursuant to acquisition (ii)	-	571,428	-	2,000
Share issuance expenses	-	-	(55)	(67)
At 31 December	<u>8,014,501</u>	<u>7,464,501</u>	<u>237,208</u>	<u>236,163</u>

- (i) During the financial year, the Company completed a share placement, where 400,000,000 new ordinary shares were issued in the capital of the Company at an issue price of S\$0.002 per share ("Placement shares"); and a settlement shares where 150,000,000 new ordinary shares were issued in the capital of the Company at an issue price of S\$0.002 per share ("Settlement shares"). The Company received a gross share placement proceeds of S\$800,000 and the settlement shares have been settled by the Company tranche consideration payable for the acquisition of ADG group of S\$300,000 (Note 26).
- (ii) In the prior financial year, the Company completed a share placement, where 571,428,600 new ordinary shares were issued in the capital of the Company at an issue price of S\$0.0035 per share.

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 21. Reserves

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Merger reserve	(332)	(1,866)	-	-
Reserve for own shares	(98)	(98)	-	-
Translation reserve	(4)	(4)	-	-
Share-based payment reserve	11,510	11,606	48	48
Capital reserve	-	-	(228,762)	(228,762)
	<u>11,076</u>	<u>9,638</u>	<u>(228,714)</u>	<u>(228,714)</u>

### Merger reserve

Merger reserve represents the combined amount of issued capital of respective subsidiaries under common control that were previously combined to form QTV Group in 2013, and changes in equity attributable to owners of the Company pertaining to the disposal of subsidiaries without loss of control.

### Reserve for own shares

The reserve for own shares comprises the cost of QTV's shares held by the Group. As at 31 December 2024, the Group held 16,000 (2023: 16,000) of QTV's shares.

### Translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

### Share-based payment reserve

The share-based payment reserve of the Group comprises the cumulative value of employee services received for previous issuance of share options to employees under QTV Group prior to the corporate restructuring.

The share-based payment reserve of the Company comprises the cumulative value of QTV's share options assumed by the Company (Note 28) pursuant to the corporate restructuring.

### Capital reserve

This represents the difference between the share capital of the Company which was issued in exchange for the ordinary shares of QTV pursuant to the corporate restructuring and the carrying amount of total equity of QTV at the date of the corporate restructuring.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 22. Deferred tax liabilities

	<b>Group</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
At 1 January	128	61
Acquisition of business (Note 13)	-	57
Charged to profit or loss	26	10
At 31 December	<u>154</u>	<u>128</u>

Deferred tax liabilities principally arise as a result of difference between carrying amount and tax written down value of plant and equipment.

## 23. Trade and other payables

	<b>Group</b>		<b>Company</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
Trade payables				
- Third parties	1,153	958	-	-
Other payables				
- Third parties	399	382	271	146
- Director	357	-	357	-
- Shareholder	97	-	-	-
Accrued payroll and other related costs	1,697	1,498	290	118
Accrued operating expenses	3,406	3,311	90	95
Amount due to subsidiaries	-	-	467	5,439
Goods and Service Tax payables	244	220	-	-
	<u>7,353</u>	<u>6,369</u>	<u>1,475</u>	<u>5,798</u>
Current	7,353	6,338	1,475	5,798
Non-current	-	31	-	-
	<u>7,353</u>	<u>6,369</u>	<u>1,475</u>	<u>5,798</u>

Trade payables are non-interest bearing and are settled on average 30 to 60 days (2023: 30 to 60 days) terms.

The amount due to subsidiaries are non-trade related, unsecured, interest-free and repayable on demand and in cash.

Accrued operating expenses mainly consist of S\$3,910,573 accrual of legal fee, interest expenses for final milestone and administrative fees payable to American Arbitration Association pertaining to the legal proceedings as disclosed in Note 35.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 23. Trade and other payables (Continued)

Other than those disclosed above, other payables (current) are non-trade in nature, unsecured, interest-free and repayable on demand.

The Group's and Company's trade and other payables that are not denominated in the functional currencies of the respective entities are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
United States dollar	3,113	3,020	-	-
Euro	708	713	-	-

## 24. Lease liabilities

The Group leased certain premises and copier under leases. The lease term is two to four years. Interest rates are fixed at inception of the lease contract dates at 5.25% (2023: 5.25%) per annum. All leases are on a fixed repayment basis with no contingent rental payments.

### Recognition exemptions

The Group has certain lease contracts with lease terms of 12 months or less. For such leases, the Group has elected not to recognise right-of-use assets and lease liabilities.

#### (a) Right-of-use assets

	<b>Clinic premises</b>	<b>Copier</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Group</b>			
<b>Cost</b>			
<b>At 1 January 2023</b>	2,025	4	2,029
Additions due to acquisition (Note 13)	206	-	206
Additions	597	-	597
Depreciation	(862)	(2)	(864)
<b>At 31 December 2023</b>	1,966	2	1,968
Additions	2,494	11	2,505
Depreciation	(1,222)	(2)	(1,224)
<b>At 31 December 2024</b>	3,238	11	3,249

During the financial year, the Group acquired right-of-use assets for an aggregate of approximately S\$2,505,000 (2023: S\$803,000) of which S\$2,478,000 (2023: S\$597,000) was acquired by means of a lease; S\$Nil (2023: S\$206,000) acquired through acquisition of business; and S\$27,000 (2023: S\$Nil) was acquired by means of provision for reinstatement costs [Note 27(a)].

The total cash outflow for leases during the financial year ended 31 December 2024 is S\$1,251,000 (2023: S\$950,000).

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 24. Lease liabilities (Continued)

### (b) Lease liabilities

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Lease liabilities – current	1,126	1,027
Lease liabilities – non-current	2,132	919
At the end of financial year	<u>3,258</u>	<u>1,946</u>

The maturity analysis of lease liabilities is disclosed in Note 32.

### (c) Amounts recognised in profit or loss

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Depreciation of right-of-use assets	1,224	864
Interest expense on lease liabilities	85	86
Expense relating to short-term leases	<u>110</u>	<u>342</u>

## 25. Loans and borrowings

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Secured:</b>		
Term loan I	620	812
Term loan II	118	153
Term loan III	339	456
Term loan IV	320	437
Term loan V	279	427
Term loan VI	620	810
Term loan VII	181	–
	237	–
Loan from a related party	<u>1,673</u>	<u>1,467</u>
	4,387	4,562
Less: Amount due for settlement within 12 months (shown under current liabilities)	<u>(2,608)</u>	<u>(1,804)</u>
Amount due for settlement after 12 months	<u>1,779</u>	<u>2,758</u>



# Notes to The Financial statements

For the financial year ended 31 December 2024

## 25. Loans and borrowings (Continued)

### Bank loans

	<u>Fixed interest rate</u>	<u>Period of loan disbursement</u>	<u>Period of commencement of loan repayment</u>	<u>Number of months of repayment</u>
<u>Bank loans</u>				
Term loan I	5.50%	October 2022	December 2022	60
Term loan II	6.50%	December 2022	December 2022	60
Term loan III	4.75%	July 2022	September 2022	60
Term loan IV	4.75%	May 2022	July 2022	60
Term loan V	5.50%	August 2022	October 2022	48
Term loan VI	4.75%	October 2022	December 2022	60
Term loan VII	7.75%	May 2024	June 2024	60
Term loan VIII	8.50%	August 2024	September 2024	60

The bank loans are secured as follows:

- (a) Term loan I – Principal amount of S\$1,000,000
  - The Company's pledge of its entire shareholding in ADG; and
  - Pledge by a director of ADG, of his entire 40% shareholding in ADG.
- (b) Term loan II – Principal amount of S\$190,000
  - Personal guarantees from a director of the Company and another director of ADG.
- (c) Term loan III – Principal amount of S\$600,000  
 Term loan IV – Principal amount of S\$600,000  
 Term loan V – Principal amount of S\$600,000
  - Personal guarantees from a director of ADG.
- (d) Term loan VI – Principal amount of S\$1,000,000
  - The Company's pledge of its entire shareholding in ADG;
  - Pledge by a director of ADG, of his entire 40% shareholding in ADG; and
  - All funds currently held or deposited into any designated account with the bank.
- (e) Term loan VII – Principal amount of S\$200,000  
 Term loan VIII – Principal amount of S\$250,000
  - Personal guarantees from a director of ADG.

### Loan from a related party

The loan from a related party is secured by the Company's pledge of its entire shareholding in ADG and bears a fixed interest rate of 5.5% (2023: 5.50%) per annum. The disbursed loan amount was S\$2,000,000 and is repayable in 42 monthly instalments commencing in April 2022.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 26. Amount due to a non-controlling interest

	<b>Group</b>		<b>Company</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Within first year (deferred payment)	-	-	-	-
Within second year (deferred payment)	-	1,383	-	1,383
Contingent consideration	-	1,314	-	1,314
	<u>-</u>	<u>2,697</u>	<u>-</u>	<u>2,697</u>
Presented as:				
- Current		1,383		1,383
- Non-current	-	1,314	-	1,314
	<u>-</u>	<u>2,697</u>	<u>-</u>	<u>2,697</u>

The amount due to a non-controlling interest (or the "Vendor") relates to the Earn-Out Amount which is part of the consideration for the acquisition of ADG Group in prior years. The contingent consideration is payable to the Vendor if the ADG Group achieves the Aggregate earnings before interest, taxes, depreciation, and amortisation ("EBITDA") Threshold.

