



ISEC HEALTHCARE LTD.

ANNUAL REPORT 2024



ISEC HEALTHCARE LTD.
(Company Registration No.: 201400185H)
(Incorporated in the Republic of Singapore)

51 Goldhill Plaza
#10-07/08
Singapore 308900
www.isechealthcare.com



**VISION-FOCUSED
FUTURE READY**
.....
ANNUAL REPORT 2024

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

The contact person for the Sponsor is Ms Ng Shi Qing, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

CORPORATE PROFILE

ISEC Healthcare Ltd. ("**ISEC Healthcare**" and together with its subsidiaries, the "**Group**") is an established regional provider of comprehensive medical eye care services with ambulatory surgical centres.

Backed by more than 15 years of track record, the ISEC brand holds strong brand equity and is recognised for its world-class and high-quality eye care services. Its two main markets are Malaysia, where it operates medical eye care centres in Kuala Lumpur, Melaka, Penang, Johor, Perak (Ipoh, Kampar, Manjung, Teluk Intan, and Taiping), Kuching, Sibul, and Klang, and Singapore, where it provides specialist medical ophthalmology services to Asia Pacific Eye Centre located in Singapore's Gleneagles Hospital.

Led by a team of specialist doctors, who are also opinion leaders in their respective sub-specialty fields, the Group provides patients with attentive and advanced treatments at its well-equipped eye centres that are fitted with state-of-the-art ophthalmic equipment and facilities. Besides investing in the latest medical technologies, its doctors undergo continuous professional development and medical education to offer patients with the highest standards of ophthalmic care.

ISEC Healthcare was listed on the Catalist board of the Singapore Exchange Securities Trading Limited on 28 October 2014. Since its listing, it has expanded its presence in its existing markets and abroad.

In 2016, the Group expanded its healthcare services to include general medical services and procedural treatment services with the acquisition of JLM Companies¹ comprising four clinics located in the heartlands of Singapore.

In 2019, ISEC Healthcare expanded into Myanmar with the opening of ISEC Myanmar Company Limited ("**ISEC Myanmar**"). To further expand its reach, the Group had, in early 2022, set up an eye service clinic within the premises of ARYU International Hospital, which is located in Yangon, Myanmar, to provide eye checks and related services.

In 2019, ISEC Healthcare became a subsidiary of Aier Eye International (Singapore) Pte. Ltd. ("**Aier Singapore**"), following its acquisition of a 56.53% stake in ISEC Healthcare². Aier Singapore is a wholly-owned subsidiary of China's Aier Eye Hospital Group Co., Ltd. that is listed on the Shenzhen Stock Exchange.

- 1 JLM Companies consist of JL Medical (Bukit Batok) Pte. Ltd., JL Medical (Sembawang) Pte. Ltd., JL Medical (Woodlands) Pte Ltd. and JL Medical (Yew Tee) Pte. Ltd..
- 2 Based on 532,348,544 Shares in issue excluding 386,400 treasury shares as at 20 December 2019.

CORPORATE INFORMATION

REGISTERED OFFICE

51 Goldhill Plaza
#10-07/08
Singapore 308900
Telephone: +65 6258 2262
Facsimile: +65 6258 2272

BOARD OF DIRECTORS

Mr Chong Weng Hoe

Non-Executive Chairman and Independent Director

Dr Lee Hung Ming

Executive Vice Chairman

Ms Wee Kim Lin Evelyn

Non-Executive and Independent Director

Mr Chen Bang

Non-Executive and Non-Independent Director

Mr Li Li

Non-Executive and Non-Independent Director

Ms Zhang Yongmei

Non-Executive and Non-Independent Director

AUDIT COMMITTEE

Mr Chong Weng Hoe (Chairman)

Ms Wee Kim Lin Evelyn

Ms Zhang Yongmei

NOMINATING COMMITTEE

Ms Wee Kim Lin Evelyn (Chairman)

Mr Chong Weng Hoe

Ms Zhang Yongmei

REMUNERATION COMMITTEE

Ms Wee Kim Lin Evelyn (Chairman)

Mr Chong Weng Hoe

Ms Zhang Yongmei

COMPANY SECRETARY

Ms Ngiam May Ling

CONTINUING SPONSOR

PrimePartners Corporate Finance Pte. Ltd.

16 Collyer Quay
#10-00 Collyer Quay Centre
Singapore 049318

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

INDEPENDENT AUDITORS

Forvis Mazars LLP

Public Accountants and Chartered Accountants
135 Cecil Street #10-01
Singapore 069536

Partner-in-charge: Zhang Liang
(Appointed from the financial year ended 31 December 2022)

INVESTOR RELATIONS

ir@isechealthcare.com

WEBSITE

<http://www.isechealthcare.com>

ISEC BY THE NUMBERS

AS AT 31 DECEMBER 2024

NO. OF EYE CARE CENTRES

11

MALAYSIA

1⁽¹⁾

SINGAPORE

1

MYANMAR



NO. OF OPHTHALMOLOGISTS

39



NO. OF ANAESTHESIOLOGISTS

3



NO. OF PATIENT VISITS

189,900

SPECIALISED HEALTH SERVICES

55,900

GENERAL
HEALTH
SERVICES



NO. OF PROCEDURES PERFORMED

39,000

SPECIALISED HEALTH SERVICES

300

GENERAL
HEALTH
SERVICES



NO. OF PROCEDURES PERFORMED⁽²⁾ UNDER

525

GENERAL ANAESTHESIA

3

MONITORED LOCAL
ANAESTHESIA

1,126

SEDATION



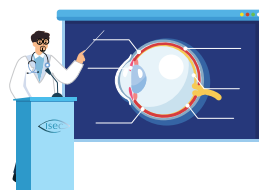
CONFERENCES ATTENDED BY ISEC SPECIALIST DOCTORS/GENERAL PRACTITIONERS

346



CONFERENCES WHERE ISEC SPECIALIST DOCTORS WERE INVITED AS SPEAKERS

77



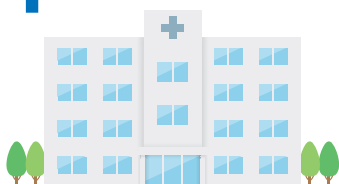
TEACHING ACTIVITIES, CLINICAL ATTACHMENTS AND OBSERVERSHIPS IN ISEC

127



NO. OF GENERAL PRACTITIONER CLINICS IN SINGAPORE

4



NO. OF GENERAL PRACTITIONERS

3



- (1) Asia Pacific Eye Centre in Gleneagles Hospital, Singapore.
(2) Procedures performed in medical eye care centres in Malaysia and Myanmar.

MESSAGE TO SHAREHOLDERS



THEME: VISION-FOCUSED, FUTURE-READY

DEAR SHAREHOLDERS

The financial year ended 31 December 2024 (“FY2024”) was a good year for ISEC Healthcare. We delivered revenue of S\$74.2 million, which is our fourth consecutive year of topline growth and a new record for the third year in a row. Our results over the past few years reflected the increasing awareness of eye care in the region with more patients coming forward to seek treatment for various conditions, and it underscored our Group’s ability to leverage this trend through the strategic expansion of our regional network and strong demand for our comprehensive suite of ophthalmology services.

In line with this, our specialised health services segment achieved a year-on-year (“yoy”) increase in revenue of 7% to S\$70.6 million in FY2024 due to increased patient visits at existing centres and new contribution from centres that opened in Malaysia during the year. This improvement was partially offset by our Singapore-based general health services segment, which registered a 10% yoy decline in revenue to S\$3.6 million mainly due to a significant reduction in the number of COVID-19 swab tests conducted as the region recovered from the pandemic and a decreased level of business activities at our general practitioner (“GP”) clinics.

Gross profit rose to S\$32.7 million in FY2024 compared to S\$31.0 million in the financial year ended 31 December 2023 (“FY2023”), and our gross profit margin although a slight dip from 44.3% the year before, was still healthy at 44.0% in FY2024, reflecting the high-in-demand services that we provide.

During the year, our Group incurred higher overall expenses. Selling and distribution expenses increased with increased marketing activities undertaken by our specialised health services segment; higher administrative expenses in line with our expanded operations in Malaysia; and a general increase in operating expenses due to inflationary pressures. In addition, we recorded higher other expenses due to the recognition of an impairment loss for goodwill arising from the operations of our GP clinics in Singapore, which had also resulted in an increase in effective tax rate.

With the overall increase in operational costs and recognition of an impairment loss for goodwill, net profit came in at S\$12.9 million in FY2024 compared to S\$13.2 million a year ago. This translated to earnings per share of 2.23 Singapore cents in FY2024, slightly below 2.26 Singapore cents in FY2023.

GEOGRAPHICAL HIGHLIGHTS

Our operations in Malaysia expanded significantly in FY2024. The number of specialist centres rose from eight to 11 with the addition of three new centres in Perak, which commenced operations in September 2024, including ME Centre Sdn. Bhd., Taiping Eye Sdn. Bhd. and TE Centre Sdn. Bhd., which all provide ambulatory care services. Meanwhile, our indirect wholly-owned subsidiary, ISEC Specialist Eye Clinic (Melaka) Sdn. Bhd. commenced operations in July 2024 at its new premises, after obtaining a licence from Malaysia’s Ministry of Health Malaysia to operate an outpatient eye specialist clinic there. Our Melaka centre floor area is now about 50% larger.

MESSAGE TO SHAREHOLDERS

In line with the expanded operations and increased business activities, revenue from Malaysia rose to S\$59.6 million in FY2024 from S\$56.0 million the year before. We are hopeful for Malaysia to continue performing well in FY2025 as the new centres that were added/expanded in FY2024 are expected to make full-year contributions. We are also expecting partial contributions in FY2025 from a new centre in Klang, Selangor that we have set up as a joint venture with Durham Group Sdn. Bhd.. The new centre has commenced operations in March 2025.

In addition, we are looking forward to moving our flagship Kuala Lumpur operations to bigger premises. In September 2024, we completed the conditions of the Sale and Purchase Agreement to acquire certain strata-titled units totalling 69,445 sqft within a 15-storey building with 2 lower ground levels that will be a purpose-built medical centre. This new location is approximately 2.5 times bigger than our current premises. We expect to move in by 2027 following renovations completed.

In Singapore, we operate one specialist centre and four GP clinics, which contributed total revenue of S\$11.9 million in FY2024 versus S\$12.0 million in FY2023. The performance of our specialist centre remained strong; however we recorded lower revenue from general health services provided by the GP clinics due to lower business activities and the cessation of evening clinical hours, which led to fewer patient visits in FY2024. We believe that local government initiatives such as the Healthier SG¹ and Age Well SG² programmes will continue to support demand for our GP services.

Our Myanmar operations delivered a 38% yoy increase in revenue to S\$2.7 million in FY2024 because of fee adjustments to reflect higher operating costs due to the impact of inflation. We will look out for suitable opportunities to increase our presence in this market.

OUTLOOK AND PROSPECTS

We are positive about the outlook for our Group because we provide essential healthcare services. Our hope and vision is for treatment to be accessible and convenient for all. In a region that is rising in affluence, this means there is increasing ability to afford private eye care services. At the same time, digitalisation and lifestyles that are increasingly reliant on mobile devices and tech have led to an increase in vision problems, while the region's rapidly aging population will mean an increase in eye conditions that are related to growing old.

With our focused vision and our ongoing investments to expand our market reach, to continuously upgrade our skills, and to enhance our equipment with the latest technology, we believe that ISEC is future-ready and well-positioned to benefit from these prospects. To elevate our profile as a



leader in our field, we actively participate in local forums and community events in some of our markets to inform and educate the public about eye care and conditions that are treatable.

We remain keen on regional expansion, and we continue to explore opportunities to expand our footprint across existing markets and also to enter new ones. Markets we have expressed an interest in included Vietnam where we continue to be engaged in discussions.

APPRECIATION

In line with our strong performance in FY2024 and to thank shareholders for your unwavering support, our Board of Directors has proposed a final dividend of 0.70 Singapore cents per share, which together with an interim dividend of 0.30 Singapore cents per share brings the total dividend for the financial year to 1.00 Singapore cents per share.

In closing, I want to thank our patients for trusting us with their eye health and to all our medical staff, the management team and support team for your dedicated service and compassionate treatment towards our patients. I would also like to express my appreciation to my fellow directors on the Board for your wise guidance and counsel during the year and for ensuring that we uphold high standards of corporate governance.

Special thanks to Mr Lim Wee Hann who retired as our Non-Executive and Independent Director on 19 April 2024 having reached SGX's nine-year service limit for independent directors. I would like to thank Mr Lim for his contribution during his tenure and wish him the very best in his future endeavours. Do join me to welcome Ms Evelyn Wee Kim Lin, who was appointed Non-Executive and Independent Director in May 2024. She is also the Chairman of the Nominating and Remuneration Committees and a member of the Audit Committee and I look forward to working with her in the years ahead.

CHONG WENG HOE

Non-Executive Chairman and Independent Director

Sources:

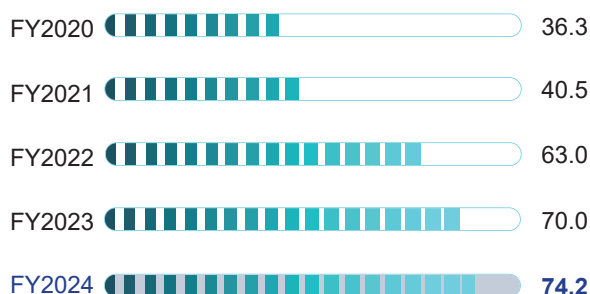
- 1 Healthier SG website
- 2 Age Well SG website

FINANCIAL REVIEW

REVENUE (S\$m)

S\$74.2m

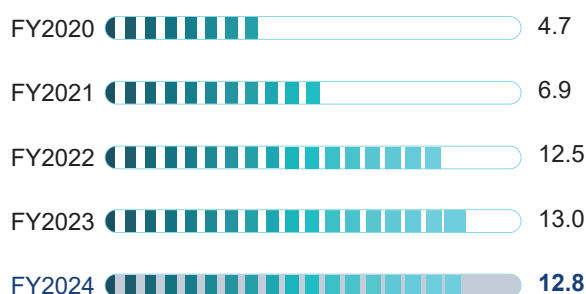
FY2024



PROFIT ATTRIBUTABLE TO SHAREHOLDERS (S\$m)

S\$12.8m

FY2024



INCOME STATEMENT

In FY2024, the Group recorded a 6% increase in revenue to S\$74.2 million from S\$70.0 million in FY2023, underpinned by an increase in business activities and opening of new and expanded centres for its specialised health services, which saw revenue rising 7% to S\$70.6 million. Revenue from the general healthcare services dipped 10% to S\$3.6 million from S\$4.0 million.

Geographically, revenue from Malaysia and Myanmar grew 6% and 38% to S\$59.6 million and S\$2.7 million respectively, while Singapore declined slightly to S\$11.9 million from S\$12.0 million in FY2023.

Correspondingly, gross profit rose 5% to S\$32.7 million in FY2024 from S\$31.0 million in FY2023, while gross profit margins remained stable at 44.0% in FY2024 and 44.3% in FY2023.

On the expenses front, selling and distribution expenses doubled to S\$0.2 million on increased marketing activities relating to the Group's specialised health services segment in FY2024. Administrative expenses increased 14% to S\$13.9 million in FY2024 from S\$12.1 million in FY2023. This was mainly due to higher staff-related costs and depreciation expenses of S\$0.6 million and S\$0.2 million respectively, arising from increased business activities following the opening of new eye centres and expanded facility in Malaysia. Additionally, expenses from ISEC Myanmar increased by a significant S\$0.5 million due to increased operating costs resulting from inflation in Myanmar.

The Group's other expenses rose 54% to S\$2.0 million in FY2024, largely due to a S\$1.5 million impairment loss for goodwill for JL Medical (Bukit Batok) Pte. Ltd. ("JLMBB") and JL Medical (Yew Tee) Pte. Ltd. ("JLMYT"). Despite strong demand for general health services in Singapore, rising operating costs have impacted JLMBB's profitability, while the closure of evening clinic sessions at JLMYT

led to fewer patient visits. The increase in expenses was partially offset by the absence of a S\$0.7 million foreign exchange loss recorded in FY2023 and a S\$0.1 million reduction in amortisation expense on intangible assets, as the contractual relationship was fully amortised in FY2024.

As a result, net profit for the year came in at S\$12.9 million in FY2024, a marginal 2% dip from S\$13.2 million in FY2023.

BALANCE SHEET

The Group's total assets increased to S\$119.0 million as at 31 December 2024 from S\$107.1 million as at 31 December 2023.

As at 31 December 2024, non-current assets increased S\$14.1 million to S\$94.2 million, mainly due to (i) a recognition of S\$9.0 million from the acquisition of a new property in Kuala Lumpur for business expansion; (ii) an addition of S\$4.3 million in property, plant and equipment mainly due to equipment and renovation expenditures on new and expanded centres, including ISEC Specialist Eye Clinic (Melaka) Sdn. Bhd., TE Centre Sdn. Bhd. ("TE Centre"), ME Centre Sdn. Bhd. ("ME Centre"), Taiping Eye Sdn. Bhd. ("Taiping Eye") and ISEC (Klang) Sdn. Bhd.; (iii) an addition of S\$2.7 million on right-of-use assets due to addition of new and renewed premises as well as medical equipment leases; (iv) an addition of S\$0.3 million on intangible assets arising from the purchase of new software; (v) currency translation gain of S\$1.3 million on property, plant and equipment and S\$0.5 million on right-of-use assets; and (vi) currency translation gain of S\$1.9 million on goodwill arising from the acquisition of foreign subsidiaries.