During the year, the amount due to a non-controlling interest, together with the interest charged on the Earn-Out Amount amounting to S\$69,000, was settled by contra with consideration from disposal of interests in ADG Group (Note 13), via Settlement shares of the Company (Note 20(i)); and cash. At the reporting date, the amount is fully repaid by the Company to the Vendor.

## 27. Provisions

	<b>Group</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>S\$'000</b>	<b>S\$'000</b>
Provision for reinstatement costs	249	222
Provision for unutilised leaves	48	41
	<u>297</u>	<u>263</u>

### (a) Provision for reinstatement costs

	<b>Group</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b>S\$'000</b>	<b>S\$'000</b>
At 1 January	222	155
Additions [Note 24 (a)]	27	67
At 31 December	<u>249</u>	<u>222</u>

Provision for reinstatement costs relates to reinstating the leased dental clinic to its original state at the end of the lease term. The provision is based on current reinstatement cost information available and to the best knowledge and experience of the management.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 27. Provisions (Continued)

### (b) Provision for unutilised leaves

	<b>Group</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
At 1 January	41	–
Additions	7	41
At 31 December	48	41

Provision for unutilised leave relates to the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year. The provision is based on the unutilised leave as at end of the financial year and the staffs' salary.

## 28. Share-based payment arrangements

The Group has the following share-based payment arrangements:

### (a) Share option programme (equity-settled)

In September 2005 ("2005 Stock Plan"), November 2010 ("2010 Stock Plan") and September 2013 ("2013 Stock Plan"), QTV had established share option plans that entitle certain employees, directors and consultants to purchase ordinary shares in QTV. Further, in April 2014, QTV adopted the 2014 QTV Employee Share Option Scheme ("2014 Stock Plan") which had become effective upon the listing of QTV on the Catalist of the SGX-ST in April 2014.

As part of the corporate restructuring, all liabilities and obligations in connection with the outstanding share options ("Options") granted under QTV's 2005, 2010, 2013 and 2014 Stock Plans (collectively, the "Option Schemes") are assumed by the Company ("Options Variation"). The Options Variation do not involve any changes made to the terms of the share options granted or the rules of the Option Schemes except the outstanding Options will be exercisable into shares of the Company.

At the reporting date, the Option Schemes have 11 Option holders with 4,219,000 outstanding Options. Details of the outstanding Options are set out below.

<b><u>Options granted</u></b>	<b><u>Date granted</u></b>	<b><u>Exercise period</u></b>	<b><u>Exercise price per option (S\$)</u></b>	<b><u>Options outstanding at 31 December 2024</u></b>	<b><u>Number of Option holders</u></b>
2014 Stock Option	14 August 2015	Ten years from date of grant	0.095	4,219,000	11

The Company does not intent to issue additional Options under the Option Schemes.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 28. Share-based payment arrangements (Continued)

The Group has the following share-based payment arrangements (continued):

### (a) Share option programme (equity-settled) (Continued)

#### *Reconciliation of outstanding Options*

	<b>Group</b>	
	<b>No. of options</b>	
	<b>2024</b>	<b>2023</b>
	<b>'000</b>	<b>'000</b>
Outstanding at 1 January	4,219	12,186
Expired during the year	–	(7,967)
Outstanding at 31 December	<u>4,219</u>	<u>4,219</u>
Exercisable at 31 December	<u>4,219</u>	<u>4,219</u>

### (b) Restricted share awards (equity-settled)

The QT Vascular Restricted Share Plan 2015 ("Award Scheme") was adopted to allow QTV to grant share awards ("Awards") to employees and directors of the Company or its subsidiaries, including controlling shareholders and their associates.

As part of the corporate restructuring, all liabilities and obligations in connection with the outstanding Awards granted under the Award Scheme are assumed by the Company ("Awards Variation"). The Awards Variation do not involve any changes made to the terms of the Awards granted or the rules of the Award Scheme except the outstanding Awards shall be reference to shares of the Company.

At the reporting date, the Award Scheme has 1 share awards holders with an aggregate of 70,000 outstanding Awards. The Company does not intend to grant additional Awards under the Award Scheme.

#### *Reconciliation of outstanding restricted share awards*

	<b>Group</b>	
	<b>No. of Awards</b>	
	<b>2024</b>	<b>2023</b>
	<b>'000</b>	<b>'000</b>
Outstanding at 1 January	1,092	1,242
Forfeited during the year	(1,022)	(150)
Outstanding at 31 December	<u>70</u>	<u>1,092</u>

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 28. Share-based payment arrangements (Continued)

The Group has the following share-based payment arrangements (continued):

### (b) Restricted share awards (equity-settled) (Continued)

*Reconciliation of outstanding restricted share awards (Continued)*

	<b>Group</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
Share-based compensation (forfeiture) recognised in profit or loss	<u>(96)</u>	<u>(72)</u>

### *Measurement of fair value of Option Schemes*

The fair value of Option Schemes assumed by the Company has been measured using Black-Scholes option-pricing model as at 29 July 2022 which is the date of the completion of the corporate structuring. Estimates of volatility has been based on an evaluation of the historical volatility of the Company's share price. The expected term of the share options has been based on estimated option holder behaviour.

The inputs used in the measurement of the fair values of the Options under the Option Schemes are as follows:

	<b><u>Company</u></b>
	<b><u>2022</u></b>
Fair value at 29 July 2022 (weighted average)	S\$0.0037 – 0.0044
Share price at 29 July 2022	S\$0.005
Exercise price	S\$0.006 – 0.095
Expected volatility (weighted average)	233.8% – 242.3%
Expected life (weighted average)	2.05 years
Expected dividends	–
Risk-free interest rate (weighted average based on government bonds)	2.5 – 2.9%
Share-based compensation expense	<u>S\$48,000</u>

## 29. Significant related party transactions

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and the Company if that person:
  - (i) Has control or joint control over the Company;
  - (ii) Has significant influence over the Company; or
  - (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 29. Significant related party transactions (Continued)

- (b) An entity is related to the Group and the Company if any of the following conditions applies:
- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) Both entities are joint ventures of the same third party;
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employees are also related to the Company;
  - (vi) The entity is controlled or jointly controlled by a person identified in (a);
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

The effect of the Group's and Company's transactions and arrangements with related parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

In addition to the related party information disclosed elsewhere in the financial statements, the Company had the following significant transactions with related parties on terms agreed between the parties as follows:

	<b>2024</b> <b>S\$'000</b>	<b>2023</b> <b>S\$'000</b>
Loan from a director	357	–
Loan from a shareholder	97	–
Other income from a related party <sup>(1)</sup>	53	–
Interest expense incurred on loan from a related party <sup>(1)</sup>	151	90
Dental services rendered to related parties <sup>(1)</sup>	122	124
Consultancy services rendered to related parties <sup>(1)</sup>	360	470
Short-term lease expense paid to a related party <sup>(2)</sup>	65	78

<sup>(1)</sup> Related parties refer to a company beneficially owned by a director of ADG.

<sup>(2)</sup> A related party refers to a company beneficially owned by a director of the Company.

### Director transactions

In 2014, Eitan Konstantino, the former executive director and chief executive officer of QT Vascular Ltd. had entered into an amended and restated intellectual property assignment agreement with QT Vascular and its wholly owned subsidiary, Quattro Vascular Pte. Ltd. ("Quattro"), under which he assigned QT Vascular and Quattro all intellectual property rights for a medical device to be utilised in the treatment of blood vessels, i.e., 'chocolate' balloon catheter. Based on the revised agreement, Eitan Konstantino is entitled to 2.85% of the net sales of the product upon commercialisation and the amount is payable quarterly on a date within five business days of the earlier of (i) filing with the applicable regulatory body of the required quarterly and annual financial reports and (ii) 45 days following the end of a fiscal quarter and 60 days following the end of a fiscal year. No royalty expense was recognised in profit and loss of the Group paid/payable to Eitan Konstantino for the financial year ended 31 December 2024 and 2023.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 29. Significant related party transactions (Continued)

### Director transactions (Continued)

#### ***Compensation of directors and key management personnel***

The remuneration of directors and other members of key management during the financial year was as follows:

	<b><u>2024</u></b> <b>S\$'000</b>	<b><u>2023</u></b> <b>S\$'000</b>
Directors' fee	145	145
Short-term benefits	711	768
Post-employment benefits	56	50
	<u>912</u>	<u>963</u>
Comprised:		
- Directors of the Company	384	458
- Key management of the Group	528	505
	<u>912</u>	<u>963</u>

The remuneration of directors and key management is determined by the board of directors and shareholders having regard to the performance of individuals.

## 30. Segment information

For management purposes and resource allocation, the Group is organised into business operating units based on reports reviewed by management team that are used to make strategic decisions. This forms the basis of identifying the segments of the Group under *SFRS(I) 8 Operating segments* as follows:

### (i) **Vascular business**

The vascular business segment is in the business of development, manufacturing and distribution of medical devices.

### (ii) **Healthcare business**

The healthcare business segment is in the business of rendering of dental services.

### (iii) **Corporate**

Corporate segment consists of investment holding company which does not meet any of the quantitative threshold for determining a reportable operating segment.

The Group's operations are mainly domiciled in Singapore.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2.



# Notes to The Financial statements

For the financial year ended 31 December 2024

## 30. Segment information (Continued)

### *Segment revenue and results*

The following is an analysis of the Group's revenue and results by reportable segments:

### Information about reportable segments

	<b>Vascular business S\$'000</b>	<b>Healthcare business S\$'000</b>	<b>Corporate S\$'000</b>	<b>Total S\$'000</b>
<b><u>Group</u></b>				
<b><u>2024</u></b>				
<b><u>Revenue</u></b>				
External revenue/total revenue	–	12,685	–	12,685
<b><u>Results</u></b>				
Loss before income tax	(13)	(442)	(2,066)	(2,521)
Income tax	–	(37)	(1)	(38)
Loss for the year	(13)	(479)	(2,067)	(2,559)
<b><u>Assets and liabilities</u></b>				
Segment assets	–	9,834	2,691	12,525
Segment liabilities	(716)	(8,216)	(6,568)	(15,500)
<b><u>Other segment information</u></b>				
Expenditure for plant and equipment	–	(353)	–	(353)
Interest expenses	–	(240)	(220)	(460)
Other non-cash items:				
Depreciation of plant and equipment	–	(248)	(37)	(285)
Depreciation of right-of-use assets	–	(1,224)	–	(1,224)
Amortisation of intangible assets	–	(62)	(172)	(234)
Impairment loss on goodwill	–	(1,010)	–	(1,010)

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 30. Segment information (Continued)

*Segment revenue and results (Continued)*

The following is an analysis of the Group's revenue and results by reportable segments (Continued):

### Information about reportable segments (Continued)

	<b>Vascular business S\$'000</b>	<b>Healthcare business S\$'000</b>	<b>Corporate S\$'000</b>	<b>Total S\$'000</b>
<b>Group</b>				
<b>2023</b>				
<b>Revenue</b>				
External revenue/total revenue	–	13,081	–	13,081
<b>Results</b>				
(Loss)/Profit before income tax	(2,322)	717	(1,676)	(3,281)
Income tax	–	(100)	–	(100)
(Loss)/Profit for the year	(2,322)	617	(1,676)	(3,381)
<b>Assets and liabilities</b>				
Segment assets	–	9,467	3,564	13,031
Segment liabilities	(3,785)	(7,028)	(5,246)	(16,059)
<b>Other segment information</b>				
Expenditure for plant and equipment	–	(401)	(13)	(414)
Interest expenses	–	(267)	(223)	(490)
Other non-cash items:				
Depreciation of plant and equipment	–	(152)	(39)	(191)
Depreciation of right-of-use assets	–	(864)	–	(864)
Amortisation of intangible assets	–	(58)	(229)	(287)

### *Geographical information*

The Group operates principally in Singapore:

### *Information about major customers*

There were no customers with revenue of over 10% of the Group's revenue for the financial year ended 31 December 2024 and 2023.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 31. Contingent liabilities

As at 31 December 2024, the Company has given corporate guarantee to a bank for certain bank loans in respect to the banking facilities granted to subsidiaries and corporate guarantee to a related party for a loan from a related party (Note 25).

Such guarantee is in the form of a financial guarantee as they require the Company to reimburse the bank if the subsidiary to which the guarantee was extended fails to make principal or interest repayments when due in accordance with the terms of the borrowings. There has been no default or non-repayment since the utilisation of the banking facility.

The Company has evaluated the fair value of the corporate guarantee. Consequently, the Company is of the view that the fair value of the guarantee to the bank with regard to the subsidiary is not significant. The Company has not recognised any liability in respect of the guarantee given to the bank for banking facility granted to the subsidiary as the Company's directors have assessed that the likelihood of the subsidiary defaulting on repayment is remote.

## 32. Financial instruments and financial risks

The Group's activities expose it to credit risk, market risks (including foreign currency risk and interest rate risk) and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

There have been no changes to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange rates.

### **Credit risk**

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group's credit risk arises mainly from bank balances and trade and other receivables carried at amortised cost. Bank balances are mainly deposits with banks with high credit-ratings assigned by international credit rating agencies and the Group does not expect the impairment loss from bank balances to be material, if any.

To assess and manage its credit risk, the Group categorises the aforementioned financial assets and according to their risk of default. The Group defines default to have taken place when internal or/and external information indicates that the financial asset is unlikely to be received, which could include a breach of debt covenant, and/or where contractual payments are 90 days past due as per SFRS(I) 9's presumption.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 32. Financial instruments and financial risks (Continued)

### Credit risk (Continued)

In their assessment, the management considers, amongst other factors, the latest relevant credit ratings from reputable external rating agencies where available and deemed appropriate, historical credit experiences, latest available financial information and latest applicable credit reputation of the debtor.

The Group's internal credit risk grading categories are as follows:

Category	Description	Basis of recognising ECL
1	Low credit risk <sup>Note 1</sup>	12-months ECL
2	Non-significant increase in credit risk since initial recognition and financial asset is $\leq$ 30 days past due	12-months ECL
3	Significant increase in credit risk since initial recognition <sup>Note 2</sup> or financial asset is $>$ 30 days past due	Lifetime ECL
4	Evidence indicates that financial asset is credit-impaired <sup>Note 3</sup>	Difference between financial asset's gross carrying amount and present value of estimated future cash flows discounted at the financial asset's original effective interest rate
5	Evidence indicates that the management has no reasonable expectations of recovering the write off amount <sup>Note 4</sup>	Written off

#### Note 1. Low credit risk

The financial asset is determined to have low credit risk if the financial assets have a low risk of default, the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Generally, this is the case when the Group assesses and determines that the debtor has been, is in and is highly likely to be, in the foreseeable future and during the (contractual) term of the financial asset, in a financial position that will allow the debtor to settle the financial asset as and when it falls due.

#### Note 2. Significant increase in credit risk

In assessing whether the credit risk of the financial asset has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial asset as of reporting date with the risk of default occurring on the financial asset as of date of initial recognition, and considered reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

In assessing the significance of the change in the risk of default, the Group considers both past due (i.e. whether it is more than 30 days past due) and forward looking quantitative and qualitative information.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 32. Financial instruments and financial risks (Continued)

### *Credit risk (Continued)*

Note 2. Significant increase in credit risk (Continued)

Forward looking information includes the assessment of the latest performance and financial position of the debtor, adjusted for the Group's future outlook of the industry in which the debtor operates based on the most recent news or market talks about the debtor, as applicable. In its assessment, the Group will generally, for example, assess whether the deterioration of the financial performance and/or financial position, adverse change in the economic environment (country and industry in which the debtor operates), deterioration of credit risk of the debtor, etc. is in line with its expectation as of the date of initial recognition of the financial asset. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contract payments are >30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Note 3. Credit impaired

In determining whether financial assets are credit-impaired, the Group assesses whether one or more events that have a detrimental impact on the estimated future cashflows of the financial asset have occurred. Evidence that a financial asset is credit impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- Breach of contract, such as a default or being more than 90 days past due;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for the financial asset because of financial difficulties.

Note 4. Write off

Generally, the Group writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cashflows to repay the amounts subjected to the write-off.

The Group performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collateral.

The Group does not have any significant credit exposure to any single counterparty or any groups of counterparties having similar characteristics.

With reference to Note 31, the Company provide financial guarantee to a bank in respect of bank facilities granted to subsidiaries. The date when the Company become a committed party to the guarantee are considered to be the date of initial recognition for the purpose of assessing the financial asset for impairment. In determining whether there has been a significant risk of a default occurring on the drawn-down facilities, the Company considered the change in the risk that the specified debtor (i.e. the applicable subsidiaries) will default on the contract. The Company assessed that the credit risk relating to the financial guarantee is insignificant to the Company.

As at the end of the financial year, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 32. Financial instruments and financial risks (Continued)

### Credit risk (Continued)

#### Trade receivables (Note 18)

The Group uses the practical expedient under SFRS(I) 9 in the form of allowance matrix to measure the ECL for trade receivables, where the loss allowance is equal to lifetime ECL.

The ECL for trade receivables are estimated using an allowance matrix by reference to the historical credit loss experience of the customers for the last 3 years prior to the respective reporting dates for various customer groups that are assessed by geographical locations, product types and internal ratings, adjusted for forward looking factors specific to the debtors and the economic environment which could affect the ability of the debtors to settle the financial assets. In considering the impact of the economic environment on the ECL rates, the Group assesses, for example, the gross domestic production growth rates of the countries (e.g. Singapore) and the growth rates of the major industries which its customers operate in.