The increase in non-current assets was partially offset by (i) depreciation expenses of property, plant and equipment of S\$1.8 million; (ii) depreciation expenses of right-of-use assets of S\$2.1 million; (iii) impairment loss for goodwill of S\$1.5 million; and (iv) amortisation expenses of S\$0.4 million on intangible assets.

FINANCIAL REVIEW

On the other hand, current assets declined S\$2.2 million to S\$24.9 million as at 31 December 2024, largely on a decrease in cash and cash equivalents of S\$3.5 million due to reasons set out in the section entitled “Cash Flow Statement” below. The decline in current assets was partially offset by a net increase in trade receivables of S\$0.9 million and an increase in inventories of S\$0.3 million, in line with the Group’s increased business activities.

Total liabilities increased to S\$27.3 million as at 31 December 2024 compared to S\$25.0 million as at 31 December 2023.

Non-current liabilities increased slightly to S\$10.5 million as at 31 December 2024. This was mainly attributed to (i) additional lease liabilities of S\$2.7 million arising from the new and renewal of leasing on premises and medical equipment; and (ii) currency translation loss of S\$0.5 million on lease liabilities. The increase was partially offset by (i) a decrease in non-current component of borrowings of S\$0.6 million following the partial repayment of the principal amount of bank loans; and (ii) repayment of lease liabilities of S\$2.4 million in FY2024.

Current liabilities rose S\$2.3 million to S\$16.8 million as at 31 December 2024, largely due to (i) the advances received from non-controlling interests of S\$0.5 million. These advances are non-trade in nature, unsecured, interest bearing (FY2023: non-interest bearing) and repayable on demand; (ii) an unpaid addition to property, plant and equipment of S\$1.5 million and an increase in the current component of lease liabilities of S\$0.6 million; (iii) an increase in trade payables of S\$0.4 million and payroll payables of S\$0.5 million following the increase in business activities; and partially offset by (iv) the balance payment of purchase consideration made for the acquisition of IE Centre and Kampar Eye of S\$1.0 million.

CASH FLOW STATEMENT

As at 31 December 2024, the Group’s cash and cash equivalents stood at S\$15.9 million compared to S\$19.4 million as at 31 December 2023.

In FY2024, the Group generated net cash from operating activities of S\$17.6 million. This comprised operating cash flows before working capital changes of S\$23.4 million, less net changes in working capital outflow of S\$1.3 million arising from inventories of S\$0.1 million, trade and other receivables of S\$0.6 million, prepayments of S\$0.1 million and trade and other payables of S\$0.5 million, and net of income tax paid of S\$4.5 million.

Net cash used in investing activities in FY2024 amounted to S\$12.8 million, mainly due to (i) payment for purchase of property, plant and equipment of S\$11.8 million; and (ii) payment for purchase of intangible assets of S\$0.3 million; and (iii) payment to vendors of IE Centre and Kampar Eye of S\$1.0 million.

Net cash used in financing activities was S\$9.1 million in FY2024, mainly attributed to (i) payment to shareholders in relation to FY2023 final dividend of S\$4.9 million and FY2024 interim dividend of S\$1.7 million; (ii) repayment of lease liabilities and corresponding finance costs of S\$2.4 million; and (iii) repayment of bank loans and corresponding finance costs of S\$0.9 million.

The cash outflow was offset by (i) proceeds from the exercise of Company’s share options of S\$0.2 million; and (ii) advances from the non-controlling interests for TE Centre, ME Centre and Taiping Eye of S\$0.5 million.



BOARD OF DIRECTORS



MR CHONG WENG HOE, 60
NON-EXECUTIVE CHAIRMAN AND
INDEPENDENT DIRECTOR

Date of Appointment
1 July 2021

Date of Last Re-appointment
22 April 2022

Country of Principal Residence
Singapore

The Board's comments on this re-election (including rationale, selection criteria, and the search and nomination process)

The re-election of Mr Chong as a Non-Executive Chairman and Independent Director at the AGM 2025 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Chong's qualifications, expertise and past experiences and overall contribution since he was appointed as a Director of the Company.

Whether appointment is executive, and if so, the area of responsibility

Non-Executive

Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)

- Chairman of the Board
- Chairman of Audit Committee
- Member of Nominating Committee
- Member of Remuneration Committee

Professional Qualifications

- Bachelor of Engineering (Electrical and Electronics), National University of Singapore
- Master of Business Administration (Accountancy), Nanyang Technological University

Working experience and occupation(s) during the past 10 years

August 2016 to Present

Executive Vice President, Global Head of Service Line for EMC (Electromagnetic Compatibility), TÜV SÜD Asia Pacific Pte Ltd

July 2013 to August 2016

Board Director, TÜV SÜD PSB Pte Ltd (Previously known as PSB Corporation/ SISIR)

Other principal commitments including directorships

(a) Past (for the last 5 years)

- Directorships
 - Singapore Paincare Holdings Limited
 - Keong Hong Holdings Limited

Other Principal Commitments (for the last 5 years)

Partner, Globalbev Investment LLP

(b) Present

- Directorships
 - HC Surgical Specialists Limited
 - Hong Fok Corporation Limited
 - Baker Technology Limited

Other Principal Commitments

Nil

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

Nil

Conflict of Interest (including any competing business)

Nil

Shareholding interest in the listed issuer and its subsidiaries

Nil

Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer

Yes

Disclose the matters in items (a) to (k) listed in Appendix 7F concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

Mr Chong had responded negative to items (a) to (k) listed in Appendix 7F of the Catalyst Rules.

BOARD OF DIRECTORS



DR LEE HUNG MING, 61
EXECUTIVE VICE-CHAIRMAN

Date of Appointment
2 January 2014

Date of Last Re-appointment
19 April 2024

Country of Principal Residence
Singapore

The Board's comments on this re-election (including rationale, selection criteria, and the search and nomination process)

Not applicable, Dr Lee is not subject to re-election in FY2024.

Whether appointment is executive, and if so, the area of responsibility

Executive. Dr Lee is a Senior Consultant Ophthalmologist and has been spearheading Asia Pacific Eye Centre as Centre Director since 2007. Dr Lee oversees the Group's Singapore operations as well as spearhead overseas mergers and acquisitions. Dr Lee has also been an ex-officio member of our Medical Board.

Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)

Executive Vice-Chairman

Professional Qualifications

- MBBS (Bachelor of Medicine and Bachelor of Surgery) National University of Singapore
- M. Med (Ophth) FRCS (Master of Medicine in Ophthalmology), National University of Singapore
- FRCS (Fellow of the Royal College of Edinburgh Scotland)
- FAMS (Fellow of the Academy of Medicine, Singapore)

Working experience and occupation(s) during the past 10 years

2007 to Present
Centre Director and Senior Consultant Ophthalmologist, Asia Pacific Eye Centre at Gleneagles Hospital, Singapore

Dr Lee is a renowned LASIK and cataract specialist and is considered a key opinion leader in his fields of subspecialty, namely cornea, external eye diseases and refractive surgery, cataract and implant surgery.

Dr Lee sits on the board of various professional medical associations and has also received various awards, including the A.C.E. Award in 2003 for excellence in the training and education of eye surgeons in the Asia Pacific region by the Asia Pacific Society of Cataract and Refractive Surgery and the International Gold Medal in 2011 by the Indian Intraocular Implant and Refractive Society for outstanding contribution in the field of ophthalmology.

Other principal commitments including directorships

(a) Past (for the last 5 years)

- Directorships
- Oxford Capital Pte. Ltd.
- Edinburgh International Pte. Ltd.

Other Principal Commitments (for the last 5 years)
Nil

(b) Present

- Directorships
- JL Medical (Bukit Batok) Pte. Ltd.
- JL Medical (Sembawang) Pte. Ltd.
- JL Medical (Woodlands) Pte. Ltd.
- JL Medical (Yew Tee) Pte. Ltd.
- International Specialist Eye Centre Pte. Ltd.
- ISEC Global Pte. Ltd.
- ISEC Eye Pte. Ltd.
- ISEC Sdn. Bhd.
- ISEC Myanmar Company Limited
- Glasgow Capital Pte. Ltd.
- Toronto Capital Pte. Ltd.
- Vancouver Capital Pte. Ltd.

Other Principal Commitments
Nil

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

Dr Lee is the spouse of Dr Lee Yeng Fen, an employee of the Group. Dr Lee does not have any relationships (including immediate familial) with fellow board members, existing executive officers, the Company or any of its principal subsidiaries.

Conflict of Interest (including any competing business)

Nil

Shareholding interest in the listed issuer and its subsidiaries

Please refer to the Directors' Statement on pages 47 to 51 for Dr Lee's shareholding interest in the Company and its subsidiaries.

Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer

Yes

Disclose the matters in items (a) to (k) listed in Appendix 7F concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

Dr Lee had responded negative to items (a) to (k) listed in Appendix 7F of the Catalyst Rules.

BOARD OF DIRECTORS



MS WEE KIM LIN EVELYN, 59
NON-EXECUTIVE AND INDEPENDENT
DIRECTOR

Date of Appointment

1 May 2024

Date of Last Re-appointment

Not applicable

Country of Principal Residence

Singapore

The Board's comments on this re-election (including rationale, selection criteria, and the search and nomination process)

The re-election of Ms Wee as a Non-Executive and Independent Director at the AGM 2025 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Ms Wee's qualifications, expertise and past experiences and overall contribution since she was appointed as a Director of the Company.

Whether appointment is executive, and if so, the area of responsibility

Non-Executive

Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)

- Non-Executive and Independent Director
- Member of Audit Committee
- Chairman of Nominating Committee
- Chairman of Remuneration Committee

Professional Qualifications

- Advocate & Solicitor, Supreme Court of Singapore
- Bachelor of Laws (Honours) (LLB), National University of Singapore
- Solicitor, England & Wales (Non-Practising), Solicitor Regulation Authority
- Accredited Mediator, Singapore Mediation Centre
- Accredited Mediator, Singapore International Mediation Institute

Working experience and occupation(s) during the past 10 years

September 2007 to Present

Partner, Rajah & Tann Singapore LLP

Ms Wee has more than 30 years of experience in mergers and acquisitions, private equity/venture capital investments and capital markets transactions, including initial public offerings. She regularly advises, *inter alia*, listed vehicles on their corporate/compliance matters and clients on cross border transactions, which include investments in, and divestments of, businesses and assets in South Asia, Southeast Asia, Europe and South America.

Other principal commitments including directorships

(a) Past (for the last 5 years)

Directorships
Nil

Other Principal Commitments (for the last 5 years)

Nil

(b) Present

Directorships
• R&T Corporate Services Pte. Ltd.

Other Principal Commitments

- Partner, Rajah & Tann Singapore LLP

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

Nil

Conflict of Interest (including any competing business)

Nil

Shareholding interest in the listed issuer and its subsidiaries

Nil

Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer

Yes

Disclose the matters in items (a) to (k) listed in Appendix 7F concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

Ms Wee had responded negative to items (a) to (k) listed in Appendix 7F of the Catalist Rules.

BOARD OF DIRECTORS



MR CHEN BANG, 59

NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR

Date of Appointment

27 December 2019

Date of Last Re-appointment

20 April 2023

Country of Principal Residence

People's Republic of China

The Board's comments on this re-election (including rationale, selection criteria, and the search and nomination process)

Not applicable, Mr Chen is not subject to re-election in FY2024.

Whether appointment is executive, and if so, the area of responsibility

Non-Executive

Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)

Non-Executive and Non-Independent Director

Professional Qualifications

- Master of Business Administration, Hunan University

Working experience and occupation(s) during the past 10 years

2003 to Present

Chairman, Aier Eye Hospital Group Co., Ltd., listed on the Shenzhen Stock Exchange

Mr Chen has been widely recognised for his entrepreneurship and was awarded "Most Respected Chairman of Chinese Listed Company" in 2011 and 2012 and named "EY Entrepreneur of The Year" in 2014. In addition, Mr Chen was also named "China Most Influential Leader of Listed Company" in 2014, 2015, 2018 and 2019, as well as "Top 10 China's Most Influential Brander" in 2018. For his philanthropic work, Mr Chen was given the "Hunan Charity Award" in 2015 and China Charity Award in 2021.

Other principal commitments including directorships

(a) Past (for the last 5 years)

- Directorships
- Hefei Aier Eye Hospital Co., Ltd.
 - Wuhan Aier Eye Hanyang Hospital Co., Ltd.
 - Yueyang Aier Eye Hospital Co., Ltd.
 - Liaoning Aier Eye Hospital Co., Ltd. (formerly known as "Shenyang Aier Optometry Hospital Co., Ltd.")
 - Hunan Jishi Internet Technology Co., Ltd.
 - Changchun Aier Eye Hospital Co., Ltd.
 - Lanzhou Aier Eye Hospital Co., Ltd.
 - Taiyuan Aier Eye Hospital Co., Ltd.
 - Shaoguan Aier Eye Hospital Co., Ltd.
 - Jilin Aier Eye Hospital Co., Ltd.
 - Beijing Aier Yingzhi Eye Hospital Co., Ltd.
 - Nanchang Aier Eye Hospital Co., Ltd.
 - Shenzhen Aier Eye Hospital Co., Ltd.
 - Huizhou Aier Eye Hospital Co., Ltd.
 - Xiangyang Aier Eye Hospital Co., Ltd.
 - Guangzhou Aier Eye Hospital Co., Ltd.
 - Shaoyang Aier Eye Hospital Co., Ltd.
 - Wuhan Aier Eye Hospital Co., Ltd.
 - Hengyang Aier Eye Hospital Co., Ltd.
 - Nanjing Aier Eye Hospital Co., Ltd.
 - Huangshi Aier Eye Hospital Co., Ltd.
 - Shanghai Aier Eye Hospital Co., Ltd.
 - Beijing Licheng Gongchuang Consulting Co., Ltd.
 - Shaoxing Aier Eye Hospital Co., Ltd.

Other Principal Commitments (for the last 5 years)

Nil

(b) Present

- Directorships
- Aier Eye International (Singapore) Pte. Ltd.
 - Clinica Baviera, S.A., listed on the Madrid Stock Exchange
 - Aier (U.S.A) International Holdings Inc.
 - Aier Eye International (Hongkong) Limited
 - Asia Medicare Group Limited
 - Asia Medicare (HK) Limited
 - Asia Eye Care Limited
 - Aier Medical Investment Group Co., Ltd.
 - Aier Eye Hospital Group Co., Ltd.
 - Zhongchuang Qianhai Capital Co., Ltd.
 - Lhasa Liangshi Venture Capital Co., Ltd.
 - Hunan Aier Property Investment Development Co., Ltd.
 - Shenzhen Liangjing Investment Co., Ltd.
 - Wuzhou Liangjing Investment Co., Ltd.
 - Wuhan Changjiang Baozhi Holdings Co., Ltd.
 - Wuhan Jinxing Investment Management Co., Ltd.
 - Shanghai Liangjing Medical Investment Management Co., Ltd.
 - Shenyang Liangjing Investment Management Co., Ltd.
 - Hunan Jiaying Investment Property Co., Ltd.
 - Hunan Aier Healthcare Industrial Development Co., Ltd.

BOARD OF DIRECTORS

MR CHEN BANG, 59
NON-EXECUTIVE AND
NON-INDEPENDENT DIRECTOR

(CONT'D)

(b) Present (cont'd)

Other Principal Commitments

Legal Representative, Aier Medical Investment Group Co., Ltd

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

Mr Chen is a director of the Company's substantial shareholder, Aier Eye International (Singapore) Pte. Ltd..

Conflict of Interest (including any competing business)

Mr Chen is the Chairman and controlling shareholder of Aier Eye Hospital Group Co., Ltd. ("Aier China") and its subsidiaries (together the "Aier Group") whose main business is similar to the Company. As at the date of this Annual Report, Aier Group has no business in Southeast Asia other than those carried out by the Group.

Shareholding interest in the listed issuer and its subsidiaries

Please refer to the Directors' Statement on pages 47 to 51 for Mr Chen's shareholding interest in the Company and its subsidiaries.

Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer

Yes

Disclose the matters in items (a) to (k) listed in Appendix 7F concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

Mr Chen had responded negative to items (a) to (k) listed in Appendix 7F of the Catalyst Rules.



MR LI LI, 59
NON-EXECUTIVE AND
NON-INDEPENDENT DIRECTOR

Date of Appointment

25 March 2020

Date of Last Re-appointment

20 April 2023

Country of Principal Residence

People's Republic of China

The Board's comments on this re-election (including rationale, selection criteria, and the search and nomination process)

Not applicable, Mr Li is not subject to re-election in FY2024.