In their assessment, the management considers, amongst other factors, the latest relevant credit ratings from reputable external rating agencies where available and deemed appropriate, historical credit experiences, latest available financial information and latest applicable credit reputation of the debtor.

Trade receivables are written off when there is evidence to indicate that the customer is in severe financial difficulty such as being under liquidation or bankruptcy and there are no reasonable expectations for recovering the outstanding balances.

The loss allowance for trade receivables is determined as follows:

<b>Group</b>	<b>Current</b>	<b>Past due more than 1 to 30 days</b>	<b>Past due more than 31 to 60 days</b>	<b>Past due more than 61 days</b>	<b>Total</b>
<b>31 December 2024</b>					
Expected credit loss rates	–	–	–	2%	
Trade receivables (gross) (S\$'000)	1,151	145	58	629	1,983
Loss allowance (S\$'000)	–	–	–	(47)	(47)
<b>31 December 2023</b>					
Expected credit loss rates	–	–	–	2%	
Trade receivables (gross) (S\$'000)	1,123	294	91	365	1,873
Loss allowance (S\$'000)	–	–	–	(27)	(27)

#### Other receivables (Note 18)

As of 31 December 2024, the Group recorded other receivables of S\$793,000 (2023: S\$1,032,000). As of 31 December 2024, the Company recorded other receivables of S\$91,000 (2023: S\$81,000). The Group and the Company assessed the latest performance and financial position of the respective debtors and related parties, adjusted for the future outlook of the industry which the debtors operate in, by referring to expert publications on the industry, and for any market talks on the debtors' credit reputation and concluded that other than the credit impaired receivables, there has been no significant increase in the credit risk since the initial recognition of the financial asset. Accordingly, the Group and the Company measured the impairment loss allowance using 12-months ECL and determined that the ECL is insignificant.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 32. Financial instruments and financial risks (Continued)

### Credit risk (Continued)

Other receivables (Note 18) (Continued)

The movement in the loss allowance during the financial year and the Group's and Company's exposure to credit risk in respect of the trade receivables is as follows:

<b>Group</b>	<b>Trade receivables</b>		
	<b>Note (i)</b>	<b>Category 4</b>	<b>Total</b>
<b>Internal credit risk grading</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Loss allowance</b>			
<b>Balance at 1 January 2023</b>	-	-	-
Assets recognised/originated	-	27	27
<b>Balance at 31 December 2023</b>	-	27	27
Assets recognised/originated	-	20	20
<b>Balance at 31 December 2024</b>	-	47	47
<b>Gross carrying amount</b>			
At 31 December 2023	1,846	27	1,873
At 31 December 2024	1,936	47	1,983
<b>Net carrying amount</b>			
At 31 December 2023	1,846	-	1,846
At 31 December 2024	1,936	-	1,936



# Notes to The Financial statements

For the financial year ended 31 December 2024

## 32. Financial instruments and financial risks (Continued)

### Credit risk (Continued)

#### Other receivables (Note 18) (Continued)

The movement in the loss allowance during the financial year and the Group's and Company's exposure to credit risk in respect of the trade receivables is as follows (Continued):

<b>Company</b> <b>Internal credit risk grading</b>	<b>Other receivables</b>		
	<b>Category 2</b> <b>S\$'000</b>	<b>Category 4</b> <b>S\$'000</b>	<b>Total</b> <b>S\$'000</b>
<b>Loss allowance</b>			
<b>Balance at 1 January 2023</b>	–	–	–
Assets recognised/originated	–	71	71
<b>Balance at 31 December 2023</b>	–	71	71
Assets recognised/originated	–	12	12
<b>Balance at 31 December 2024</b>	–	83	83
<b>Gross carrying amount</b>			
At 31 December 2023	10	71	81
At 31 December 2024	–	83	83
<b>Net carrying amount</b>			
At 31 December 2023	10	–	10
At 31 December 2024	–	–	–

Note (i) For trade receivables, the Group uses the practical expedient under SFRS(I) 9 in the form of an allowance matrix to measure the ECL, where the loss allowance is equal to lifetime ECL.

### Market risks

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates and interest rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

#### Foreign currency risk

The Group is exposed to foreign currency risk on certain income, expenses, monetary assets, mainly cash and cash equivalents, and liabilities that are denominated in currencies other than the functional currencies of the respective entities in the Group. As at the reporting date, the Group does not have significant foreign currency risk exposure except for the financial liabilities denominated in United States dollar and Euro.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 32. Financial instruments and financial risks (Continued)

### Market risks (Continued)

#### Foreign currency risk (Continued)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities as at the end of the financial year are as follows:

	<b>Group</b>			
	<b>Assets</b>		<b>Liabilities</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
United States dollar	-	-	3,113	3,020
Euro	-	-	708	713

The following table details the sensitivity to a 3% (2023: 3%) increase or decrease in the relevant foreign currencies against the functional currency of each Group entity. 3% (2023: 3%) is the sensitivity rate representing management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 3% (2023: 3%) change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where they give rise to an impact on the Group's profit or loss.

If the relevant foreign currency strengthens by 3% (2023: 3%) against the functional currency of each Group entity, profit or loss will increase or (decrease) by:

	<b>United States dollar impact</b>		<b>Euro impact</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Group</b>				
Profit or loss	93	91	21	21

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to interest rates risk arises primarily from their loans and borrowings. The Group's policy is to manage interest cost by maintaining an appropriate mix of fixed and floating rate borrowings.

The Group does not have any significant interest-bearing borrowings or interest-earning assets that is on floating rate that may expose the Group to interest rate risk.

# Notes to The Financial statements

For the financial year ended 31 December 2024

**32. Financial instruments and financial risks (Continued)**

*Market risks (Continued)*

*Liquidity risk*

Liquidity risk refers to the risk in which the Group encounters difficulties in meeting its short-term obligations. Liquidity risk is managed by matching the payment and receipt cycle.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group’s operations and to mitigate the effects of fluctuations in cash flows.

The following table details the Group’s remaining contractual maturity for its non-derivative financial instruments. The table has been drawn up based on contractual undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group is expected to receive or (pay). The table includes both interest and principal cash flows.

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 32. Financial instruments and financial risks (Continued)

### Liquidity risk (Continued)

<b>Group</b>	<b>Effective Interest rate %</b>	<b>Less than 1 year S\$'000</b>	<b>2 to 5 years S\$'000</b>	<b>Total S\$'000</b>
<b><u>Undiscounted financial assets</u></b>				
Trade and other receivables (excluding prepayments)		2,729	–	2,729
Cash and cash equivalents		386	–	386
<b>As at 31 December 2024</b>		<b>3,115</b>	<b>–</b>	<b>3,115</b>
Trade and other receivables (excluding prepayments)	–	2,878	–	2,878
Cash and cash equivalents	–	744	–	744
<b>As at 31 December 2023</b>		<b>3,622</b>	<b>–</b>	<b>3,622</b>
<b><u>Undiscounted financial liabilities</u></b>				
Lease liabilities	5.25%	1,231	2,275	3,506
Loans and borrowings	4.75% – 6.5%	2,721	1,905	4,626
Trade and other payables (excluding GST payables)	–	7,109	–	7,109
<b>As at 31 December 2024</b>		<b>11,061</b>	<b>4,180</b>	<b>15,241</b>
Lease liabilities	5.25%	1,098	958	2,056
Loans and borrowings	4.75% – 6.5%	2,040	2,888	4,928
Amount due to a non-controlling interest	5.25%	1,383	1,384	2,767
Trade and other payables (excluding GST payables)	5.7%	6,149	35	6,184
<b>As at 31 December 2023</b>		<b>10,670</b>	<b>5,265</b>	<b>15,935</b>
<b><u>Total undiscounted net financial liabilities</u></b>				
<b>- At 31 December 2024</b>		<b>(7,946)</b>	<b>(4,180)</b>	<b>(12,126)</b>
<b>- At 31 December 2023</b>		<b>(7,048)</b>	<b>(5,265)</b>	<b>(12,313)</b>

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 32. Financial instruments and financial risks (Continued)

### *Liquidity risk (Continued)*

<u>Company</u>	<u>Effective interest rate %</u>	<u>Less than 1 year S\$'000</u>	<u>2 to 5 years S\$'000</u>	<u>Total S\$'000</u>
<b><u>Undiscounted financial assets</u></b>				
Cash and cash equivalents		32	–	32
<b>As at 31 December 2024</b>		32	–	32
Other receivables (excluding prepayments)	–	10	–	10
Cash and cash equivalents	–	21	–	21
<b>As at 31 December 2023</b>		31	–	31
<b><u>Undiscounted financial liabilities</u></b>				
Other payables		1,475	–	1,475
Maximum amount of financial guarantee	–	2,913	–	2,913
<b>As at 31 December 2024</b>		4,388	–	4,388
Amount due to a non-controlling interest	5.25%	1,383	1,384	2,767
Other payables	–	5,798	–	5,798
Maximum amount of financial guarantee	–	3,089	–	3,089
<b>As at 31 December 2023</b>		10,270	1,384	11,654
<b><u>Total undiscounted net financial liabilities</u></b>				
<b>- At 31 December 2024</b>		(4,356)	–	(4,356)
<b>- At 31 December 2023</b>		(10,239)	(1,384)	(11,623)