Whether appointment is executive, and if so, the area of responsibility

Non-Executive

Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)

Non-Executive and Non-Independent Director

Professional Qualifications

Not applicable

Working experience and occupation(s) during the past 10 years

2003 to Present

Vice-Chairman and Chief Executive Officer, Aier Eye Hospital Group Co., Ltd., listed on the Shenzhen Stock Exchange

Mr Li was recognised for his outstanding entrepreneurship and leadership in 2018 with the "Outstanding Entrepreneur Award" by Changsha High-Tech Zone. In 2020, he was ranked 23rd on "2020 Forbes China Best CEO". In 2021, Mr Li was elected as Corporate Representative for Aier Eye Hospital Group on the Board of World Association of Eye Hospitals ("WAEH"), the global association of eye hospitals, and the global umbrella body for the regional associations of eye hospitals. He is also a strong advocate of education, having established AIER School of Ophthalmology, AIER School of Optometry, AIER Ophthalmology Institute, AIER Institute of Optometry and others, since 2015. He is also the dean of AIER

Management School, honorary lifetime supervisor of Eye Care Foundation, Vice Chairman of Ophthalmology Committee in Chinese non-government Medical Institution Association and group leader of Ophthalmic Management.

Other principal commitments including directorships

(a) Past (for the last 5 years)

Directorships

- Kunming Aier Eye Hospital Co., Ltd.
- Xianning Aier Eye Hospital Co., Ltd.
- Gejiu Aier Eye Hospital Co., Ltd.
- Chongqing Aier Eye Hospital Co., Ltd.
- Harbin Aier Eye Hospital Co., Ltd.
- Tianjin Aier Eye Hospital Co., Ltd.
- Changde Aier Eye Hospital Co., Ltd.
- Chongqing Nanping Aier Eye Hospital Co., Ltd. (formerly known as Chongqing Aier Mega Eye Hospital Co., Ltd.)
- Huzhou Aier Eye Hospital Co., Ltd.
- Nanchong Aier Mega Eye Hospital Co., Ltd.
- Beijing Aier Yingzhi Eye Hospital Co., Ltd.
- Chaoyang Aier Optometry Clinic Co., Ltd.
- Chaoyang Eye Hospital Co., Ltd.
- Shanxi Aier Eye Hospital Co., Ltd.
- Dashiqiao Aier Eye Hospital Co., Ltd.
- Yongzhou Aier Eye Hospital Co., Ltd.
- Yicheng Aier Eye Hospital Co., Ltd.
- Foshan Aier Eye Hospital Co., Ltd.
- Jingzhou Aier Eye Hospital Co., Ltd.
- Changsha Xiangjiang Aier Eye Hospital Co., Ltd.
- Huaihua Aier Eye Hospital Co., Ltd.
- Jiangling Aier Eye Clinic Co., Ltd.
- Zhengzhou Aier Eye Hospital Co., Ltd.

BOARD OF DIRECTORS

MR LI LI, 59

NON-EXECUTIVE AND
NON-INDEPENDENT DIRECTOR

(CONT'D)

(a) Past (for the last 5 years) (cont'd)

Directorships (cont'd)

- Wuhan Hankou Aier Eye Hospital Co., Ltd.
- Xvchang Aier Eye Hospital Co., Ltd.
- Wuhan Qingshan Aier Eye Clinic Co., Ltd.
- Guangzhou Aier Eye Hospital Co., Ltd.
- Qingyuan Aier Eye Hospital Co., Ltd.
- Wuhan Huangpi Aier Eye Clinic Co., Ltd.
- Wuhan Jiangxia Aier Eye Clinic Co., Ltd.
- Ningbo Haishu Aier Bright Eye Clinic Co., Ltd.
- Nanning Aier Eye Hospital Co., Ltd.
- Wuhan Aier Eye Hospital Co., Ltd.
- Dongguan Aier Eye Hospital Co., Ltd.
- Huanggang Aier Eye Hospital Co., Ltd.
- Yiyang Aier Eye Hospital Co., Ltd.
- Yichang Aier Eye Hospital Co., Ltd.
- Huangshi Aier Eye Hospital Co., Ltd.
- Jingmen Aier Eye Hospital Co., Ltd.
- Shanghai Aier Eye Hospital Co., Ltd.
- Wuhan Caidian Aier Eye Clinic Co., Ltd.
- Chengdu Aier Eye Hospital Co., Ltd.
- Jiujiang Aier Eye Hospital Co., Ltd.
- Shijiazhuang Aier Eye Hospital Co., Ltd.
- Ningbo Aier Bright Eye Hospital Co., Ltd.
- Foshan Chancheng Aier Eye Clinic Co., Ltd.
- Foshan Chancheng Aier Eye Outpatient Co., Ltd.

Chairmanships

- Xiaogan Aier Eye Hospital Co., Ltd.
- Chenzhou Aier Eye Hospital Co., Ltd.
- Zhuzhou 331 Aier Eye Hospital Co., Ltd.

Supervisors of Supervisory Board

- Liaoning Aier Eye Hospital Co., Ltd.
- Hunan Liangjing Medical Management Co., Ltd.

Other Principal Commitments (for the last 5 years)

Nil

(b) Present

Directorships

- Aier Global Vision Care Management Co. Limited
- Clínica Baviera, S.A., listed on the Madrid Stock Exchange
- Aier (U.S.A) International Holdings Inc.
- Asia Medicare Group Limited
- Aier Eye Hospital Group Co., Ltd.
- Beijing Sading Investment Co., Ltd.
- Hunan Aier Healthcare Industrial Development Co., Ltd.
- Shenzhen Sading Hengshun Investment Co., Ltd.
- Shaoguan Aier Eye Hospital Co., Ltd.

Chairmanship

Nil

Supervisors of Supervisory Board

- Beijing Licheng Gongchuang Consulting Co., Ltd.
- Hunan Aier Property Investment Development Co., Ltd.

Other Principal Commitments

- Vice Chairman, Chief Executive Officer, Member of Remuneration Committee, Member of Strategy Committee, Aier Eye Hospital Group Co., Ltd.

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

Mr Li was nominated to be appointed as a Director by a substantial shareholder of the Company, Aier Eye International (Singapore) Pte. Ltd..

Conflict of Interest (including any competing business)

Mr Li is the Vice-Chairman and CEO of Aier Eye Hospital Group Co., Ltd. ("Aier China") and its subsidiaries (together, the "Aier Group") whose main business is similar to the Company. As at the date of this Annual Report, Aier Group has no business in Southeast Asia, other than those carried out by the Group.

Shareholding interest in the listed issuer and its subsidiaries

Please refer to the Directors' Statement on pages 47 to 51 for Mr Li's shareholding interest in the Company and its subsidiaries.

Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer

Yes

Disclose the matters in items (a) to (k) listed in Appendix 7F concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

Mr Li had responded negative to items (a) to (k) listed in Appendix 7F of the Catalyst

BOARD OF DIRECTORS



MS ZHANG YONGMEI, 44
NON-EXECUTIVE AND
NON-INDEPENDENT DIRECTOR

Date of Appointment

27 December 2019

Date of Last Re-appointment

22 April 2022

Country of Principal Residence

People's Republic of China

The Board's comments on this re-election (including rationale, selection criteria, and the search and nomination process)

The re-election of Ms Zhang as a Non-Executive and Non-Independent Director at the AGM 2025 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Ms Zhang's qualifications, expertise and past experiences and overall contribution since she was appointed as a Director of the Company.

Whether appointment is executive, and if so, the area of responsibility

Non-Executive

Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)

- Non-Executive and Non-Independent Director
- Member of Audit Committee
- Member of Nominating Committee
- Member of Remuneration Committee

Professional Qualifications

- Bachelor of Science, Tongji University
- Master of Business Administration, Fudan University
- Non-practising member, the Chinese Institute of Certified Public Accountants

Working experience and occupation(s) during the past 10 years

January 2024 to Present
Vice President, Aier Eye Hospital Group Co., Ltd.

2014 to December 2023

Global Strategy and Business Development Director, Aier Eye Hospital Group Co., Ltd.

Other principal commitments including directorships

(a) Past (for the last 5 years)

Directorships

- Dali Aier Eye Hospital Co., Ltd
- Yunnan Aiwei Medical Investment Co., Ltd (formerly known as "Yunnan Huashan Medical Investment Co., Ltd")
- Binzhou Hubin Aier Eye Hospital Co., Ltd

Other Principal Commitments (for the last 5 years)

Nil

(b) Present

Directorships

- Aier Global Vision Care Management Co. Limited
- Aier Eye International (Singapore) Pte. Ltd.
- Clinica Baviera, S.A., listed on the Madrid Stock Exchange
- Aier Eye International (Europe), S.L.U.
- Aier (U.S.A) International Holdings Inc.
- Asia Medicare (HK) Limited
- Asia Eye Care Limited

Other Principal Commitments

Nil

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

Ms Zhang is a Director of the Company's substantial shareholder, Aier Eye International (Singapore) Pte. Ltd..

Conflict of Interest (including any competing business)

Ms Zhang is part of the management of Aier Eye Hospital Group Co., Ltd. ("Aier China") and its subsidiaries (together the "Aier Group"), whose main business is similar to the Company. As at the date of the Annual Report, Aier Group has no business in Southeast Asia other than those carried out by the Group.

Shareholding interest in the listed issuer and its subsidiaries

Nil

Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer

Yes

Disclose the matters in items (a) to (k) listed in Appendix 7F concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

Ms Zhang had responded negative to items (a) to (k) listed in Appendix 7F of the Catalyst Rules.

EXECUTIVE OFFICERS

DR WONG JUN SHYAN CHIEF EXECUTIVE OFFICER

Dr Wong Jun Shyan, who is residing in Malaysia, is one of the founding members of ISEC KL and an ex-officio member of our Medical Board. He has been a Consultant Ophthalmologist in the Group since 2007. Dr Wong is considered a key opinion leader in his fields of subspecialty and is an Honorary Part-Time Lecturer for the Department of Optometry, Faculty of Allied Health Sciences in Universiti Kebangsaan Malaysia.

Dr Wong previously sat on the boards of various professional associations and ad hoc National Ophthalmic Committees. He was also an alumnus of the American Academy of Ophthalmology Leadership Development Programme in 2006. Dr Wong was a Fellow of the Royal College of Surgeons of Edinburgh since 1996, and has been a member of The Retina Society of the USA since 2007. He was awarded the APAO Outstanding Services in Prevention of Blindness Award for his contributions to the community by the Asia Pacific Academy of Ophthalmology in 2017.

Dr Wong graduated from the National University of Singapore with a Bachelor of Medicine and Bachelor of Surgery in 1991 and obtained his Master of Medicine (Ophthalmology) in 1996. He completed his residency as Chief Resident in Ophthalmology at the National University Hospital Singapore and continued as Registrar and was a Retina Fellow at the Singapore National Eye Centre. Dr Wong then pursued clinical fellowships in vitreoretinal (VR) disease at The Royal Victorian Eye and Ear Hospital, University of Melbourne, the Beetham Eye Institute of Joslin Diabetes Centre, Boston, the Department of Ophthalmology at Harvard Medical School and the Massachusetts Eye and Ear Infirmary, Beth Israel Deaconess Medical Centre and Brigham and Women's Hospital.

DR FANG SENG KHEONG CHAIRMAN OF MEDICAL BOARD

Dr Fang Seng Kheong is the Chairman of our Medical Board since 2014 and is one of the founding members of ISEC KL, who has been a Consultant Ophthalmologist in the Group since 2007. Dr Fang was the President of both the Malaysian Glaucoma Society (MGS) and Asia Pacific Glaucoma Society (APGS) from 2022 to 2024, as well as being a Council member of the Asia-Pacific Academy of Ophthalmology (APAO), of which Dr Fang is the Chairman for the Young Ophthalmologist Standing Committee of the APAO. Dr Fang is also the Editorial Board member of the International Glaucoma Review, Asia-Pacific Journal of Ophthalmology, Ocular Surgery News, Asia-Pacific Edition, Asian Journal of Ophthalmology, Eye SEA Journal and EyeWorld Asia Pacific.

Prior to joining the Group, Dr Fang was a Consultant Ophthalmologist and Glaucoma Specialist at The Tun Hussein Onn National Eye Hospital in Petaling Jaya, Selangor from 1999 to 2007. Between 1995 and 1999, he was a Consultant Ophthalmologist and Chief of Glaucoma Service at Hospital Kuala Lumpur, Malaysia.

Dr Fang has been a life member of the Malaysian Medical Association since 1992 and is also a member of numerous medical associations including the College of Surgeons Malaysia, College of Ophthalmologist, Academy of Medicine Malaysia, and Asia-Pacific Glaucoma Society for which he was elected as President in 2022 after being the Honorary Secretary since 2012. He is also a founding member of both the Malaysian Society of Ophthalmology and Malaysian Glaucoma Society. Dr Fang has received Distinguished Service Award from APAO in 2007, the Asian Angle Closure Glaucoma Club in 2012, Achievement Award from APAO in 2016, MSO in 2017, and Asian Economic Community Ophthalmology Meeting in 2018. He also received the Prevention of Blindness Award from the APAO in 2024.

Dr Fang was also the Organising Chairperson and Congress President of the Asia Pacific Glaucoma Congress (APGC) Virtual in June 2021, APGC in August 2022 held at the Kuala Lumpur Convention Center and ISEC Glaucoma Symposium in November 2024 held at the Gardens Ballroom in Kuala Lumpur.

Dr Fang graduated with a Bachelor of Medicine and Bachelor of Surgery from University of Malaya in 1986. In 1994, he obtained his Master in Surgery (Ophthalmology) from the National University of Malaysia (Universiti Kebangsaan Malaysia). He did his fellowship in Glaucoma with Prof Ivan Goldberg in Sydney, Australia in 1995.

DR CHOONG YEE FONG KUALA LUMPUR CENTRE DIRECTOR

Dr Choong Yee Fong is one of the founding members of ISEC KL and is the Medical Director of our Kuala Lumpur Centre. He has been a Consultant Ophthalmologist in the Group since 2007 and is a Visiting Consultant Ophthalmologist at Gleneagles Kuala Lumpur, Malaysia.

A key opinion leader in the subspecialty fields of adult strabismus, paediatric ophthalmology and refractive cataract surgery, Dr Choong received the British High Commissioner's Award, a prestigious academic scholarship for medical studies in 1990. Therefrom, he continued to receive various awards and recognition throughout his medical studies and was awarded the Welsh Office Research and Development Grant by the Government of Wales in 2001.

Dr Choong is currently a member of the Academy of Medicine Malaysia, the Malaysia Medical Association and a founding member of the World Society of Paediatric Ophthalmology and Strabismus. He is the current chairperson of the Malaysia Society for Paediatric Ophthalmology and Strabismus.

Dr Choong graduated with a Bachelor of Medicine and Bachelor of Surgery from the University of Leeds, United Kingdom in 1995. He has been a Fellow of the Royal College of Ophthalmologists, London, United Kingdom since 1998.

EXECUTIVE OFFICERS

DR ROBERT YEO KIM CHUAN MALACCA CENTRE DIRECTOR

Dr Robert Yeo is the Medical Director and the founder of our Malacca Centre, Southern Specialist Eye Centre Sdn. Bhd. ("SSEC"). He was appointed as Malacca Centre Director of the Group on 25 January 2017. Dr Yeo started his ophthalmology practice in K.C. Yeo Eye Specialist Clinic Sdn. Bhd. in 2006, which was then subsequently acquired under SSEC following an internal restructuring exercise in 2014. Dr Yeo plays a pivotal role in charting the course and direction of our Malacca Centre. He is currently the Centre Director of SSEC and also the medical advisor of ISEC Specialist Eye Clinic (Melaka) Sdn. Bhd. ("ISEC Melaka") which is a subsidiary of SSEC. He is actively involved in clinical work and also in the management of SSEC and ISEC Melaka.

Before starting his own practice, Dr Yeo served in various medical and surgical capacities including ophthalmology postings at Melaka Hospital and University Hospital, Kuala Lumpur, as well as a brief stint with the Singapore National Eye Centre and two years in the United Kingdom.

In 1995, he returned to Malaysia to take on the post of Clinical Specialist in the Eye Department of Hospital Kuala Lumpur and was assigned to Hospital Kuala Terengganu as Consultant and Head of the Eye Department. From 1996 to 2005, Dr Yeo served as Consultant Eye Surgeon with Southern Hospital Melaka and Mahkota Medical Centre.

Dr Yeo obtained his MBBS from the University of Malaya in 1987 and completed his FRCS Fellowship from the Royal College of Edinburgh, Scotland and Master of Medicine, Singapore (Ophthalmology) in 1993.

DR ALAN ANG PENANG CENTRE DIRECTOR

Dr Alan Ang joined the Group in October 2012 and is the Medical Director of our Penang Centre. He specialises in both cataract and vitreoretinal surgery and is considered a key opinion leader in his field of subspecialty.

Prior to joining us, Dr Ang was a Consultant Vitreoretinal Surgeon at the Royal Hammersmith Hospital in Sheffield, United Kingdom. Between 2004 and 2005, Dr Ang completed his Vitreoretinal Fellowship at Addenbrooke's Hospital in Cambridge and Oxford Radcliffe Infirmary.

Dr Ang graduated with a Bachelor of Medicine, Bachelor of Surgery and Bachelor of Obstetrics from Queen's University of Belfast, United Kingdom in 1996.

He has been a Fellow of the Royal College of Ophthalmologists, London, United Kingdom since 1999 where he received his Certificate of Specialist Training in Ophthalmology in 2004.

DR SHIN HOY CHOONG IPOH CENTRE DIRECTOR

Dr Shin Hoy Choong is the founder of the Ipoh Eye Specialist Centre, a multidisciplinary eye care centre based in Ipoh, Malaysia in 2010, and later expanded its footprint to Kampar, Malaysia in 2018. Dr Shin was appointed as Ipoh Centre Director of the Group on 31 August 2022. He is also currently the Medical Director cum Consultant Ophthalmologist of ISEC Perak division, overseeing ISEC Perak centres in Ipoh, Kampar, Manjung, Teluk Intan and Taiping.

Dr Shin is a member of the Malaysia Medical Association and the Academy of Medicine Malaysia. He is also the medical advisor for multiple local associations.

Dr Shin is an experienced cataract and refractive surgeon. He set up a state-of-art cataract and refractive suite in Ipoh, and is skilled in performing cataract, refractive, eyelid and glaucoma surgeries.

Dr Shin graduated with a Bachelor of Medicine and Surgery (MBBS) from the prestigious University Malaya in 2000 and Master of Ophthalmology (MMED OPH UM/distinction) from University Malaya in 2009.

MS ELYSE LOW CHIEF FINANCIAL OFFICER

Ms Elyse Low joined the Group in September 2014 as a Finance Manager, and was appointed as Chief Financial Officer of the Group in February 2020. She is responsible for overseeing the Group's accounting, finance, and regulatory compliance functions. Ms Low also assists the Group's CEO on merger and acquisition activities.

Prior to joining the Group, Ms Low was an Audit Manager with KPMG Singapore. Ms Low has over seven years of experience in audit and assurance, working as an auditor in Singapore and in Norway. Her professional experience includes providing audit and assurance services to companies from a wide range of industries, including public listed companies on the Singapore and Oslo stock exchanges.

Ms Low graduated with a Bachelor of Accountancy degree, and holds a Master of Business Administration, both from Nanyang Technological University. She is also a member of the Institute of Singapore Chartered Accountants and CPA Australia.

CORPORATE SOCIAL RESPONSIBILITY



As a socially responsible corporate citizen, we are committed to making a meaningful impact on the communities we serve. Through a series of planned initiatives and active participation in various outreach programmes, we strive to create positive and lasting contributions.

COMMITMENT TO COMMUNITY AND PATIENTS

Raising awareness for glaucoma, ISEC's medical centres united in March 2024 to promote World Glaucoma Day. This meaningful annual event saw our specialists and medical team volunteering their time to provide free eye screenings and consultations for individuals aged 40 and above to enable early detection and prevention of vision loss. Similarly, in October, our team marked World Sight Day by offering free eye screenings and consultations for all ages, from children to the elderly. Our medical director and paediatric ophthalmologist also delivered an insightful public talk on "Eye Health in Children", highlighting the importance of early detection, prevention and proper eyecare for young patients.

ISEC Penang collaborated with House of Hope Penang, an NGO supporting low-income families through its aid programmes, to provide free eye screenings and consultations for patients in need of cataract surgery. Our ophthalmologist volunteers for this initiative annually, and this year, the programme received additional support from the Soroptimist International of Pearl of the Orient ("SI Pearl"), which played a key role in identifying patients requiring cataract surgery but lacking financial means. Thanks to a generous donation from a member of SI Pearl, the necessary funds were raised to cover 10 cataract surgeries.



As a strong advocate of eye screenings and early detection of eye diseases to prevent vision loss, our medical teams regularly organise or collaborate with partners to provide complimentary eye screenings and free consultations for the elderly, the underprivileged or individuals with eye health concerns. Some notable initiatives in 2024 include collaboration with nutritionist students and lecturers from Monash University Malaysia to offer free eye screenings at K for Kids Preschool and Academy in Puchong. A total of 40 children, aged three to six, were screened using the Rapid Eye Screening Test, a convenient application designed for use in both schools and homes. In June 2024, our dedicated team volunteered their time on a Sunday morning to provide free eye screenings for over 70 patients. These initiatives reflect our ongoing commitment to eye health and community well-being.



CORPORATE SOCIAL RESPONSIBILITY

COMMITMENT TO EDUCATION

In November 2024, ISEC successfully hosted ISEC Glaucoma Symposium, bringing together over 200 experts from leading healthcare centres, academic institutions and industry partners worldwide to exchange insights and expertise in the field. The event featured a distinguished lineup of speakers from the United Kingdom, Singapore and esteemed local faculty from ISEC and across Malaysia. The industry support was commendable, contributing to an enriching event.

As part of our steadfast commitment to education and the development of future healthcare professionals, we are delighted to welcome another cohort of clinical attachment students from both local and international universities. At ISEC KL, we host over 200 students each year, including many from Hong Kong Polytechnic

University, Universiti Kebangsaan Malaysia, SEGI University, and IMU University, providing them with invaluable hands-on experience and insights into the latest clinical practices.

COMMITMENT TO EMPLOYEES

To deliver the best care to our patients, our people have to work cohesively. In December 2024, our KL staff gathered at Beacon Resort in Selangor, Malaysia for its annual teambuilding event with fun activities that were designed to promote friendship, encourage team bonding and more effective communication among staff.

During the year, we also provided our staff various courses conducted by our vendors as well as our internal staff. Just to name a few:

- The role of fluid in driving treatment decisions
- Dry eye treatment and management
- Myopia control management with Hoya MiYOSMART
- Myopine eyedrops and the benefit of combination therapy





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REPORT ON CORPORATE GOVERNANCE

The Board of Directors (the “**Board**”) and the management (the “**Management**”) of ISEC Healthcare Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) are committed to maintain a high degree of corporate governance and transparency for the benefit of all its stakeholders. For the financial year ended 31 December 2024 (“**FY2024**”), the Board and the Management are pleased to confirm that the Company has adhered to the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”) and its related practice guidance (“**PG**”), where applicable, pursuant to Rule 710 of Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) issued by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

This report outlines the Company’s corporate governance practices, processes and structure that were in place during FY2024, with specific reference to the principles and provisions of the Code and the disclosure guide developed by the SGX-ST in January 2015 (the “**Guide**”). Where there is a deviation from the Code, proper explanation of the reason for variation and how the practices it had adopted are consistent with the intent of the relevant principle have been explicitly stated in this annual report.

BOARD MATTERS

The Board’s Conduct of its Affairs

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

The Board oversees the corporate policy and overall strategy for the Group. The principal roles and responsibilities of the Board include:

- Overseeing the overall strategy formulation including sustainability and environmental issues as part of its strategy formulation, strategic human resources framework, and financial objectives of the Group; and
- Overseeing and safeguarding shareholders’ interest and the Company’s assets through a robust system of effective internal controls, risk management, financial reporting and compliance.

The Board is entrusted with and committed to, oversight of the business performance and business affairs of the Group, sets appropriate tone-from-the-top and desired organisational culture and Code of Conduct and Ethics, ensures proper accountability within the Group and seeks to ensure that obligations to shareholders and other stakeholders are understood and met.

The Board is the highest authority of approval, and specific functions of the Board are either carried out by the Board or through various committees established by the Board, namely, the Audit Committee (the “**AC**”), the Nominating Committee (the “**NC**”) and the Remuneration Committee (the “**RC**”) (collectively, the “**Board Committees**”). Each committee has the authority to examine issues relevant to their terms of reference which have been approved by the Board, and to make fair, proper and appropriate recommendations to the Board when required. The terms of reference in relation to the responsibilities and functions of the Directors in each Board Committee are provided in this report. The ultimate responsibility for the final decision on all matters, however, lies with the entire Board. While the Board does not have a formal Board Charter, the Board has also adopted a risk governance and internal controls framework manual which sets out the Board’s approval guidelines and such guidelines are clearly communicated to Management. Matters that require the Board’s approval include, amongst others, the following:

- Board authorisation limits;
- Interested persons transactions amounting to and exceeding S\$100,000;

REPORT ON CORPORATE GOVERNANCE

- Bank mandates and facilities;
- Appointment and re-election of Directors at any time;
- Salaries and benefits/allowances of the members of the Board and key management personnel;
- Share options and performance share schemes;
- Investments, mergers and acquisitions (“M&A”) transactions and divestments;
- Independent valuation reports prior to making any investments, M&A transactions and divestments decisions;
- Annual business strategy and the financial budget;
- Significant capital expenditure and purchase of major assets;
- Public announcements and responses to the SGX-ST and/or other regulators;
- Dividend decisions;
- Audited financial statements if deemed satisfactory and are true and fair after review; and
- Composition of the Medical Board that handles potential medico-legal matters.

The Board members attend and actively participate in Board and Board Committee meetings. The scheduled meetings were held on a quarterly basis during FY2024 to review, *inter alia*, the Company’s and the Group’s operations and financial results. Additional meetings are convened as and when circumstances warrant. The Management provides the Board members with complete, adequate and timely relevant material and information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities. Board members with multiple board representations will ensure that sufficient time and attention are given to the affairs of the Company. The Constitution of the Company (the “**Constitution**”) allows Board meetings to be conducted via any form of audio or audio-visual communication. The Directors are free to discuss any information or views presented by any member of the Board and the Management. Directors facing conflicts of interest recuse themselves from meetings, discussions and decisions involving the issues of conflict.

The Company adopts a policy which welcomes the Directors to request for further explanations, briefings or informal discussions on any aspect of the Group’s operations or business from the Management. The CEO updates the Board during the meeting on business and strategic developments of the Group, where applicable. The Board has separate and independent access to the Management, the Company Secretary and external advisers (where necessary) at the Company’s expense.

When necessary or appropriate, members of the Board exchange view outside the formal environment of Board meetings. Each Board member is expected to objectively discharge his or her duties and responsibilities in good faith at all times as fiduciaries in the best interests of the Company, and hold Management accountable for performance. All Board members are also obliged to exercise reasonable due diligence and independent judgement when making decisions.

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The attendance records of the Directors at meetings of the Annual General Meeting (“**AGM**”), Extraordinary General Meeting (“**EGM**”), Board and Board Committees during the FY2024 are disclosed below:

	AGM	EGM	Board	AC	NC	RC
Number of meetings held in FY2024	1	1	4	4	1	3
Name of Director	Number of meetings attended in FY2024					
Mr Chong Weng Hoe	1	1	4	4	1	3
Dr Lee Hung Ming	1	1	2	4*	1*	1*
Mr Lim Wee Hann ⁽¹⁾	1	1	1	1	1	1
Ms Wee Kim Lin Evelyn ⁽²⁾	NA	NA	2	2	NA	2
Mr Chen Bang	1	1	4	4*	1*	1*
Mr Li Li	1	1	4	4*	1*	1*
Ms Zhang Yongmei	1	1	4	4	1	2

Notes:

- (1) Mr Lim Wee Hann retired as an Independent and Non-Executive Director and ceased to be Chairman of the NC and RC and member of the AC on 19 April 2024.
- (2) Ms Wee Kim Lin Evelyn was appointed as an Independent and Non-Executive Director and as Chairman of the NC and RC and member of the AC on 1 May 2024.

* Attendance by invitation.

Newly appointed Directors will be given briefings and orientation by the Executive Director and the Management to familiarise them with the businesses and operations of the Group. The newly appointed Directors will also be provided with an opportunity to conduct a site visit to the Group’s medical centres. Upon appointment, the Director will receive a letter of appointment setting out his/her duties and responsibilities.

The Company will arrange and fund the requisite training as prescribed by the SGX-ST under Rule 406(3)(a) and Practice Note 4D of the Catalyst Rules within one year from the date of appointment for any newly appointed directors who do not possess any prior experience as a director of a Singapore public-listed company.

The Board values on-going professional development and recognises that it is important that all Directors receive regular training in order to be able to serve effectively on and contribute to the Board. While there is no formal continuous professional development policy in place, the Management monitors the availability of on-going relevant courses and seminars and keeps the Directors apprised accordingly and will make the arrangements for Directors who are keen to attend any such courses or seminars.

The Directors may join institutes and group associations of specific interests, and attend relevant training seminars or informative talks from time to time so that they are in a better position to discharge their duties. The Company encourages the Directors to attend courses in areas of Directors’ duties and responsibilities, corporate governance, changes in financial reporting standards, climate and sustainability, insider trading, changes in the Companies Act 1967 (the “**Companies Act**”) and industry-related matters, to develop themselves professionally, at the Company’s expense.

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The Board is regularly briefed on recent updates and changes in relation to accounting standards, amendments to the Companies Act and Catalist Rules, and other applicable regulatory updates or amendments to relevant laws, rules and regulations from time to time.

For FY2024, briefings, updates and trainings for the Directors included:

- briefing by the external auditor on changes to accounting standards at the AC meetings;
- briefing by external consultant on sustainability reporting at the AC meetings; and
- updates by the Company Secretary on amendments to the Companies Act and Catalist Rules, from time to time.

Board Composition and Guidance

Principle 2 – The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

As at 31 December 2024, the Board comprises six Directors. There is one Executive Director, Dr Lee Hung Ming, who is an Executive Vice-Chairman of the Company. The Independent Non-Executive Directors comprise Mr Chong Weng Hoe and Ms Wee Kim Lin Evelyn and the Non-Independent Non-Executive Directors comprise Mr Chen Bang, Mr Li Li and Ms Zhang Yongmei.

Details of the Directors' qualifications and experiences are set out on pages 6 to 12 of this annual report.

In accordance with the requirements of the Companies Act, Directors are required to and will declare any personal interest in transactions or contracts involving the Group; and other directorships or shareholdings in other companies. In addition, Directors are also required to declare any corporate developments relating to their external appointments which may affect their independence. This ensures that Directors continually meet the stringent requirements of independence under the Code.

The NC evaluates on an annual basis whether or not a Director is independent in accordance with Rule 406(3)(d) of the Catalist Rules and the Code bearing in mind the Code's definition of an "Independent Director" and guidance as to the relationships, the existence of which would deem a Director not to be independent. Under the Code, an Independent Director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers, that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company. Under the Catalist Rules, a Director will not be deemed independent if he is employed by the Company or its related corporations for the current or any of the past three financial years, or if he has an immediate family member who is employed or has been employed by the Company or its related corporations for the past three financial years, and whose remuneration is determined by the Company's RC.

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The Directors complete an annual declaration of independence, whereby they are required to assess their independence, after taking into account the above requirements, which is then put to the NC for review. The Directors are mindful, however, that the relationships identified in the annual confirmation of independence are only indicators of possible situations where independent judgement may be impaired, but are not in themselves conclusive, and they are also required to disclose any relationship with the Company, its related corporations or its officers which may interfere with, the exercise of their independent business judgement in the best interests of the Company, or would otherwise deem them to be not independent.

The Board and the NC have ascertained that for FY2024, two out of its six Directors, namely Mr Chong Weng Hoe and Ms Wee Kim Lin Evelyn, are independent.

There is no Independent Director who has served beyond nine years since the date of his/her first appointment.

For FY2024, the NC had reviewed the size and composition of the Board for effective decision-making, taking into account factors such as the scope and nature of the operations of the Group and the core competencies of Board members in the fields of medical, business management, accounting and finance, and professional legal services. The Non-Executive Directors are able to constructively challenge and assist in the development of the business strategies and in reviewing and monitoring of the Management's performance against set targets.

The Non-Executive Directors and/or the Independent Directors may at any time meet separately without the presence of the Management. For FY2024, the Non-Executive Directors and Independent Directors have met once without the presence of the Management. The chairman of these meetings provides feedback to the Board and/or Chairman as appropriate.

The Board's policy in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender and age. As of the date of this annual report and for FY2024, the Board composition provides a diversity of skills, experience, and knowledge to the Company as follows:

Balance and Diversity of the Board		
	Number of Directors	Proportion of Board
Core Competencies		
– Accounting or finance-related	2	33%
– Business and management experience	6	100%
– Research and development	2	33%
– Legal or corporate governance	5	83%
– Relevant industry knowledge	4	67%
– Strategic planning experience	6	100%

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The Board has taken the following steps to maintain or enhance its balance and diversity:

- 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
- Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

The NC has considered the results of these exercises in its recommendation for the appointment of new Directors and/or the re-appointment of incumbent Directors.

The Independent Directors and Non-Executive Directors contribute accounting and finance knowledge, legal expertise and business management experience to the Group, and provide the Executive Director and the Management with diverse and objective perspectives on issues considered by the Board. The Independent Directors and Non-Executive Directors also aid in developing the Group's strategic process, reviewing the performance of the Management in meeting agreed goals and objectives, and monitoring the reporting of performance and operations as an appropriate check and balance.

The Board endeavours to achieve the balance and diversity necessary to maximise its effectiveness as part of its Board diversity policy which endorses the principle that its Board should have the appropriate balance and mix of skills, knowledge, experience and other relevant aspects of diversity that support the Company in the pursuit of its strategic and business objectives, and its sustainable development. The policy seeks to promote the inclusion of different perspectives, ideas and insights and ensure that the Company can benefit from all available sources of talent.