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 32. Financial instruments and financial risks (Continued)

### *Financial instruments by category*

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statements of financial position and as follows:

	<b><u>2024</u></b> <b><u>S\$'000</u></b>	<b><u>2023</u></b> <b><u>S\$'000</u></b>
<b><u>Group</u></b>		
<b>Financial assets at fair value through profit or loss</b>		
Other investment	–	–
<b>Financial assets at amortised cost</b>		
Trade and other receivables (excluding prepayments)	2,729	2,878
Cash and cash equivalents	386	744
	<u>3,115</u>	<u>3,622</u>
<b>Financial liabilities at amortised cost</b>		
Lease liabilities	3,258	1,946
Loans and borrowings	4,387	4,562
Amount due to a non-controlling interest	–	2,697
Trade and other payables (excluding GST payables)	7,109	6,369
	<u>14,754</u>	<u>15,574</u>
	<b><u>2024</u></b> <b><u>S\$'000</u></b>	<b><u>2023</u></b> <b><u>S\$'000</u></b>
<b><u>Company</u></b>		
<b>Financial assets at amortised cost</b>		
Other receivables (excluding prepayments)	–	10
Cash and cash equivalents	32	21
	<u>32</u>	<u>31</u>
<b>Financial liabilities at amortised cost</b>		
Amount due to a non-controlling interest	–	2,697
Other payables	1,475	5,798
	<u>1,475</u>	<u>8,495</u>

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 33. Fair value of assets and liabilities

The Group categories fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Unobservable inputs for the asset or liability.

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

- Management has determined that the carrying amounts of cash at bank, including deposits pledged, trade and receivables, inventories, other financial assets, trade and other payables and loans and borrowings on their notional amounts reasonably approximate their fair values because of their short-term nature.
- The fair value of the employee share options and restricted share awards are measured using the Black-Scholes options-pricing model. Measurement inputs include the share price on the measurement date, the exercise price of the instrument, expected volatility (based on an evaluation of the historic volatility of the Company's share price, particularly over the historical period commensurate with the expected term), expected term of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.
- Other non-derivative financial liabilities are measured at fair value at initial recognition and for disclosure purposes, at each reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

Except as detailed in the following table (Fair value hierarchy), management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<b>Group</b>				
<b>2023</b>				
<b>Financial liabilities</b>				
Amount due to a non-controlling interest				
- Contingent consideration	-	-	(1,314)	(1,314)

The Group recognised the fair value of Contingent Consideration for acquisition of ADG, as of the acquisition dates as part of the consideration transferred in exchange for acquisition of subsidiary.



# Notes to The Financial statements

For the financial year ended 31 December 2024

## 33. Fair value of assets and liabilities (Continued)

This fair value measurement requires estimation of post-acquisition performance of the acquired subsidiary and judgement on time value of money. The discount rate used is based on the prevailing incremental cost of borrowings of the Group of 5.25%. If the prevailing incremental cost of borrowings increase/decrease, it will result in a decrease/increase in the fair value of Contingent Consideration.

## 34. Capital management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance except where decisions are made to exit businesses or close companies.

The capital structure of the Group consists of debts, which includes the borrowings and lease liabilities as disclosed in Note 24 and 25 and equity attributable to owners of the Company, comprising issued capital and reserves as disclosed in Note 20 and 21.

The Group's management reviews the capital structure on a regularly basis. As part of this review, management considers the cost of capital, and the risks associated with each class of capital. Upon review, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged from the year ended 31 December 2023.

Management monitors capital based on a gearing ratio and the gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as borrowings plus lease liabilities less cash and cash equivalents.

## 35. Legal proceedings

In August 2021, InnoRa GmbH ("InnoRa"), a licensor to TriReme, was a subsidiary of the Group and has become an associate of the Group at the beginning of the financial year ended 31 December 2022, was seeking to claim for an amount of (i) US\$1,200,000 in royalties, being 30% of the initial payment made to TriReme and QT Vascular ("QTV") (collectively, the "Sellers"), under the asset purchase agreement between the Sellers and G Vascular Private Limited ("Purchaser") and Genesis MedTech International Private Limited ("Genesis MedTech") in relation to the disposal of Chocolate Touch® ("Product") by TriReme to the Purchaser in August 2020, as well as (ii) 30% of all future payments received by Sellers in connection with the aforesaid disposal ("InnoRa Dispute").

In October 2021, TriReme Singapore Pte Ltd ("TriReme SG") and Quattro Vascular Pte Ltd ("Quattro"), subsidiaries of the Group, filed for a demand for arbitration against InnoRa with the American Arbitration Association seeking declaratory judgements and certain damages from InnoRa. InnoRa had responded to claims made by TriReme SG and Quattro in November 2021. Subsequently, in March 2022, TriReme SG and Quattro responded to the statement of counterclaims made by InnoRa.

On 26 August 2022, InnoRa had filed a complaint with a state court in California involving allegations similar to those made in the InnoRa Dispute ("Complaint"). The Complaint made by InnoRa now includes QTV, TriReme, the Purchaser and the Genesis Group as parties to the Complaint (collectively, the "Respondent").

# Notes to The Financial statements

For the financial year ended 31 December 2024

## 35. Legal proceedings (Continued)

On 13 January 2023, a case management conference was held by the State Court to discuss the status of the Complaint. Considering that Claimants has an arbitration hearing for the InnoRa Dispute scheduled in March 2023, of which the outcome of the arbitration will have the same effect for this Complaint, the State Court agreed for the case management conference to be deferred to 16 May 2023.

On 26 July 2023, Claimants have received the award of the arbitration proceedings for the InnoRa Dispute. The key terms of the award are summarized below:

- The Arbitrator appointed by American Arbitration Association International Centre for Dispute Resolution ("Arbitrator") denied all claims made by either party, except for the payment of the final milestone payment of EUR500,000 originally contracted to be paid by Claimants, which was due within 6 weeks of receipt of United States Food and Drug Administration ("FDA") approval for the Product. The Arbitrator also requires Claimants to accrue for a simple interest of 10% per annum from the due date of 16 December 2022 until the date the payment is made.
- The Arbitrator also ruled that InnoRa does not have any valid claims for royalties for any sales of the Product in the United States by Claimants or the Purchaser.
- Further, Claimants were not required to assign the Development and Licensing Agreement to Purchaser in conjunction with the entry of the APA.
- As InnoRa is the only party which obtained monetary relief for final milestone payment, Arbitrator ordered Claimants to reimburse InnoRa with the sum of US\$119,875, covering the administrative fees paid to American Arbitration Association ("AAA"), within 30 days of the receipt of the Award.
- Other than the reimbursement and final milestone payment, each party shall bear their respective legal fees and any other relevant costs incurred during the Arbitration.

Based on the InnoRa Dispute award, the Group has made a provision of S\$708,000 (EUR500,000) for the final milestone payment and 10% of interest per annum, S\$163,000 (US\$119,875) of administrative fees payable to AAA and a legal fee of S\$2,950,000 (US\$2,168,879) as at 31 December 2023.

With respect to the Complaint, the State Court granted QTV's motion to compel arbitration on 24 April 2023. However, no demand for arbitration has been filed by InnoRa to date. Based on the Group's US legal counsel's advice, the Board of Directors are of the opinion that should InnoRa proceed with any demand for arbitration, the Respondents may object to the demand for arbitration on the ground that the arbitration is an attempt by InnoRa to reopen the InnoRa Dispute, despite the finality of the Award for the InnoRa Dispute.

On 25 November 2024, InnoRa filed a request for dismissal of the Complaint with the court. As a result, no further significant provisions have been made by the Group for the financial year.

# Statistics of Shareholdings

As at 20 March 2025

ISSUED AND FULLY PAID UP CAPITAL	:	S\$237,329,829
NUMBER OF SHARES IN ISSUE	:	8,014,501,108
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE VOTE PER ORDINARY SHARE

## DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 20 MARCH 2025

NO. OF SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	12	0.35	391	0.00
100 – 1,000	44	1.30	29,597	0.00
1,001 – 10,000	409	12.11	3,136,840	0.04
10,001 – 1,000,000	2,578	76.32	526,164,508	6.56
1,000,001 AND ABOVE	335	9.92	7,485,169,772	93.40
<b>TOTAL</b>	<b>3,378</b>	<b>100.00</b>	<b>8,014,501,108</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

NO.	SHAREHOLDER'S NAME	NUMBER OF SHARES HELD	%
1	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	2,431,205,200	30.34
2	CHONG LEONG FAH DERRICK	1,167,680,689	14.57
3	ANG LAY KOONG(WANG LIJUN)	800,000,000	9.98
4	GIAN SIONG LIN JIMMY (YAN XIANGLIN JIMMY)	584,584,471	7.29
5	CITIBANK NOMINEES SINGAPORE PTE LTD	332,464,587	4.15
6	LAU CHEE HERNG (LIU ZHIHENG)	214,885,600	2.68
7	KENJI CHIN CHOON TSZE (CHEN ZUNZHI)	212,539,200	2.65
8	DBS NOMINEES PTE LTD	77,585,165	0.97
9	PHILLIP SECURITIES PTE LTD	72,066,766	0.90
10	RAFFLES NOMINEES (PTE) LIMITED	68,462,266	0.85
11	TAN KIAN HING	58,000,000	0.72
12	OCBC SECURITIES PRIVATE LTD	46,981,343	0.59
13	LIM CHYE HUAT @ BOBBY LIM CHYE HUAT	43,557,100	0.54
14	TIGER BROKERS (SINGAPORE) PTE. LTD.	42,129,100	0.53
15	HO BENG SIANG	34,500,000	0.43
16	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	33,825,751	0.42
17	CHEN YUEHUA	32,000,000	0.40
18	LIM ENG CHONG (LIN RONGCANG)	32,000,000	0.40
19	SOLIGNY BRUNO LUDOVIC	31,900,100	0.40
20	KOH CHEE TECK (XU ZHIDE)	28,000,000	0.35
<b>TOTAL</b>		<b>6,344,367,338</b>	<b>79.16</b>

# Statistics of Shareholdings

As at 20 March 2025

## SUBSTANTIAL SHAREHOLDER AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

No.	Name	No. of shares held as Direct	%	No. of shares held as Deemed	%
1	Thomas Tan Gim Chua	–	–	1,714,634,212 <sup>(1)</sup>	21.39
2	Ang Lay Koong <sup>(1)</sup>	800,000,000	9.98	–	–
3	Lifeline Corporation Pte. Ltd. <sup>(1)</sup>	764,634,212	9.54	–	–
3	Quek Chin Thean <sup>(2)</sup>	1,472,353,150	18.37	–	–
4	Chong Leong Fah Derrick	1,167,680,689	14.57	–	–
5	Gian Siong Lin Jimmy <sup>(3)</sup>	584,584,471	7.29	–	–

Notes:

- (1) Thomas Tan Gim Chua is deemed to be interested in 800,000,000 shares held by his spouse, Ang Lay Koong pursuant to Section 133(4) of the Securities and Futures Act 2001 ("SFA"). On 22 November 2024, Thomas transferred 764,634,212 shares to Lifeline Corporation Pte Ltd ("Lifeline") and 150,000,000 shares to Arona Industrial Products Pte Ltd ("Arona"). Both Lifeline and Arona are companies wholly owned by Thomas. Therefore, Thomas is deemed interested in all of the shares held by Lifeline and Arona pursuant to Section 4(5) of the SFA.
- (2) 1,472,353,150 shares are held in the name of CGS-CIMB Securities (Singapore) Pte Ltd.
- (3) 1,200,000 shares are held separately in the name of Philip Securities Pte Ltd.

## SHAREHOLDING HELD IN THE HANDS OF PUBLIC

Based on the information available to the Company as at 20 March 2025, approximately 38.34% of the issued ordinary shares of the Company was held in the hands of the public and therefore, Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited, is complied with.

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of QUANTUM HEALTHCARE LIMITED (the “**Company**” and together with its subsidiaries, the “**Group**”) will be held at 02:00 p.m. on Wednesday, 30 April 2025, 745 Lorong 5 Toa Payoh, Singapore 319455 for the purposes of considering and, if thought fit, passing with or without amendments, the resolutions as set out below (“**Notice**”).

## AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements for the financial year ended 31 December 2024 together with the Independent Auditor’s Report thereon. **(Resolution 1)**
2. To re-elect Melvin Lim Chun Siong who was appointed on 5 November 2024 and is eligible for re-election pursuant to Article 114 of the Company’s Constitution as a Director of the Company. **(Resolution 2)**

*[See Explanatory Note (i)]*

3. To approve the payment of Directors’ fees of S\$145,000 for the financial year ending on 31 December 2025 to be paid quarterly in arrears. (FY2024: S\$145,000) **(Resolution 3)**

*[See Explanatory Note (ii)]*

4. To re-appoint Forvis Mazars LLP as the auditors of the Company (“**Auditors**”) and to authorise the Directors to fix their remuneration. **(Resolution 4)**

*[See Explanatory Note (iii)]*

5. To note the retirement of Ng Boon Eng as Director of the Company pursuant to Article 110 of the Company’s Constitution upon the conclusion of AGM.

*[See Explanatory Note (iv)]*

6. To transact any other ordinary business that may be properly transacted at an AGM.

## AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. **Authority to Allot and Issue Shares Pursuant to the Share Issue Mandate** **(Resolution 5)**

That pursuant to Section 161 of the Companies Act 1967 of Singapore (“**Companies Act**”) and Rule 806 of the Listing Manual Section B: Rules of Catalyst of the Singapore Exchange Securities Trading Limited (“**Catalist Rules**”), authority be and is hereby given to the Directors (the “**Share Issue Mandate**”) to:

- (a) allot and issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (b) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other Instruments convertible into Shares;

## Notice of Annual General Meeting

At any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion deem fit and, notwithstanding the authority conferred by this Resolution may have ceased to be in force, issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:

- (a) the aggregate number of shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred percent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company shall not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below) or such other limit as may be prescribed by the Catalist Rules as at the date this Resolution is passed;
- (b) subject to such calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (a) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution, after adjusting for:
  - (i.) new Shares arising from the conversion or exercise of any convertible securities;
  - (ii.) new Shares arising from exercising of share options or vesting of share awards which are outstanding or subsisting at the time of passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
  - (iii.) any subsequent bonus issue, consolidation or subdivision of Shares;any adjustments in accordance with (i) and (ii) are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;
- (c) 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 is waived by the SGX-ST) and the Constitution of the Company; and
- (d) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

*[See Explanatory Note (v)]*

## Notice of Annual General Meeting

### 8. **Authority to allot and issue shares under the QT Vascular Restricted Share Plan 2015 (the “Share Plan”)** (Resolution 6)

THAT the directors of the Company be and are hereby authorised to:

- (a) Grant awards of Shares (“**Awards**”) in accordance with the provisions of the Share Plan as from time to time amended, modified or supplemented and approved by shareholders in a general meeting;
- (b) Pursuant to Section 161 of the Companies Act, allot and issue from time to time such number of fully paid-up Shares as may be required to be allotted and issued pursuant to the exercise of the Awards; and
- (c) (notwithstanding the authority conferred by this Resolution may have ceased to be in force), pursuant to Section 161 of the Companies Act, allot and issue fully paid-up Shares pursuant to the exercise of any Awards granted by the Directors in accordance with the Share Plan while this Resolution was in force,

such authority to continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held whichever is the earlier.

*[See Explanatory Note (vi)]*

### 9. **Proposed Renewal of the Share Buy-Back Mandate** (Resolution 7)

THAT:

- (a) for the purposes of the Companies Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued Shares not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to but not exceeding the Maximum Price (as hereafter defined), whether by way of
  - (i.) market purchase(s) (“**Market Purchase(s)**”) on the SGX-ST transacted through the SGX-ST trading system and/or any other securities exchange on which the Shares may for the time being be listed and quoted (the “**Other Exchange**”); and/or
  - (ii.) off-market purchase(s) (“**Off-Market Purchase(s)**”) (if effected otherwise than on the SGX-ST or, as the case may be, the Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and the Catalist Rules or, as the case may be, the Other Exchange, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Buyback Mandate**”);



## Notice of Annual General Meeting

- (b) unless revoked or varied by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors 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 date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Company at general meeting (if so varied or revoked prior to the next AGM); and
  - (ii.) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated;
- (c) in this Resolution:

**“Maximum Limit”** means that number of Shares representing ten percent (10%) of the total issued Shares of the Company (excluding any 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 in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as hereafter defined), in which event the total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered after such capital reduction (excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time);

**“Relevant Period”** means the period commencing from the date on which the last AGM of the Company was held and expiring on the date of the next AGM of the Company is held or is required to be held, or the date on which the purchases of the Shares are carried out to the full extent mandated, whichever is earlier, unless prior to that, it is varied or revoked by resolution of the shareholders of the Company in general meeting;

**“Maximum Price”** in relation to a Share to be purchased, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:

- (i.) in the case of a Market Purchase, one hundred and five percent (105%) of the Average Closing Price; and
- (ii.) in the case of an Off-Market Purchase, one hundred and twenty percent (120%) of the Average Closing Price, where:

**“Average Closing Price”** means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Catalist Rules, for any corporate action that occurs after the relevant five (5) Market Day period and the day on which the purchases are made;