In determining the optimum composition and size of the Board and each Board committee, the Board diversity policy provides for the NC to consider a combination of factors such as skills, knowledge, professional experience, gender, age, and length of service. The skills, knowledge and experience to be considered include accounting or finance related, business and management experience, research and development, legal or corporate governance, relevant industry knowledge, strategic planning, familiarity with regulatory requirements and knowledge of risk management, audit and internal controls.

A skills matrix is used to help identify the gaps. The skills matrix classifies the skills, knowledge and professional experience of existing Directors into several broad categories such as industry knowledge; financial markets; regulation and compliance; leadership; and also where such skills, knowledge and professional experience were acquired or utilised geographically.

Suitable candidates will then be identified, including through external search firms if required. External search firms that are engaged are instructed that diversity is a key criterion in the search and in particular, gender diversity as the Board believes that having a mixed gender Board is better able to evaluate and analyse Board issues and matters from various angles and work and life experiences. Female candidates are therefore required to be included for consideration.

Following its assessment of the candidates, the NC will then interview the short-listed candidates. The NC will thereafter make its recommendations to the Board including appointments to the appropriate Board committee(s) after matching the candidates' skills-set to the needs of each Board committee. The Board, taking into account the views of the NC, will consider if its Directors meet the criteria under its Board diversity policy and possess the necessary competencies to, through the Management, govern the Company effectively.

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Following the appointment of Ms Zhang Yongmei as a Non-Executive and Non-Independent Director on 27 December 2019 and Ms Wee Kim Lin Evelyn as a Non-Executive and Independent Director on 1 May 2024, the Board's target to have at least one female represented on the Board has been met. The Board has maintained this target for the financial year ended 31 December 2024.

In terms of gender representation, the Board consists of four men and two women, or is 67% male and 33% female, and, as among the non-executive Directors, the female gender representation is 40%.

Even though the Company has achieved its diversity targets since (and including) the financial year ended 31 December 2023 ("FY2023") and maintained its diversity target for FY2024, the Company will continue to pursue identification and evaluation of suitable candidates to ensure there is diversity (including gender, age, skills and experience) on the Board as part of the phased renewal and refreshment of the Board, and will disclose its progress in future annual reports as appropriate. With the fulfilment of the previously set targets, the Board has no targets set as of the date of the annual report.

The Board also recognises that gender diversity is only one aspect of Board diversity. In terms of qualifications and competencies, members of the Board include seasoned professionals in business and management, research and development, relevant industry knowledge, strategic planning experience, investment, financial, accounting and legal fields. The Board believes that its members' different backgrounds, experience, age, gender, tenure of service, and skill sets provide a diversity of perspectives which contribute to the quality of its decision-making. The profiles of the Directors are on pages 6 to 12 of this annual report.

The Company remains committed to implementing its Board diversity policy and any further progress made towards the implementation of such policy will be disclosed in future Corporate Governance Reports, as appropriate.

Chairman and Chief Executive Officer

Principle 3 – There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The roles of the Chairman and Chief Executive Officer ("CEO") in the Company are separate and distinct. Mr Chong Weng Hoe is the Non-Executive Chairman of the Board and is also an Independent Director. Dr Wong Jun Shyan is our CEO. The Chairman and the CEO are not related to each other nor are immediate family members.

The CEO has the executive responsibility for the day-to-day operations of the Group whilst the Chairman provides overall leadership to the Board. The Chairman, with the help of the Company Secretary, ensures that Board meetings are held as and when necessary and sets the meeting agenda in consultation with the CEO and fellow Directors and other executives, and if warranted, with professional advisors.

The Chairman and the CEO are separate persons, are not related to each other, and the Chairman is not involved in the day-to-day running of the Company's business and operations. The Chairman is independent from the Management and business relationships with the Company and its subsidiaries. He also performs an effective check and balance on the Management.

The NC has deliberated and is of the view that the appointment of a Lead Independent Director is not necessary given that the Chairman is independent. As part of its continuous assessment of corporate governance standards, the Board will appoint a Lead Independent Director when the Board situation warrants it.

REPORT ON CORPORATE GOVERNANCE

Board Membership

Principle 4 – The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

The Company has established the NC to make recommendations to the Board on all Board appointments and re-appointments. The key terms of reference of the NC include:

- (a) making recommendations to the Board on relevant matters relating to (i) the review of Board succession plans for Directors, in particular, the Chairman, CEO and any other key management personnel, (ii) the process and criteria for evaluation of the performance of the Board, its Board Committees and its Directors, (iii) the review of training and professional development programs for the Board and its Directors; and (iv) the appointment and re-appointment of Directors (including alternate Directors, if applicable);
- (b) reviewing and determining annually, and as and when circumstances require, if a Director is independent, in accordance with the Catalist Rules, the Code and any other salient factors;
- (c) reviewing the composition of the Board annually to ensure that the Board and its committees comprise Directors who as a group provide an appropriate balance and diversity of skills, expertise, gender, age and knowledge of the Group and provide core competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge; and
- (d) where a Director has multiple board representations, deciding whether the Director is able to and has been adequately carrying out his duties as a Director, taking into consideration the Director's number of listed company board representations and other principal commitments.

The NC comprises three Directors, two of whom including the Chairman, are non-executive and independent. The NC members are:

- Ms Wee Kim Lin Evelyn (Chairman)
- Mr Chong Weng Hoe
- Ms Zhang Yongmei

The NC has implemented a process for assessing the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution of our Chairman and each individual Director to the effectiveness of the Board. The Chairman will act on the results of the performance evaluation of the Board, and in consultation with the NC to propose, where appropriate, any new member to be appointed to the Board and/or seek the resignation of an existing Director.

At each AGM of the Company, the Constitution requires one-third of the Directors (or, if their number is not a multiple of three, the number nearest to but not less than one-third) to retire from office by rotation, being one-third of those who have been longest in office since their last re-election. All Directors must also submit themselves for re-nomination and re-election at least once every three years under Catalist Rule 720(4). Newly appointed Directors are required to submit themselves for re-election at the next AGM following their appointments.

REPORT ON CORPORATE GOVERNANCE

The NC noted that both Mr Chong Weng Hoe and Ms Zhang Yongmei, and Ms Wee Kim Lin Evelyn will retire by rotation at this AGM pursuant to Regulation 117 and 122 of the Constitution respectively. The NC had reviewed and recommended that the above-mentioned three Directors, being eligible and having consented, be nominated for re-election as Directors at this AGM, and subject to being duly re-elected.

Please refer to the “Board of Directors” section in this annual report for information of Mr Chong Weng Hoe, Ms Zhang Yongmei and Ms Wee Kim Lin Evelyn as required under Appendix 7F of the Catalist Rules.

Mr Chong Weng Hoe, Ms Zhang Yongmei and Ms Wee Kim Lin Evelyn had abstained from participating in the discussion and recommendation on their respective nominations.

The Board comprises six members, two of whom are Independent and Non-Executive, three of whom are Non-Independent and Non-Executive and one of whom is Non-Independent and Executive. As the Chairman of the Board (Mr Chong Weng Hoe) is an Independent Director and that Non-Executive Directors make up majority of the Board, the Company continues to comply with Provision 2.3 of the Code.

In assessing and recommending a candidate for appointment to the Board, the NC takes into consideration the background, qualifications, experience and knowledge that the candidate brings, and which could benefit the Board. Other important issues to be considered as part of the process for the selection, appointment and re-appointment of Directors include the composition and progressive renewal of the Board and each Director’s competencies, commitment, contribution and performance (e.g. attendance, preparedness, participation and candor), if applicable, as an Independent Director.

The NC may also engage external search consultants to search for new Directors at the Company’s expense. New Directors are appointed by way of a board resolution after the NC recommends the appointment for approval by the Board.

As a broad-based NC policy, the board nomination process for evaluating the suitability of an Executive Director vis-a-vis a Non-Executive or Independent Director is different. For an Executive Director, the nomination process would in general be tied to his ability to contribute through his acumen and thinking process of the businesses. As for a Non-Executive or Independent Director, his or her nominations are hinged on myriad of criteria whereby he or she should possess the independence of mind despite confirmation via in writing, as evaluated by the NC. The existing Independent Directors were selected from contacts as recommended to the Management, where the Management had in their opinion, deemed that these professionals will be able to give an independent view to take the Group’s businesses to a higher level, as the Executive Director does not have listed company directorship experience apart from his current directorship in the Company.

REPORT ON CORPORATE GOVERNANCE

Furthermore, the NC had also considered, and is of the opinion, that based on the following considerations evaluated, they had not impeded any Director's performance for FY2024 from carrying out their duties to the Company:

- (a) expected and/or competing time commitments of each Director;
- (b) number of board representation held by each Director;
- (c) size and composition of the Board; and
- (d) nature and scope of the Group's operations and size.

For FY2024, the Board did not set any cap on the number of listed company directorships that a Director may have, given that all Directors were able to dedicate their time to the business of the Company. Nevertheless, if the Board finds that time commitment is lacking from any particular Director, they may consider imposing a cap in future.

The Company has no alternate director. Alternate directors will be appointed as and when the Board deems necessary. Circumstances which warrant such appointments may include health, age-related concerns as well as the Management's succession plans. The proposed appointment of alternate directors, if any, shall be subject to rigorous review and recommendation of the NC on a case-by-case basis, before it is recommended to the Board for approval.

The following key information regarding Directors are set out on the following pages of this annual report:

- (a) Pages 6 to 12 – Academic and professional qualifications, date of first appointment as Director, if any, directorships or chairmanships both present and those held over the preceding three years in other listed companies and other major appointments, whether the appointment is executive or non-executive, or considered by the NC to be independent; and
- (b) Page 48 – Shareholdings, if any, in the Company and its subsidiaries.

Board Performance

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

The NC is responsible for assessing the effectiveness of the Board as a whole, the Board Committees and each individual Director. The NC decides how the Board's performance may be evaluated and proposes objective performance criteria that are approved by the Board.

The criteria for evaluation of the performance of individual Directors include qualitative and quantitative factors such as performance of principal functions and fiduciary duties, Director's attendance at meetings and his contribution and performance at such meetings. The NC and the Board strives to ensure that each Director, with his contributions, brings to the Board an objective perspective to enable balanced and well-considered decisions to be made.

The NC meets once a year, and as warranted by circumstances, to discharge its functions. One NC meeting was held in FY2024.

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The NC has in place an annual performance evaluation process for assessing the effectiveness of the Board as a whole and its Board Committees and for assessing the contribution by the Chairman and each individual Director to the effectiveness of the Board. The Company Secretary will collate the Board's, Board Committees' and individual Directors' evaluations and provide the summary observations to the NC Chairman and Board Chairman. The NC would then discuss the evaluation and conclude on the performance results during the NC meeting.

The NC assessed the FY2024 performance of the Board, Board Committees and individual Directors (including the Chairman) at a meeting held in February 2025. The assessment of the Board and the Board Committees is done via a confidential questionnaire, covering areas such as Board composition, Board processes, managing the Group's performance and the effectiveness of the Board in its monitoring role and the effectiveness of the respective Board Committees. The assessment of the individual Directors is done through peer assessments through a confidential questionnaire completed by each Director. The assessment parameters include attendance and contributions during Board and Board Committee meetings as well as commitment to their role as Directors.

The NC, in consultation with the Chairman of the Board, would review the criteria on a periodic basis to ensure that the criteria are 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.

The NC, having reviewed the performance of the Board in terms of its roles and responsibilities and the conduct of its affairs as a whole, is of the view that the Board and the Board Committees have operated effectively, and each Director (including the Chairman) has contributed to the overall effectiveness of the Board for FY2024. No external facilitator was used in the evaluation process.

The Management, including the Executive Director, keeps the Board apprised of the Group's operations and performance through quarterly updates and reports as well as through informal discussions. Key executives who can provide additional insight into the matters tabled would be invited to the Board meeting.

As soon as practicable and before each meeting, the Management would provide the Board members with complete, adequate and timely relevant material and information relating to matters to be brought before the Board to enable the Board members to make informed decisions and discharge their duties and responsibilities. The Management also provides the Board with quarterly updates on financial results, operational performance, business development and other important and relevant information. On an ongoing basis, all Board members have separate and independent access to the Management should they have any queries or require additional information on the affairs of the Group.

The Management will also on best endeavours, encrypt documents which bear material price-sensitive information when circulating documents electronically.

The Directors also have access to the Company Secretary who attends all Board and Board Committees meetings. The Company Secretary also assists the Chairman and the Board to implement and strengthen corporate governance practices and processes. The Board is given the names and contact details of the Company's Management and the Company Secretary to facilitate direct, separate and independent access. The appointment and removal of the Company Secretary is subject to the approval of the Board as a whole.

Where the Directors, either individually or as a group, in the furtherance of their duties, require independent professional advice, assistance is made available to them in obtaining such advice at the Company's expense.

REPORT ON CORPORATE GOVERNANCE

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6 – The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his or her own remuneration.

The terms of reference of the RC cover the functions described in the Code including but not limited to, the following:

- (a) reviewing and recommending to the Board, in consultation with the Chairman of the Board for endorsement, a comprehensive remuneration policy framework and guidelines for remuneration of Directors, the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of our Company (“**Key Management Personnel**”);
- (b) reviewing and recommending to the Board for endorsement, the specific remuneration packages for each Director and Key Management Personnel;
- (c) reviewing and approving the design of all share option plans, performance share plans and/or other equity-based plans;
- (d) in the case of service contracts, reviewing the Company’s obligations arising in the event of termination of the Directors’ or Key Management Personnel’s contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with a view to being fair and avoiding the reward of poor performance; and
- (e) approving performance targets for assessing the performance of each of the Key Management Personnel and recommend such targets for each of such Key Management Personnel, for endorsement by the Board.

The RC comprises entirely Non-Executive Directors, two of whom are independent. The RC meets at least once a year, and as warranted by circumstances, to discharge its functions. Three RC meetings were held in FY2024. The RC members are:

- Ms Wee Kim Lin Evelyn (Chairman)
- Mr Chong Weng Hoe
- Ms Zhang Yongmei

All recommendations made by the RC on remuneration of Directors and Key Management Personnel will be submitted for endorsement by the Board. No member of the RC is involved in setting his own remuneration package. As and when deemed appropriate by the RC, independent expert advice is sought at the Company’s expense. The RC shall ensure that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. There was no external remuneration consultant appointed in FY2024 to assist in the review of compensation and remuneration packages.

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Level and Mix of Remuneration

Principle 7 – The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the Company.

The RC recommends to the Board the quantum of Directors' fees and the Board in turn endorses the recommendation for shareholders' approval at each AGM. To facilitate timely payment of Directors' fees, the Company has recommended for the Directors' fees amounting to S\$120,000 to be paid on a quarterly basis in arrears for the financial year ending 31 December 2025 once approval is obtained from shareholders at this AGM.

The remuneration packages of the Independent Non-Executive Directors take into consideration (1) the performance of the Group and individual assessment of each Independent Non-Executive Director, and (2) the level of contribution to the Company and Board, taking into account various factors including but not limited to efforts and time spent, responsibilities and duties of the Directors.

For the Executive Director, CEO and Key Management Personnel, each of their service agreements and/or compensation packages is reviewed by the RC. These service agreements cover the terms of employment and specifically, the salaries and bonuses of the Executive Director, CEO and Key Management Personnel. The Company may terminate a service agreement if, *inter alia*, the relevant Executive Director, CEO or Key Management Personnel is guilty of dishonesty or serious or persistent misconduct, become bankrupt or otherwise act to the Company's prejudice. There are Director's fees payable to the Executive Director from the subsidiaries of the Company.

The Group had entered into service agreements and employment agreements with the Executive Director, Dr Lee Hung Ming, and the CEO, Dr Wong Jun Shyan. The Group and each of the Executive Director and CEO have also entered into supplemental agreements to extend the term of their respective service agreements and employment agreements. The Company and the CEO entered into a second supplemental service agreement to extend the term of the CEO's service agreement for a further term of five (5) years commencing on 25 October 2024 and ending on 24 October 2029 (the "**Further Term**"), with an option to extend such service agreement for an additional term of five (5) years following the expiry of the Further Term subject to mutual agreement between the Company and the CEO. The employment agreement with the CEO has also been extended via a new employment agreement commencing from 1 January 2025. The Group is currently in negotiations with Dr Lee Hung Ming on his terms of employment. Meanwhile, the Group and Dr Lee Hung Ming have mutually agreed to extend the term of his current employment agreement with the Group until 30 June 2025.

The RC will ensure that the Independent Directors are not over-compensated to the extent that their independence may be compromised. Non-Executive Directors are able to participate in the 2016 PSP (as defined below). For the avoidance of doubt, Non-Executive Directors, Controlling Shareholders and Associates of Controlling Shareholders shall not be eligible to participate in the ISEC Healthcare Share Option Scheme which was approved and adopted on 19 April 2024 (the "**2024 ESOS**").

REPORT ON CORPORATE GOVERNANCE

For FY2024, the RC had reviewed the compensation and remuneration packages and believes that the remuneration of Directors and Key Management Personnel commensurate with their respective roles and responsibilities, after taking into consideration the referencing of Directors' and Key Management Personnel's remuneration against comparable benchmarks and giving due regard to prevailing market conditions as well as the financial, commercial health and business needs of the Group. For FY2024, the Company did not engage any external remuneration consultant to assist in the review of compensation and remuneration packages as there is no significant change in the size and scope of the Group's core business. Notwithstanding, the Company shall consider the engagement of external remuneration consultants should the Group's business or operations expand to the extent where expert advice from such external remuneration consultants is deemed more beneficial than its cost.

There are no termination, retirement and post-employment benefits that may be granted to the Directors, the CEO and the top 5 Key Management Personnel.

Disclosure on Remuneration

Principle 8 – The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The breakdown of the total remuneration of Directors and the CEO of the Company for FY2024 is set out below:

Name of Director	Salary and Allowance ⁽¹⁾ (%)	Fixed Bonus ⁽¹⁾ (%)	Consultant's Fees ⁽²⁾ (%)	Directors' Fees (%)	Total Remuneration (\$'000)
Chen Bang	–	–	–	–	–
Zhang Yongmei	–	–	–	–	–
Li Li	–	–	–	–	–
Lim Wee Hann ⁽³⁾	–	–	–	100 ⁽⁵⁾	16
Chong Weng Hoe	–	–	–	100 ⁽⁵⁾	70
Wee Kim Lin Evelyn ⁽⁴⁾	–	–	–	100 ⁽⁵⁾	34
Dr Lee Hung Ming	68	32	–	* ⁽⁶⁾	883
Name of CEO					
Dr Wong Jun Shyan	21	–	79	* ⁽⁶⁾	1,431

REPORT ON CORPORATE GOVERNANCE

The breakdown (in percentage terms) of the remuneration of the top 5 Key Management Personnel (who are not Directors) of the Group for FY2024 is set out below:

Remuneration and Name of Key Management Personnel	Designation	Salary and Allowance ⁽¹⁾ (%)	Consultant's Fees ⁽²⁾ (%)	Directors' Fees (%)	Total (%)
From S\$500,001 to S\$750,000					
Dr Fang Seng Kheong	Medical Board Chairman	–	100	*(6)	100
Dr Robert Yeo Kim Chuan	Malacca Centre Director	–	100	*(6)	100
From S\$750,001 to S\$1,000,000					
Dr Choong Yee Fong	Kuala Lumpur Centre Director	–	99	1 ⁽⁶⁾	100
From S\$1,000,001 to S\$1,250,000					
Dr Alan Ang Jin Soon	Penang Centre Director	–	100	*(6)	100
Dr Shin Hoy Choong	Ipoh Centre Director	–	100	*(6)	100

* Less than 1%

Notes:

- (1) The salary, allowance, and fixed bonus amounts shown are inclusive of Central Provident Funds and Employees' Provident Funds contributions respectively.
- (2) Consultant's fees refer to the employment remuneration in relation to the provision of specialist medical ophthalmological services in the respective ISEC centres where respective key management personnel is employed under, which include Employees' Provident Funds contributions.
- (3) Mr Lim Wee Hann retired as an Independent and Non-Executive Director and ceased to be Chairman of the NC and RC and member of the AC on 19 April 2024.
- (4) Ms Wee Kim Lin Evelyn was appointed as an Independent and Non-Executive Director and as Chairman of the NC and RC and member of the AC on 1 May 2024.
- (5) The Directors' fees were approved in the previous AGM held on 19 April 2024.
- (6) There are Directors' fees payable to the Executive Director and these Key Management Personnel from the subsidiaries for FY2024. The Directors' fees payable to the Executive Director and these Key Management Personnel are not part of the Directors' fees subject to shareholders' approval at this AGM of the Company.

Given the highly competitive conditions due to the niche industry in which the Group operates in, and the sensitive and confidential nature of such information of the Key Management Personnel, the Company believes that the full disclosure of the remuneration as recommended by the Code may not be in the best interests of the Group. Nevertheless, the Company has sought to provide the remuneration in the bands of S\$250,000 and also a breakdown in percentage terms.

In aggregate, the total remuneration paid to the top 5 Key Management Personnel (who are not Directors) was S\$4,497,000 for FY2024. Dr Lee Yeng Fen, who is the spouse of Dr Lee Hung Ming, the Group's Executive Vice-Chairman, received a remuneration of between S\$250,001 to S\$500,000 for FY2024. Save for Dr Lee Yeng Fen, there is no family relationship between any of our Directors, CEO and/or Key Management Personnel, and there is no employee who is an immediate family member of a Director and/or CEO or who is a substantial shareholder of the Company and whose remuneration exceeded S\$100,000 for FY2024.

REPORT ON CORPORATE GOVERNANCE

The remuneration received by the Executive Director, Executive Officers and Key Management Personnel takes into consideration his or her individual performance and contribution toward the overall performance of the Group for FY2024. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary and fixed allowance. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives. The RC has reviewed and is satisfied that the Executive Director, Executive Officers and Key Management Personnel have met their performance conditions for FY2024.

SHARE OPTION SCHEME

On 26 September 2014, the Company had adopted the "ISEC Healthcare Share Option Scheme" ("**2014 ESOS**"). The 2014 ESOS was replaced and superseded by the 2024 ESOS which has been assigned by the Board of Directors to be administered by a committee comprising members of our RC (the "**Committee**"). At the date of this annual report, the RC comprises Ms Wee Kim Lin Evelyn, Mr Chong Weng Hoe and Ms Zhang Yongmei.

The purpose of establishing the 2024 ESOS is to provide eligible participants (the "**2024 ESOS Participants**") with an opportunity to participate in the equity of the Company and provide incentives to them to produce higher standards of performance as well as encourage greater dedication and loyalty by enabling the Company to give recognition to past contributions and services as well as motivating 2024 ESOS Participants generally to contribute towards the long-term growth and performance of the Company and/or the Group. The objectives of the 2024 ESOS are as follows:

- (a) to align the interests of the 2024 ESOS Participants with those of the Shareholders so as to motivate the 2024 ESOS Participants to contribute towards the future growth and profitability of the Group, and hence increase Shareholders' value in the longer term;
- (b) to attract potential employees with relevant skills to contribute to the Group and to create value for our Shareholders;
- (c) to retain key employees of our Group whose contributions are essential to the long-term growth and profitability of the Group;
- (d) to promote greater dedication, long-term commitment, loyalty and a sense of identification with the Group;
- (e) to motivate and incentivise 2024 ESOS Participants to achieve performance targets, and to aspire towards higher standards of performance and efficiency; and
- (f) to promote cohesiveness and team spirit through common ownership of equity in the Company.

The 2024 ESOS allows for participation by full-time employees (including any Executive Director) of the Group who have attained the age of 21 years on or before the relevant date of grant of the option, provided that none shall be an undischarged bankrupt or have entered into a composition with his creditors.

The total number of shares over which the Committee may grant options on any date, when added to the number of shares issued and issuable in respect of all options granted under the 2024 ESOS (including the 2016 PSP (as defined herein) and any other share schemes of our Company) shall not exceed 15% of the number of all issued shares (excluding treasury shares) on the day preceding the date of the relevant grant.

REPORT ON CORPORATE GOVERNANCE

The options that are granted under the 2024 ESOS may have exercise prices that are, at the discretion of the Committee:

- (a) set at a discount to a price equal to the average of the last dealt prices for the shares on the SGX-ST for the five (5) consecutive market days, on which there was trading in the shares, immediately preceding the relevant date of grant of the relevant option (the **"Market Price"**) subject to a maximum discount of 20% (the **"Incentive Options"**); or
- (b) fixed at the Market Price (the **"Market Price Options"**).

Subject to Rule 8 and 9 as provided in the 2024 ESOS and any other conditions as may be introduced by the Committee from time to time, a Market Price Option or an Incentive Option, as the case may be, shall be exercisable, in whole or in part, as follows:

- (a) in the case of a Market Price Option, during the period commencing after the first anniversary of the date of grant and expiring on the tenth anniversary of such date of grant (or such shorter period if so determined by the Committee); and
- (b) in the case of an Incentive Option, during the period commencing after the second anniversary of the date of grant and expiring on the tenth anniversary of such date of grant (or such shorter period if so determined by the Committee).

The 2024 ESOS is administered concurrently with the Company's existing performance share plan. For the avoidance of doubt, the termination of the 2014 ESOS shall not affect options which have been granted and accepted during the duration of the 2014 ESOS.

During FY2024 and as at the date of this annual report, the Company had not granted Options to any participant under the 2014 ESOS or 2024 ESOS.

The details of options (**"Options"**) granted under the 2014 ESOS pursuant to Rule 851(1) of the Catalist Rules were as follows:

<u>Name of participant</u>	<u>Options granted during FY2024 (including terms)</u>	<u>Aggregate Options granted since commencement of the 2014 ESOS to end of FY2024</u>	<u>Aggregate Options exercised since commencement of the 2014 ESOS to end of FY2024</u>	<u>Aggregate Options outstanding as at end of FY2024</u>
Mr Lim Wee Hann	–	50,000	50,000	–
Dr Lee Hung Ming	–	158,080	158,080	–

Participants who are controlling shareholders of the Company and their associates were not granted any Options during FY2024.

REPORT ON CORPORATE GOVERNANCE

None of the participants received 5% or more of the total number of Options available under the 2014 ESOS and 2024 ESOS.

As at 31 December 2024, the aggregate number of Options granted to the Directors and employees of the Company and its subsidiaries for the FY2024, and since the commencement of the 2014 ESOS to the end of FY2024 were as follows:

Aggregate number of Options granted to Directors and employees of the Company and its subsidiaries for FY2024	Aggregate number of Options granted to Directors and employees of the Company and its subsidiaries since the commencement of the 2014 ESOS to the end of FY2024
—	3,809,150

There was no Option granted at a discount during FY2024.

PERFORMANCE SHARE PLAN

On 28 April 2016, the shareholders adopted the “ISEC Healthcare Performance Share Plan” (the “**2016 PSP**”). The 2016 PSP has been assigned by the Board of Directors to be administered by the RC, or such other committee comprising Directors duly authorised, appointed and nominated by the Board to administer the 2016 PSP. At the date of this annual report, the RC comprises Ms Wee Kim Lin Evelyn, Mr Chong Weng Hoe and Ms Zhang Yongmei.

The adoption of the 2016 PSP in 2016 was in line with the Company’s continuing efforts to increase the Company’s flexibility and effectiveness in rewarding, retaining and motivating the Group’s employees (including Executive Directors of the Company, its subsidiaries and/or associated companies) as well as Non-Executive Directors whose contributions are essential to the Company’s long-term growth and prosperity.

The 2016 PSP allows for participation by the Group’s employees (including Executive Directors of the Company, its subsidiaries and/or associated companies) as well as Non-Executive Directors, subject to the absolute discretion of the RC, provided that such persons have attained the age of 21 years on or before the relevant date of grant of the award and are not undischarged bankrupts or have not entered into any composition with their creditors. Eligible participants (the “**2016 PSP Participants**”) under the 2016 PSP will have the opportunity to participate in the equity of the Company, thereby aligning their interests with the interests of the Company and shareholders, motivating them towards long-term growth and profitability of the Group and better performance through increased dedication and incentives.

The 2016 PSP gives the Company greater flexibility to align the interest of its key Directors and executives with those of shareholders. The 2016 PSP would also incentivise 2016 PSP Participants to excel in their performance and encourage greater dedication and loyalty to the Company by introducing a variable component in their remuneration package. The 2016 PSP contemplates the award of fully-paid shares after certain pre-determined performance targets have been met (the “**Awards**”). The Company believes that the 2016 PSP will be more effective than pure cash bonuses in motivating employees to work towards determined goals.

REPORT ON CORPORATE GOVERNANCE

Under the 2016 PSP, the size of the Award granted to a 2016 PSP Participant will be determined based on, amongst others, his rank, past performance, length of service, potential for future development and his contribution to the success and development of the Group as determined by the RC prior to the date of grant. The performance period is a period prescribed by the RC during which the performance conditions and targets shall be satisfied. Awards may only be vested, and consequently any shares comprised in such Award shall only be delivered, upon the RC being satisfied, at its absolute discretion, that the 2016 PSP Participant has achieved the performance target(s), service conditions and/or such other conditions such as vesting period(s) or vesting schedules applicable for the release of the Award and/or all or any of the Shares or cash equivalent or both to which that Award relates, and/or upon the RC being satisfied that due recognition should be given for good work performance and/or significant contribution to the Company.

The RC shall decide, amongst others, the 2016 PSP Participant, date of grant of the Award, the number of shares which are the subject of an Award, the performance target(s), the performance period and vesting period in relation to each Award.

The Company had also obtained the specific approval of shareholders for the participation of Dr Lee Hung Ming, the Executive Vice-Chairman and then controlling shareholder of the Company, in the 2016 PSP. The aggregate number of shares which may be delivered to 2016 PSP Participants who are controlling shareholders and their respective associates under the 2016 PSP shall not exceed 25% of the aggregate number of new shares issued and/or issuable under the 2016 PSP, the Share Option Scheme and any other share scheme which the Company may implement from time to time, with the number of shares which may be issued pursuant to Awards granted to each controlling shareholder or his respective associate not exceeding 10% of the aggregate number of new shares issued and/or issuable under the 2016 PSP, the Share Option Scheme and any other share scheme which the Company may implement from time to time.

The aggregate number of shares which may be issued pursuant to Awards granted under the 2016 PSP, when added to the number of new shares issued and issuable in respect of all Awards granted under the 2016 PSP, the 2014 ESOS, the 2024 ESOS and any other share scheme which the Company may implement from time to time, shall not exceed 15% of the total number of issued shares (excluding treasury shares) of the Company on the day preceding the date of grant of the Award.

The 2016 PSP allowed a 2016 PSP Participant to receive full-paid shares free of consideration upon the 2016 PSP Participant achieving a performance target as prescribed by the Committee at its absolute discretion for a period of 10 years commencing on the date of its approval and adoption. Accordingly, the 2016 PSP will expire on 25 April 2026. In view of the upcoming expiry of the 2016 PSP, the Company proposes to adopt and implement a performance share plan in place of the 2016 PSP which shall be named the "ISEC Healthcare Performance Share Plan" ("**2025 PSP**") as a performance share plan of the Company to replace and supersede the 2016 PSP. The 2025 PSP will, if approved and adopted by Shareholders at the forthcoming Extraordinary General Meeting to be held immediately after the conclusion of the Annual General Meeting, take effect from the EGM date and be administered concurrently with the Company's existing 2024 ESOS.

REPORT ON CORPORATE GOVERNANCE

As at 31 December 2024, details of Awards granted under the 2016 PSP pursuant to Rule 851(1) of the Catalyst Rules were as follows:

Date of grant of Awards	Number of shares which are the subject of Awards granted as at 1 January 2024	Number of shares which are the subject of Awards granted during FY2024	Number of shares which are the subject of Awards granted which had lapsed/were cancelled during FY2024	Number of shares which are the subject of Awards granted as at 31 December 2024	Number of Holders
23 September 2022	630,000	–	(122,500)	507,500	12

Further details on the Company's 2016 PSP are set out in the Company's circular to shareholders dated 13 April 2016.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9 – The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

The Board is responsible for providing a balanced and understandable assessment of the Group's performance, position and prospects, including interim and other price sensitive public information and reports to regulators (if required). The Management provides Directors on a quarterly basis with sufficient relevant information on the Group's financial performance and commentary of the competitive conditions of the industry in which the Group operates. The Company adopts a policy which welcomes Directors to request for further explanations, briefings or informal discussions on any aspect of the Group's operations or business from the Management.

The AC reports to the Board on the financial results for review and approval. The Board approves the financial results after review and authorises the release of the results on SGXNet to the public. The Company also uploads the latest announcement(s) which has been disseminated via SGXNet on its website www.isechealthcare.com.

The Board has the overall responsibility for the Group's risk management and internal controls in safeguarding shareholders' interests and the Group's assets. The Group's internal controls and systems are designed to provide reasonable assurance as to the integrity and reliability of the financial information, and to safeguard and maintain accountability of assets. Procedures are in place to identify major business risks and evaluate potential financial implications, as well as for the authorisation of capital expenditure and investments.

REPORT ON CORPORATE GOVERNANCE

The AC, on behalf of the Board, reviews the adequacy and effectiveness of the Group's system of internal controls, including financial, operational, compliance and information technology controls, and risk management policies and systems established by Management on an annual basis. The Group does not have a Board Risk Management Committee but the Board had approved a "Risk Governance and Internal Control Framework Manual" which sets out the following risk management policies, where the Management is required to strictly adhere to. They are:

- Code of Ethics
- Risk Appetite and Risk Tolerance Guidance
- Authority and Risk Control Matrix
- Key Control Activities
- Key Reporting and Monitoring Activities

Dr Choong Yee Fong, Medical Director of ISEC Sdn. Bhd., was appointed by the CEO as the Group's Chief Risk Officer and he assists the AC in overseeing the overall adequacy and effectiveness of the Group's risk management systems and procedures.