# Notice of Annual General Meeting

**“date of the making of the offer”** means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, 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;

**“Market Day”** means a day on which the SGX-ST is open for trading in securities;

- (d) the Directors and/or any of them be and are hereby authorised and empowered to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

*[See Explanatory Note (vii)]*

## By Order of the Board

Lee Pih Peng  
Company Secretary  
15 April 2025

### Explanatory Notes:

- (i) Resolution 2, if passed, will re-appoint Melvin Lim Chun Siong, as a Director of the Company. Melvin Lim Chun Siong was appointed as an Independent Director on 5 November 2024 to fill a casual vacancy and accordingly, Melvin Lim Chun Siong shall be seeking re-election as he shall hold office only until the forthcoming annual general meeting to be held on 30 April 2025 pursuant to Article 114 of the Constitution. Melvin Lim Chun Siong is an Independent Non-Executive Director. Melvin Lim Chun Siong will upon the re-election, remain as Chairman of the Nominating Committee, and a member of the Audit and Remuneration Committees. The Board considers Melvin Lim Chun Siong to be independent for the purpose of Rule 704(7) of the Catalyst Rules. Further information on Melvin Lim Chun Siong is set out under the sections entitled “Board of Directors” and “Report on Corporate Governance” of the Annual Report.
- (ii) Resolution 3, if passed, will allow for payment of Directors’ fees in respect of the financial year ending 31 December 2025, payable quarterly in arrears which will be computed based on a basic fee and the number of chairmanships and memberships held on Board and the Board committees of the Company and assuming that all Non-Executive Directors will hold office for the full year. The Directors’ fees payable to Non-Executive Directors shall be pro-rated accordingly should any Director cease to hold office prior to the end of the financial year ending 31 December 2025.
- (iii) Resolution 4, if passed, will re-appoint Forvis Mazars LLP as the Company’s Auditors until the conclusion of the next AGM of the Company for the financial year ending on 31 December 2025 and authorise the Directors to fix the remuneration of the Auditors.
- (iv) Ng Boon Eng will be retiring as Director pursuant to Article 110 of the Company’s Constitution at the upcoming AGM and has decided not to seek re-election due to his own professional and personal commitments. Upon the retirement of Ng Boon Eng as Director of the Company, he will be relinquishing his position as Chairman of the Audit Committee and member of the Remuneration Committee.
- (v) Resolution 5, if passed, will authorise the Directors, from the date of the AGM until (a) the conclusion of the next AGM, or (b) the date by which the next AGM is required to be held pursuant to the Constitution of the Company or any applicable laws of Singapore, or (c) it is carried out to the full extent mandated, or (d) the date on which such authority is varied or revoked by ordinary resolution of the shareholders in a general meeting, whichever is the earliest, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to an amount not exceeding, in total, one hundred percent (100%) of the issued share capital of the Company (excluding treasury shares and subsidiary holdings), of which up to fifty percent (50%) may be issued other than on a pro-rata basis to existing shareholders of the Company. As at the date of this Notice, the total number of issued Shares in the Company is 8,014,501,108 Shares.

# Notice of Annual General Meeting

- (vi) Pursuant to the scheme of arrangement under Section 210 of the Companies Act, which was carried out on the terms of the scheme document dated 1 June 2022 ("**Scheme**"), the Company had assumed all liabilities and obligations of QT Vascular Ltd, its wholly-owned subsidiary in connection with the outstanding Awards granted by QT Vascular Ltd to the Awards holders under the Share Plan. Resolution 6, if passed, will authorise the Directors, from the date of the AGM until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied and revoked by the Company in a general meeting, whichever is the earlier, to (i) grant awards under the terms of the Share Plan and (ii) allot and issue Shares pursuant to the vesting of the Awards to be granted under the Share Plan.
- (vii) Resolution 7, if passed, will renew the Share Buyback Mandate which authorises the Company to purchase or otherwise acquire issued Shares by way of Market Purchases or Off-Market Purchases, in accordance with the terms and conditions set out in the Resolution 7 and the Appendix to the Annual Report dated 15 April 2025 ("**Appendix**"). Please refer to the Appendix for additional information in relation to the proposed renewal of the Share Buyback Mandate.

## Notes:

1. The AGM will be held at 02:00 p.m. on Wednesday, 30 April 2025, at 745 Lorong 5 Toa Payoh, Singapore 319455. **There will be no option for shareholders to participate virtually.** Printed copies of this Notice, the Proxy Form and the request form for members to request for physical copies of the Annual Report ("**Request Form**") will be sent to the members at their addresses registered with the Company's Share Registrar, Tricor Barbinder Share Registration Services. The Company will **NOT** be sending printed copies of the Annual Report 2024 which include its Appendix to members. This Notice, the Proxy Form, the Request Form and the Annual Report will be made available to members on the website of the SGX-ST at its URL <https://www.sgx.com/securities/company-announcements> and may be accessed at the Company's website at its URL <https://www.quantumhealthcare.com.sg/>.
2. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's Proxy Form appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form.
3. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where a relevant intermediary appoints more than 2 proxies, separate Proxy Form should be used.
4. "**Relevant intermediary**" has the meaning ascribed to it in section 181(6) of the Companies Act.
5. Members (whether individuals or corporates) exercising their voting rights at the AGM may do so by attending and voting at the AGM themselves personally or through their duly appointed proxy(ies) or may appoint the Chairman of the AGM as their proxy to attend, speak and vote on their behalf at the AGM. In appointing the Chairman of the AGM as proxy, members (whether individuals or corporates) must give specific instructions as to voting, or abstentions from voting, in the Proxy Form, failing which the appointment will be treated as invalid.
6. For investors who have used their Supplementary Retirement Scheme ("**SRS**") monies to buy Shares in the Company ("**SRS Investors**"), who wish to vote should approach their respective SRS operators to submit their votes by 5:00 p.m. on 21 April 2025, in order to allow sufficient time for their respective SRS operators to in turn submit a Proxy Form to vote on their behalf by the cut-off date as stated below.
7. A proxy, including the Chairman of the AGM, need not be a member of the Company.
8. The duly executed Proxy Form must:
  - (a) if sent personally or by post, be received by the Company's Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, #26-01, Republic Plaza, Tower I, Singapore 048619; or
  - (b) if submitted by email, be received by the Company's Share Registrar, Tricor Barbinder Share Registration Services by email at [sg.is.proxy@vistra.com](mailto:sg.is.proxy@vistra.com),

in either case no later than 02:00 p.m. on 27 April 2025, and in default the Proxy Form shall not be treated as valid. A member who wishes to submit a Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

9. The Proxy Form must be signed by the appointor or his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or signed on its behalf by a duly authorised officer or attorney. A copy of the power of attorney or such other authority must be submitted together with the Proxy Form, failing which the Proxy Form may be treated as invalid.
10. In the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

# Notice of Annual General Meeting

11. Shareholders may submit questions which are substantial and relevant to the proposed resolutions tabled for approval at the AGM as set out in this Notice, by writing to the Company in advance of the AGM. Alternatively, shareholders may also pose such questions during the AGM. Substantial and relevant questions related to the agenda of the AGM must be submitted in the following manner:
  - (a) via email to [ir.sg@quantumhealthcare.com.sg](mailto:ir.sg@quantumhealthcare.com.sg); or
  - (b) via post to the business office of the Company at 745 Lorong 5 Toa Payoh #01-00, Singapore 319455in either case, by 22 April 2025 for the purposes of the AGM.
12. For verification purposes, when submitting any questions via email, members MUST provide the Company with their particulars (comprising full name (for individuals)/company name (for corporates), email address, contact number, NRIC/passport number/company registration number, shareholding type and number of shares held), failing which the submission will be treated as invalid.
13. The Company will endeavour to address the substantial and relevant questions (as determined by the Company in its sole discretion) pertinent to the resolutions to be tabled for approval at the AGM as received from shareholders by 02:00 p.m. on 25 April 2025 (that is, at least 48 hours prior to the closing date and time for the lodgement of the Proxy Form) The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNet and the Company's website.
14. The Company shall be entitled to reject the Proxy Form 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 Proxy Form (such as in the case where the appointor submits more than one Proxy Form).
15. Any reference to a time of day is made by reference to Singapore time.

## Personal Data Privacy:

By submitting a Proxy Form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives 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) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# Disclosure of Information on Directors Seeking Re-election

## Re-election of Directors

Mr Melvin Lim Chun Siong is a Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened at 2.00p.m. on Wednesday, 30 April 2025 (“AGM”) (the “Retiring Director”).