The Management also regularly reviews the Group's business and operations to identify areas of significant business risks and controls to mitigate the risks. The Management highlights all significant matters to the Board and AC.

For FY2024, the AC had received assurance from the CEO and the Chief Financial Officer ("CFO") that:

- accounting and other records have been properly maintained and the Company's risk management and internal control systems are adequate and effective; and
- the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances.

The design, implementation and operation of the accounting and internal control systems are intended to prevent and detect fraud and errors. The Board notes that the system of internal controls provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Board also notes that no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Based on the framework of risk management and internal controls established and maintained by the Management, reviews carried out by the respective Board Committees, work performed by the internal auditor and external auditor, and assurance from the CEO and CFO, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective for FY2024.

REPORT ON CORPORATE GOVERNANCE

AUDIT COMMITTEE

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

The terms of reference of the AC include the following:

- (a) assisting the Board in discharging its statutory responsibilities on financing and accounting matters;
- (b) reviewing significant financial reporting issues and judgements to ensure the integrity of the financial statements and any formal announcements relating to financial performance;
- (c) reviewing the external auditor's audit plan and the auditor's report ("**Auditor's Report**") on the annual financial statements of the Group and the Company before submission to the Board;
- (d) reviewing the adequacy, effectiveness, independence, objectivity of the external audit and the Company's internal audit function;
- (e) reviewing the quarterly results announcements of the Group and the Company, and annual financial statements and the Auditor's Report on the annual financial statements of the Company before their submission to the Board;
- (f) reviewing the key financial risk areas, the risk management structure and any oversight of the risk management process and activities to mitigate and manage risks at acceptable levels determined by the Board;
- (g) reviewing at least annually, the statements to be included in the annual report concerning the adequacy and effectiveness of the Company's risk management and internal controls systems, including financial, operational, compliance controls, and information technology controls;
- (h) reviewing the assurance from the CEO and CFO on the financial records and financial statements;
- (i) reviewing any interested person transactions and monitoring the procedures established to regulate interested person transactions, including ensuring compliance with the Company's internal control system and the relevant provisions of the Catalist Rules, as well as all conflicts of interests to ensure that proper measures to mitigate such conflicts of interests have been put in place;
- (j) reviewing the policy and arrangement for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- (k) reviewing the internal audit program, scope and reports on a periodic basis and monitor the Management's responsiveness to the findings and recommendations by internal auditor;
- (l) approving the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced;
- (m) apprising and reporting to the Board on the audits undertaken by the external auditor and internal auditor and the adequacy of disclosure of information;

REPORT ON CORPORATE GOVERNANCE

- (n) making recommendations to the Board on the proposals to shareholders on the appointment, re-appointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor;
- (o) undertaking such other reviews and projects as may be requested by the Board, and report to the same on its findings from time to time on matters arising and requiring the attention of the AC; and
- (p) undertaking generally such other functions and duties as may be required by law or the Catalist Rules, and by amendments made thereto from time to time.

The members of the AC are:

- Mr Chong Weng Hoe (Chairman)
- Ms Wee Kim Lin Evelyn
- Ms Zhang Yongmei

Two of the members including the Chairman of the AC are independent and 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 holds any financial interest in the external audit firm.

The AC has explicit authority to investigate any matter within its terms of references. It has full access to the Management and full discretion to invite any Director or Key Management Personnel to attend its meetings, and to be provided with reasonable resources to enable it to discharge its functions properly. The Executive Director and Key Management Personnel were invited to be present at the AC meetings to report and brief the AC members on the financial and operating performance of the Group and to answer any queries from the AC members on any aspect of the operations of the Group.

The external auditor was also, as and when required, invited to be present at AC meetings held for FY2024 to, *inter alia*, answer or clarify any matter on accounting, audit or internal controls relevant to the audit. The AC meets with the external auditor and the internal auditors in each case without the presence of the Management, at least annually.

The audit services that were rendered by the Company's external auditors, Forvis Mazars LLP Singapore and Forvis Mazars network firms (collectively, "**Forvis Mazars**"), to the Group and their related fees for FY2024 are as follows:

	S\$'000
Audit fees	188
Non-audit fees	19
	<u>207</u>

REPORT ON CORPORATE GOVERNANCE

The AC has reviewed the non-audit services which amounted to 10.11% of total audit fees. The Board, with the concurrence of the AC, is of the opinion that the independence and objectivity of the external auditor have not been affected, taking into account the nature of the non-audit services. In arriving at its opinion, the AC also took into consideration that notwithstanding the non-audit fees as a percentage of audit fees was 10.11%. Forvis Mazars has represented to the AC that it has in place independence safeguards as required by the Singapore Accountants (Public Accountants) Rules and Forvis Mazars had accordingly confirmed it had met the criteria for independence.

The financial statements of the Company and its key subsidiaries are audited by Forvis Mazars. The AC and the Board are of the view that the audit firm is adequately resourced, effective and of appropriate standing within the international affiliation. The AC has reviewed and is satisfied that the appointment of Forvis Mazars as the external auditor would not compromise the standard and effectiveness of the audit of the Company and that the Company has complied with Rules 712 and 715 of the Catalist Rules.

The Company has a whistle-blowing policy whereby staff of the Group and any external parties may, in confidence, raise concerns about possible irregularities in matters of financial reporting or other matters. The policy defines the processes clearly to ensure independent investigation of such matters and permits whistle-blowers to report directly via email to whistleblower@isec.sg. The AC is responsible for oversight and monitoring of whistle-blowing and the AC reviews all whistle-blowing complaints, if any, immediately upon receiving them and at its quarterly meetings, to ensure independence through investigations and appropriate follow up actions taken.

The AC has the power to conduct or authorise investigations into any matter within the AC's scope of responsibility. If it deems appropriate, independent advisors will be engaged at the Group's expense. In FY2024, the Group received a concern regarding an outsourced service. After assessing the concern with, and obtaining assurances from, the provider of the outsourced service, the AC determined that the concern had been adequately and appropriately resolved. All complaints will be treated as confidential and will be brought to the attention of the AC.

In the event that the report is about a Director, that Director will not be involved in the review and any decision making with respect to that report. The policy aims to encourage reporting of such matters in good faith, with the confidence that any employees and any other persons making such reports will be treated fairly and be protected from reprisals. Details of the whistle-blowing policy have been made available to all employees.

The whistle-blowers' identities will not be disclosed without prior consent (except where disclosure obligations are required under law and regulations). Where concerns are unable to be resolved without revealing the identity of the whistle-blower (e.g. if their evidence is required in court), a dialogue will be entered into with the whistle-blower as to whether and how to proceed.

For FY2024, the Board had concluded, with the help of the NC, that the members of the AC are appropriately qualified to discharge their duties and responsibilities. The Board's view is that adequate and reasonable assistance and support has been properly rendered by the Management to the AC and that the AC has effectively and efficiently contributed to the Board and the Group.

REPORT ON CORPORATE GOVERNANCE

For FY2024, the Board is of the view that the AC members have the relevant expertise to discharge the functions of an AC. The AC Chairman has extensive experience as a director and member of audit committees of other listed companies. Collectively, the AC members have extensive experience in the accounting, financial and investment fields. Reasonable resources have been made available to the AC to enable them to discharge their duties. The AC members also take measures to keep abreast of the changes to accounting standards and issues which have a direct impact on financial statements through attendance at trainings and updates by professionals and external auditor. For FY2024, the AC was provided with information such as updates on the changes to the Singapore Financial Reporting Standards (International) by the external auditor in the course of their report to AC. The AC has at least two members, including the AC Chairman, who has recent and relevant accounting or financial management expertise or experience.

The AC relies on reports from the Management and external and internal auditors on any material non-compliance and internal control weaknesses. Thereafter, the AC oversees and monitors the implementations thereto.

For FY2024, the Group had outsourced its internal audit function to NLA Risk Consulting Pte. Ltd. (the “IA” or “NLA”), which reports directly to the AC. NLA has an administrative reporting function to the Management where planning, coordinating, managing and implementing internal audit work cycle are concerned.

NLA will report their audit findings, any material non-compliance or failures in internal control and recommendations for improvements directly to the AC.

The AC has reviewed the report submitted by NLA on internal procedures and the internal controls in place and is satisfied that there are adequate and effective internal controls in the Group. The AC will review on an annual basis the independence, adequacy and effectiveness of the internal audit function.

The AC is satisfied that NLA is able to discharge their duties effectively as they:

- are independent, given NLA reports functionally to the AC, who also decides on its appointment, termination and remuneration. The IAs also has unrestricted access to the records, personnel and documents within the Company to enable it to discharge its duties effectively;
- are adequately qualified, given that (i) NLA is a corporate member of the Institute of Internal Auditors Singapore, and (ii) the internal audit work carried out by NLA is guided by The Institute of Internal Auditors Inc. International Professional Practice Framework;
- are adequately resourced as NLA ensures that the engagement staff possess the relevant qualification and experience to conduct the internal audits; and
- have the appropriate standing in the Company, given, inter alia, its involvement in relevant AC meetings and its unfettered access to all the Group’s documents, records, properties and personnel, including direct access to the AC.

Based on the above, the AC confirms that the internal audit function is independent, effective, and adequately resourced. The AC approves the appointment, removal, evaluation and compensation of IA.

REPORT ON CORPORATE GOVERNANCE

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11 – The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Engagement with Shareholders

Principle 12 – The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13 – The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

The Company strives to disclose information on a timely basis to shareholders and ensure any disclosure of price-sensitive information is not made to a selective group. The information is communicated to our shareholders via:

- annual reports – the Board strives to include all relevant information about the Group, including future developments and disclosures required by the Companies Act, Singapore Financial Reporting Standards (International) and the Catalist Rules;
- presentation slides accompanying results announcement and/or annual general meeting; and
- SGXNet and press releases (if applicable) on business developments and financial performance.

SGXNet disclosures, presentation slides and press releases (if applicable) of the Group are also available on the Company's website at www.isechealthcare.com. A copy of this annual report for FY2024 will also be made available on the Company's website and published via SGXNet. The Company does not have an investor relations policy but considers advice from its continuing sponsor, corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arises.

REPORT ON CORPORATE GOVERNANCE

The Company also facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters relating to the Company. The Company provides avenues for communication between the Board and all shareholders. To allow the Board to solicit and understand the views of shareholders, shareholders are encouraged to attend the annual general meetings and extraordinary general meetings of the Company to ensure high level of accountability and to stay apprised of the Group's strategy and goals. Shareholders may contact the Company via email ir@isechealthcare.com or isec.agm@gmail.com with questions and through which the Company may respond to such questions. Specifically, Shareholders are given at least 7 days from the date of Notice of annual general meetings to submit questions and Company will inform the timeline by which such relevant and material questions will be replied.

In addition, the Company updates whenever necessary, the investor relations section of its website to keep the investing public apprised of corporate developments and financial performance of the Group and the Company. The foregoing allows for active engagement and exchange of views with shareholders, investors and others who are interested to learn about the Group.

The Company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.

This AGM will be held physically at the venue, date and time stated in the notice of this AGM. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the AGM by attending the AGM in person. There will be no option for shareholders to participate virtually. The Board and Management shall endeavour to address relevant and substantial questions received before and during the AGM, at the AGM. Please refer to the notice of this AGM dated 4 April 2025 for more information. The Company shall publish the minutes of the AGM on SGXNet and the Company's website within one (1) month after the date of the AGM.

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

All Board members and Management attend the general meetings of shareholders to address any questions that the shareholders may have. The external auditors of the Company are also present at annual general meetings to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report.

The Constitution which was adopted at the Extraordinary General Meeting held on 19 April 2024 permits voting in absentia only by appointment of proxy. As the authenticity of shareholders' identity and other related integrity issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail or electronic means. The Constitution also allows a shareholder (who is not a relevant intermediary, as defined in Section 181(6) of the Companies Act) to vote either in person or appoint not more than two proxies to attend and vote in his stead. Such proxy to be appointed need not be a shareholder. Pursuant to the Companies (Amendment) Act 2014, a shareholder of the Company who is a relevant intermediary (as defined in Section 181(6) of the Companies Act), may appoint more than two proxies to attend, speak and vote at the AGM.

Pursuant to Rule 730A(2) of the Catalist Rules, all resolutions will be put to vote by way of a poll at this AGM, and their detailed results will be announced via SGXNet after the conclusion of the general meeting.

REPORT ON CORPORATE GOVERNANCE

DIVIDEND POLICY

The Board does not have a fixed dividend policy. The form, frequency and amount of dividends declared each year will take into consideration the Group's actual and projected financial performance, results of business operations, level of cash and retained earnings, projected capital expenditure and other investment plans, the terms of borrowing arrangements (if any), plans for expansions and other factors which the Directors may deem appropriate. The Board has proposed a final tax-exempt (one-tier) dividend of S\$0.007 per ordinary share for FY2024 which will be subject to shareholders' approval at this AGM. The Company had declared and paid a first interim tax-exempt (one-tier) dividend of S\$0.003 per ordinary share for the financial period ended 30 June 2024.

SUSTAINABILITY REPORT

The Group publishes a sustainability report which provides inter alia, details about the Group's strategy and key areas of focus in relation to the management of shareholders relationships. The sustainability report can be found as a separate report released on the same day as this annual report.

Such report will highlight the key environmental, social and governance (ESG) factors such as providing world-class service to patients, developing a high-performing workforce, corporate governance and caring for the environment.

DEALINGS IN SECURITIES

The Company has adopted an internal code on dealings in securities, which has been disseminated to all Directors and officers within the Group. The Company will also send a notification via email to notify all its Directors and officers a day prior to the close of window for trading of the Company's securities.

Directors and officers of the Company are reminded not to deal (whether directly or indirectly) in the Company's securities on short-term considerations and be mindful of the law on insider trading as prescribed by the Securities and Futures Act 2001. The internal code on dealings in securities also makes clear that the Company, its Directors and officers should not deal in the Company's securities, while in possession of unpublished price-sensitive information and prohibits trading as well as in the following periods:

- (i) the period commencing two weeks before the announcement of the Company's relevant financial information for the first and third quarters of its financial year; and
- (ii) the period commencing one month before the announcement of the Company's financial results for the half-year and its full financial year.

Each of the above periods will end on the date of the announcement of the relevant financial information or financial results of the Company.

REPORT ON CORPORATE GOVERNANCE

INTERESTED PERSON TRANSACTIONS (“IPT”)

The Company has established procedures to ensure that all transactions with interested persons are reported on a timely manner to the AC and that the transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

There were no IPTs with value of or more than S\$100,000 transacted for FY2024. The Company does not have any IPT general mandate.

MATERIAL CONTRACTS

The Group had entered into service agreements and employment agreements with the Executive Director, Dr Lee Hung Ming, and the CEO, Dr Wong Jun Shyan. The Group and each of the Executive Director and CEO have also entered into supplemental agreements to extend the term of their respective service agreements and employment agreements. The Company and the CEO entered into a second supplemental service agreement to extend the term of the CEO's service agreement for a further term of five (5) years commencing on 25 October 2024 and ending on 24 October 2029 (the “**Further Term**”), with an option to extend such service agreement for an additional term of five (5) years following the expiry of the Further Term subject to mutual agreement between the Company and the CEO. The employment agreement with the CEO has also been extended via a new employment agreement commencing from 1 January 2025. The Group is currently in negotiations with Dr Lee Hung Ming on his terms of employment. Meanwhile, the Group and Dr Lee Hung Ming have mutually agreed to extend the term of his current employment agreement with the Group until 30 June 2025. Save for these, there was no other material contract involving the interests of the CEO, any Director or controlling shareholders of the Company which has been entered into by the Group, 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.

NON-SPONSOR FEES (CATALIST RULE 1204(21))

The total amount of non-sponsor fees paid/payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd for FY2024 was S\$5,000.

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of ISEC Healthcare Ltd. (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2024.

1. Opinion of the directors

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity 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 the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year then ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

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

Chong Weng Hoe
Dr Lee Hung Ming
Wee Kim Lin Evelyn (appointed on 1 May 2024)
Chen Bang
Li Li
Zhang Yongmei

3. Arrangements to enable directors to acquire shares or 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 the 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.

DIRECTORS' STATEMENT

4. Directors' interests in shares or debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967 (the "Act"), an interest in shares and share options of the Company and its related corporation (other than wholly-owned subsidiaries) as stated below:

Name of directors	Direct interest		Deemed interest	
	At the beginning of financial year or date of appointment, if later	At the end of financial year	At the beginning of financial year or date of appointment, if later	At the end of financial year
<i>Paid-in Capital (in Thousand Renminbi)</i>				
<i>Ultimate holding company</i>				
Aier Medical Investment Co., Ltd				
Chen Bang	34,705 (79.99%)	34,705 (79.99%)	—	—
Li Li	8,680 (20.01%)	8,680 (20.01%)	—	—
<i>Ordinary shares</i>				
<i>Intermediate Holding Company</i>				
Aier Eye Hospital Group Co., Ltd				
Chen Bang	1,443,791,891	1,443,791,891	3,202,323,587	3,202,323,587
Li Li	323,014,994	323,014,994	—	—
<i>Ordinary shares</i>				
<i>Immediate Holding Company</i>				
Aier Eye International (Singapore) Pte. Ltd.				
Chen Bang	—	—	1	1
<i>Ordinary shares</i>				
The Company				
Dr Lee Hung Ming	158,080	158,080	19,877,702	5,593,933
Chen Bang	—	—	328,890,021	343,173,790

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2025.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

By virtue of Section 7 of the Act, Chen Bang is deemed to have an interest in all the subsidiaries owned by the Company at the beginning and at the end of the financial year.