Pursuant to Rule 720(5) of the Catalist Rules of the SGX-ST, the information relating to the Retiring Director as set out in Appendix 7F of the Catalist Rules of the SGX-ST are disclosed below:

	Mr Melvin Lim Chun Siong
Date of Initial Appointment	5 November 2024
Date of last re-appointment (if applicable)	–
Age	47
Country of principal residence	Singapore
The Board’s comments on this re-appointment (including rationale, selection criteria, and the search and nomination process)	The Nominating Committee and the Board of the Company have reviewed and considered the qualification experience of Mr Melvin’s, and are of the view that Mr Melvin has the requisite experience and capability to contribute effectively in the Company and accordingly, have approved the re-appointment of Mr Melvin as an Independent Director of the Company. The Board considers Mr Melvin to be independent for the purposes of Rule 704(7) of Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist.
Whether appointment is executive, and if so, the area of responsibility	No
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director Chairman of the Nominating Committee Member of the Audit Committee Member of the Remuneration Committee
Professional qualifications	Senior Accredited Director of Singapore Institute of Directors Certified Patent Valuation Analyst (USA) PhD in Chemical Engineering, University of Queensland Graduate Certificate in Intellectual Property Law, National University of Singapore Bachelor of Engineering (Civil), Nanyang Technological University
Working experience and occupation(s) during the past 10 years	<ol style="list-style-type: none"> <li>1. Chief Technology Officer, Tomie Technologies Private Limited, from 2024 to 2025</li> <li>2. Chief Executive Officer, MUJ Technologies Co. Private Limited, from 2016 to present</li> <li>3. Assistant Director, Singapore Institute of Technology, from 2022 to 2023</li> <li>4. Senior Technology Manager, ShayoNano Singapore &amp; USA, from 2014 to 2018</li> <li>5. Patent Scientist, Spruson &amp; Ferguson, from 2012 to 2014</li> </ol>

## Disclosure of Information on Directors Seeking Re-election

	<b>Mr Melvin Lim Chun Siong</b>
Shareholding interest in the listed issuer and its subsidiaries	None
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
Conflict of interest (including any competing business)	None
Undertaking (in the format set out in Appendix 7.7 / Appendix 7H (as the case may be)) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments including Directorships - Past (for the last 5 years)	Assistant Director, Singapore Institute of Technology
Other Principal Commitments including Directorships - Present	Chief Executive Officer, MUJ Technologies Co. Private Limited
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
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
(c) Whether there is any unsatisfied judgment against him?	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
(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

## Disclosure of Information on Directors Seeking Re-election

	Mr Melvin Lim Chun Siong	
(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	
(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	
(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	
(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	
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(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</p> <p>(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</p> <p>(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,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	<p>(i) No</p> <p>(ii) No</p> <p>(iii) No</p> <p>(iv) No</p>	

## Disclosure of Information on Directors Seeking Re-election

	Mr Melvin Lim Chun Siong
(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
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.	No. Mr Melvin Lim Chun Siong has already completed all the core and elective modules (except for LED 7 – Nominating Committee Essentials and LED 8 – Remuneration Committee Essentials) of his training in the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange and is currently a Senior Accredited Director of the Singapore Institute of Directors. Mr Melvin will complete LED 7 and LED 8 within 1 year from his appointment.
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).	Not applicable. This is a re-election of a director.





**Quantum**  
Healthcare

## QUANTUM HEALTHCARE LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 202218645W)

### 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.quantumhealthcare.com.sg/>. A printed copy of this Proxy Form will be sent to members.*

#### IMPORTANT

1. Pursuant to section 181(1C) of the Companies Act 1967 of Singapore (the "**Companies Act**"), relevant intermediaries (as defined in the Companies Act) may appoint more than 2 proxies to attend, speak and vote at the AGM.
2. For investors who have used their Supplementary Retirement Scheme monies to buy Shares in the Company (the "SRS Investors"), 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 them.
3. SRS Investors may direct their SRS operators to appoint the Chairman of the AGM (and not third-party proxy(ies) as proxy to vote on their behalf at the AGM in which case they should approach their SRS operators to submit their votes at least seven (7) working days before the AGM, by 5:00 p.m. on 21 April 2025, to allow sufficient time for their respective relevant intermediaries to, in turn, submit a Proxy Form to appoint the Chairman of the AGM to vote on their behalf.

I/We\*, \_\_\_\_\_  
(Name including NRIC/Passport No./Company Registration Number)\*

of \_\_\_\_\_  
(Address)

being a shareholder/shareholders of QUANTUM HEALTHCARE LIMITED (the "**Company**"), hereby appoint:

- (a) the Chairman of the Annual General Meeting ("**AGM**"); or  
(b) the individual(s) named below:

Name	NRIC/Passport Number	Proportion of Shareholdings	
		Number of Shares	%
Address			

Name	NRIC/Passport Number	Proportion of Shareholdings	
		Number of Shares	%
Address			

as my/our\*\* proxy/proxies\*\* to attend, speak and vote for me/us\*\* on my/our\*\* behalf at the AGM of the Company to be held at 02:00 p.m. on Wednesday, 30 April 2025, at 745 Lor. 5 Toa Payoh, Singapore 319455 and at any adjournment thereof.

**Please note that where the Chairman of the AGM is appointed as proxy, the proxy appointing the Chairman of the AGM must be directed, i.e., the member must indicate for each resolution whether the Chairman of the AGM is directed to vote "For" or "Against" or "Abstain" from voting. If no specific direction as to voting is given, the appointment of the Chairman of the AGM as proxy for the resolution will be treated as invalid at the AGM and at any adjournment thereof. In addition, if no specific direction as to voting is given for the individual(s) named above, the proxy/proxies\* will vote or abstain from voting at his/her/their\* discretion, as he/she/they\* will on any other matter arising at the AGM and at any adjournment thereof.**

The Ordinary Resolution put to the vote at the AGM shall be decided by way of poll.

No	Resolutions	Number of votes FOR	Number of votes AGAINST	Number of votes ABSTAIN
<b>Ordinary Business</b>				
1.	Adoption of the Directors' Statement, Audited Financial Statements and Independent Auditor's Report for the financial year ended 31 December 2024			
2.	Re-election of Melvin Lim Chun Siong as a Director of the Company pursuant to Article 114 of the Company's Constitution			
3.	Approval of Directors' fees amounting to S\$145,000 for the financial year ending 31 December 2025 to be paid quarterly in arrears (FY2024: S\$145,000)			
4.	Re-appointment of Forvis Mazars LLP as auditors of the Company and to authorise Directors to fix their remuneration			





No	Resolutions	Number of votes FOR	Number of votes AGAINST	Number of votes ABSTAIN
<b>Special Business</b>				
5.	Authority to allot and issue shares pursuant to the Share Issue Mandate			
6.	Authority to allot and issue shares under the QT Vascular Restricted Share Plan 2015			
7.	Proposed renewal of the Share Buyback Mandate			

**Notes:** If you wish to exercise all your votes "For", "Against" or "Abstain", please tick within the box provided. Alternatively, please indicate the number of shares the Chairman of the AGM, as your proxy, is directed to vote "For", "Against" or "Abstain".

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Shareholder(s)/Common Seal

*\*Delete where inapplicable*

#### NOTES FOR PROXY FORM:

- Printed copies of the Notice of AGM, Request Form and this Proxy Form will be sent to members at their addresses registered with the Company's Share Registrar, Tricor Barbinder Share Registration Services. The Notice of AGM, Request Form and this Proxy Form will be made available to members on the website of the SGX-ST at its URL <https://www.sgx.com/securities/company-announcements> and may be accessed at the Company's website at its URL <https://www.quantumhealthcare.com.sg/>.
- If the member has Shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of Shares. If the member has Shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that 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, he should insert the aggregate number of Shares. If no number is inserted, this Proxy Form will be deemed to relate to all the Shares held by the member.
- A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's Proxy Form appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form.
- A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's Proxy Form 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. Where a relevant intermediary appoints more than 2 proxies, separate Proxy Form should be used.
- "Relevant intermediary"** has the meaning ascribed to it in section 181(6) of the Companies Act.
- SRS Investors who wish to vote should approach their respective SRS operators to submit their votes by 5:00 p.m. on 21 April 2025, in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to vote on their behalf by the cut-off date as stated below.
- A proxy, including the Chairman of the AGM, need not be a member of the Company.
- The Proxy Form must:
  - if sent personally or by post, be received by the Company's Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, #26-01, Republic Plaza, Tower I, Singapore 048619; or
  - if submitted by email, be received by the Company's Share Registrar, Tricor Barbinder Share Registration Services, by email at [sg.is.proxy@vistra.com](mailto:sg.is.proxy@vistra.com),
 in either case no later than 02:00 p.m. on 27 April 2025, and in default the Proxy Form shall not be treated as valid. A member who wishes to submit a Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
- The Proxy Form must be signed by the appointor or his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be either executed under its common seal or signed on its behalf by a duly authorised officer or attorney. A copy of the power of attorney or such other authority must be submitted together with the Proxy Form, failing which the Proxy Form may be treated as invalid.
- The Company shall be entitled to reject the Proxy Form 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 Proxy Form (such as in the case where the appointor submits more than one Proxy Form).
- In the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
- By submitting this Proxy Form, a member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 15 April 2025.



745 Lorong 5 Toa Payoh,  
# 01-00  
Singapore 319455