DIRECTORS' STATEMENT

5. Share options and performance shares

Share Option Scheme

At the Extraordinary General Meeting held on 19 April 2024, shareholders approved the Employee Share Option Scheme ("ESOS") and for the granting of non-transferable share options that are settled by physical delivery of the ordinary shares of the Company, to eligible employees.

As at 31 December 2024, the committee administering the ESOS comprises the following directors:

Wee Kim Lin Evelyn
Chong Weng Hoe
Zhang Yongmei

No share options were granted by the Company during the financial year. In 2020, the Company granted 3,809,150 share options under the previous Employee Share Option Scheme adopted by the Company on 26 September 2014, of which 3,376,780 share options were accepted by employees. 719,140 share options (FY2023: 2,243,706 share options) were exercised by 18 employees during the financial year (FY2023: two directors and 28 employees). With the remaining 100,560 share options expired on 21 April 2024, there is no outstanding share options as at the end of the financial year.

The exercise price of the share options is fixed based on the average of the last dealt prices of the Group's shares between 15 April 2020 and 21 April 2020.

Information on the ESOS is detailed in the Report on Corporate Governance and Note 22 of the financial statements.

Performance Share Plan ("PSP")

The Company has also implemented a performance share plan known as ISEC Healthcare Performance Share Plan. The ISEC Healthcare Performance Share Plan was approved and adopted by the shareholders at an Extraordinary General Meeting of the Group held on 28 April 2016.

On 23 September 2022, the Company granted 680,000 share awards to eligible employees of the Company pursuant to the ISEC Healthcare Performance Share Plan. With the resignation of one employee in the financial year (FY2023: one employee), the total number of share awards outstanding was 507,500 (FY2023: 630,000) as at 31 December 2024.

Information on the PSP is detailed in the Report on Corporate Governance and Note 22 of the financial statements.

DIRECTORS' STATEMENT

6. Audit committee

The Audit Committee of the Company comprises three non-executive directors and at the date of this report, they are:

Chong Weng Hoe (Chairman)
Wee Kim Lin Evelyn
Zhang Yongmei

The Audit Committee has convened four meetings during the year with key management and the internal and external auditors of the Company.

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, which include the following:

1. assisting the Board in discharging its statutory responsibilities on financing and accounting matters;
2. reviewing significant financial reporting issues and judgements to ensure the integrity of the financial statements and any formal announcements relating to financial performance;
3. reviewing the external auditor's audit plan and the auditor's report ("Auditor's Report") on the annual financial statements of the Group and the Company before submission to the Board;
4. reviewing the adequacy, effectiveness, independence, objectivity of the external audit and the Company's internal audit function;
5. reviewing the quarterly results announcements of the Group and the Company, and annual financial statements and the Auditor's Report on the annual financial statements of the Company before their submission to the Board;
6. reviewing the key financial risk areas, the risk management structure and any oversight of the risk management process and activities to mitigate and manage risks at acceptable levels determined by the Board;
7. reviewing at least annually, the statements to be included in the annual report concerning the adequacy and effectiveness of the Company's risk management and internal controls systems, including financial, operational, compliance controls, and information technology controls;
8. reviewing the assurance from the CEO and CFO on the financial records and financial statements;
9. reviewing any interested person transactions and monitoring the procedures established to regulate interested person transactions, including ensuring compliance with the Company's internal control system and the relevant provisions of the Catalist Rules, as well as all conflicts of interests to ensure that proper measures to mitigate such conflicts of interests have been put in place;
10. reviewing the policy and arrangement for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;

DIRECTORS' STATEMENT

6. Audit committee (cont'd)

11. reviewing the internal audit program, scope and reports on a periodic basis and monitor the Management's responsiveness to the findings and recommendations by internal auditor;
12. approving the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced;
13. apprising and reporting to the Board on the audits undertaken by the external auditor and internal auditor and the adequacy of disclosure of information;
14. making recommendations to the Board on the proposals to shareholders on the appointment, re-appointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor;
15. undertaking such other reviews and projects as may be requested by the Board, and report to the same on its findings from time to time on matters arising and requiring the attention of the AC; and
16. undertaking generally such other functions and duties as may be required by law or the Catalist Rules, and by amendments made thereto from time to time.

The Audit Committee has full access to the Management and full discretion to invite any Director or Key Management Personnel to attend its meetings and to be provided with reasonable resources to enable it to discharge its function properly. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the directors the nomination of Forvis Mazars LLP for re-appointment as external auditors of the Group at the forthcoming AGM of the Company.

7. Auditors

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

On behalf of the board of directors

Dr Lee Hung Ming
Director

Singapore
28 March 2025

Zhang Yongmei
Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ISEC HEALTHCARE LTD.

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of ISEC Healthcare Ltd. (the "Company") and its subsidiaries (collectively, the "Group") which comprise the statements of financial position of the Group and the Company as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income of the Group, the statements of changes in equity of the Group and the Company, the consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in *the Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ISEC HEALTHCARE LTD.

Report on the Audit of Financial Statements (cont'd)

Key Audit Matters (cont'd)

Impairment assessment of goodwill and cost of investment in subsidiaries (Note 6 and Note 7 to the financial statements)	
Key audit matter	Our audit response
<p>As at 31 December 2024, the carrying amount of Group's goodwill and the Company's cost of investment in subsidiaries were \$52,650,000 and \$60,997,000 respectively.</p> <p>In accordance with SFRS(I) 1-36 Impairment of Assets, goodwill acquired in a business combination is required to be tested for impairment at least annually. The goodwill acquired in a business combination is allocated to the groups of cash-generating units ("CGU") that are expected to benefit from the synergies of that business combination. Management assessed the groups of CGUs for impairment annually or more frequently when there is an indication that the unit may be impaired.</p> <p>For the cost of investment in subsidiaries, the management assessed whether there are indicators of impairment. Where such indication exists, the cost of investment in subsidiaries is required to be tested for impairment by determining the recoverable amount of the investment in subsidiaries.</p> <p>The recoverable amounts are determined by estimates of value-in-use of the respective CGUs, using various inputs and assumptions such as forecasted revenue, terminal growth rate and discount rate.</p> <p>As these assumptions require significant judgement and estimates, we considered the impairment assessment of goodwill and cost of investment in subsidiaries to be a key audit matter.</p>	<p>Our audit procedures included, and were not limited to, the following:</p> <ul style="list-style-type: none"> • We obtained an understanding of the Group's process in assessing the goodwill for impairment; • We reviewed the management's assessment of the existence of internal and external impairment indicators for the cost of investment in subsidiaries; • We evaluated the reasonableness of management's estimate of expected future cash flows and challenged management's key assumptions and estimates applied in the value-in-use models, with comparison to recent performance, trend analysis, market expectations, and historical accuracy of the plans and forecasts; • We engaged our in-house valuation specialist to independently assess the appropriateness of valuation methodologies, key inputs and assumptions applied for calculating the recoverable amounts for the respective CGUs; • We reviewed the sensitivity analysis to assess the impact on the recoverable amount of the CGU after reasonably possible changes to the managements' key inputs and assumptions; and • We reviewed the completeness and appropriateness of corresponding disclosures made in the financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ISEC HEALTHCARE LTD.

Report on the Audit of Financial Statements (cont'd)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and the independent auditors' report thereon, which we obtained prior to the date of this report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ISEC HEALTHCARE LTD.

Report on the Audit of Financial Statements (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ISEC HEALTHCARE LTD.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary entities incorporated in Singapore of which we are 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

28 March 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Group		Company	
	Note	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	29,793	16,998	53	70
Right-of-use assets	5	10,899	9,843	91	127
Intangible assets	6	53,174	52,870	234	–
Investment in subsidiaries	7	–	–	60,997	62,487
Net investment in sublease	5	50	107	–	–
Deferred tax assets	8	275	268	15	11
Total non-current assets		94,191	80,086	61,390	62,695
Current assets					
Inventories	9	2,501	2,235	–	–
Trade and other receivables	10	5,950	4,991	18,895	17,386
Prepayments		436	334	30	27
Net investment in sublease	5	57	54	–	–
Current income tax asset		–	3	–	–
Cash and cash equivalents	11	15,911	19,404	1,200	1,958
Total current assets		24,855	27,021	20,125	19,371
Total assets		119,046	107,107	81,515	82,066
EQUITY AND LIABILITIES					
EQUITY					
Share capital	12	76,381	76,138	76,381	76,138
Treasury share reserve	13	–	–	–	–
Other reserves	14	(10,007)	(12,905)	156	128
Retained earnings		23,685	17,476	4,598	5,389
Equity attributable to owners of the Company		90,059	80,709	81,135	81,655
Non-controlling interests		1,680	1,441	–	–
Total equity		91,739	82,150	81,135	81,655
LIABILITIES					
Non-current liabilities					
Borrowings	17	767	1,327	–	–
Lease liabilities	5	9,445	8,776	61	97
Deferred tax liabilities	8	5	150	–	–
Provisions	15	324	235	14	14
Total non-current liabilities		10,541	10,488	75	111
Current liabilities					
Trade and other payables	16	12,425	10,592	265	256
Borrowings	17	672	843	–	–
Lease liabilities	5	2,208	1,614	36	34
Current income tax payable		1,461	1,420	4	10
Total current liabilities		16,766	14,469	305	300
Total liabilities		27,307	24,957	380	411
Total equity and liabilities		119,046	107,107	81,515	82,066

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
Revenue	18	74,197	69,994
Cost of sales		(41,529)	(38,958)
Gross profit		32,668	31,036
Other item of income			
Other income	19	1,209	471
Other items of expense			
Selling and distribution expenses		(246)	(129)
Administrative expenses		(13,871)	(12,130)
Other expenses	20	(1,971)	(1,283)
Finance costs	21	(602)	(651)
Profit before income tax	23	17,187	17,314
Income tax expense	24	(4,293)	(4,164)
Profit for the year		12,894	13,150
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation of subsidiaries		2,949	(2,556)
Other comprehensive income/(loss) for the year, net of tax		2,949	(2,556)
Total comprehensive income for the year		15,843	10,594
Profit for the year attributable to:			
Owners of the Company		12,824	12,963
Non-controlling interests		70	187
		12,894	13,150
Total comprehensive income attributable to:			
Owners of the Company		15,694	10,633
Non-controlling interests		149	(39)
		15,843	10,594
Earnings per share			
– basic (in cents)	25	2.23	2.26
– diluted (in cents)	25	2.23	2.26

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Share capital \$'000	Treasury share reserve \$'000	Foreign currency translation reserve \$'000	Merger reserve \$'000	Capital reserve \$'000	Share compensation reserve \$'000	Retained earnings \$'000	Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
Group											
At 1 January 2024		76,138	-	(4,998)	(3,572)	(4,463)	128	17,476	80,709	1,441	82,150
Profit for the year		-	-	-	-	-	-	12,824	12,824	70	12,894
Other comprehensive income											
Foreign currency translation		-	-	2,870	-	-	-	-	2,870	79	2,949
Total comprehensive income for the year		-	-	2,870	-	-	-	12,824	15,694	149	15,843
Transactions with owners of the Company											
Issuance of ordinary shares ⁽¹⁾	12	209	-	-	-	-	-	-	209	-	209
Reclassification of fair value	12	34	-	-	-	-	(34)	-	-	-	-
Dividends	26	-	-	-	-	-	-	(6,615)	(6,615)	-	(6,615)
Share-based compensation expense ⁽²⁾	22	-	-	-	-	-	67	-	67	-	67
Reversal of share options ⁽³⁾	22	-	-	-	-	-	(5)	-	(5)	-	(5)
Total transactions with owners of the Company		243	-	-	-	-	28	(6,615)	(6,344)	-	(6,344)
Transaction with non-controlling interests											
Subscription of share in a subsidiary by non-controlling interest ⁽⁴⁾		-	-	-	-	-	-	-	-	90	90
Total transaction with non-controlling interests		-	-	-	-	-	-	-	-	90	90
At 31 December 2024		76,381	-	(2,128)	(3,572)	(4,463)	156	23,685	90,059	1,680	91,739

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

- (1) On 2 April 2024, the Company issued and allotted 719,140 ordinary shares in the share capital of the Company (the "2024 New Shares"), at an issue price of \$0.29 per 2024 New Share, pursuant to the exercise of options granted under the ISEC Healthcare Share Option Scheme. Following the issuance and allotment of the 2024 New Shares, the number of issued and paid-up shares in the share capital of the Company has increased from 574,473,912 ordinary shares to 575,193,052 ordinary shares.
- (2) The Company has granted 3,809,150 options under the ISEC Healthcare Share Option Scheme on 22 April 2020 and 680,000 share awards under the ISEC Healthcare Performance Share on 23 September 2022.
- (3) The reversal of share options refers to the expired share options granted under the ISEC Healthcare Share Option Scheme on 22 April 2020.
- (4) During the financial year ended 31 December 2024, ISEC (Klang) Sdn. Bhd. ("ISEC Klang"), a 65%-owned indirect subsidiary of the Company through its wholly-owned subsidiary, ISEC Sdn. Bhd. ("ISEC KL"), increased its share capital from \$29,000 (equivalent to RM100,000) to \$285,000 (equivalent to RM1,000,000), through issuance of shares allotted to the existing shareholders of ISEC Klang in equal proportion to their existing shareholdings.

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Share capital \$'000	Treasury share reserve \$'000	Foreign currency translation reserve \$'000	Merger reserve \$'000	Capital reserve \$'000	Share compensation reserve \$'000	Retained earnings \$'000	Equity attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
Group											
At 1 January 2023		75,484	(105)	(2,668)	(3,572)	(4,463)	142	15,054	79,872	1,470	81,342
Profit for the year		–	–	–	–	–	–	12,963	12,963	187	13,150
Other comprehensive income		–	–	(2,330)	–	–	–	–	(2,330)	(226)	(2,556)
Foreign currency translation		–	–	(2,330)	–	–	–	–	–	–	–
Total comprehensive income for the year		–	–	(2,330)	–	–	–	12,963	10,633	(39)	10,594
Transactions with owners of the Company											
Issuance of ordinary shares ⁽¹⁾	12	539	–	–	–	–	–	–	539	–	539
Transfer and use of treasury shares ⁽²⁾	13	7	105	–	–	–	–	–	112	–	112
Reclassification of fair value	12	108	–	–	–	–	(108)	–	–	–	–
Dividends	26	–	–	–	–	–	–	(10,541)	(10,541)	–	(10,541)
Share-based compensation expense ⁽³⁾	22	–	–	–	–	–	94	–	94	–	94
Total transactions with owners of the Company		654	105	–	–	–	(14)	(10,541)	(9,796)	–	(9,796)
Transaction with non-controlling interests											
Subscription of share in a subsidiary by non-controlling interest ⁽⁴⁾		–	–	–	–	–	–	–	–	10	10
Total transaction with non-controlling interests		–	–	–	–	–	–	–	–	10	10
At 31 December 2023		76,138	–	(4,998)	(3,572)	(4,463)	128	17,476	80,709	1,441	82,150

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

- (1) During the financial year ended 31 December 2023, the Company issued and allotted 1,857,306 ordinary shares in the share capital of the Company (the "2023 New Shares"), at an issue price of \$0.29 per 2023 New Share, pursuant to the exercise of options granted under the ISEC Healthcare Share Option Scheme. Following the issuance and allotment of the 2023 New Shares and the transfer and use of 386,400 treasury shares, the number of issued and paid-up shares in the share capital of the Company has increased from 572,230,206 ordinary shares (excluding 386,400 treasury shares) to 574,473,912 ordinary shares.
- (2) On 22 June 2023, the Company transferred and used 386,400 treasury shares for the allotment of shares pursuant to exercise of share options under the ISEC Healthcare Share Option Scheme.
- (3) The Company has granted 3,809,150 options under the ISEC Healthcare Share Option Scheme on 22 April 2020 and 680,000 share awards under the ISEC Healthcare Performance Share on 23 September 2022.
- (4) During the financial year ended 31 December 2023, the Company, through its wholly-owned subsidiary, ISEC Sdn. Bhd. ("ISEC KL"), incorporated ISEC (Klang) Sdn. Bhd. ("ISEC Klang") and 65% of the total shareholding is held by ISEC KL. The initial issued and paid-up share capital of ISEC Klang was \$29 (equivalent to RM100). In December 2023, ISEC Klang has increased its share capital from \$29 (equivalent to RM100) to \$29,000 (equivalent to RM100,000), through issuance of shares allotted to the existing shareholders of ISEC Klang in equal proportion to their existing shareholdings.

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Share capital \$'000	Treasury share reserve \$'000	Share compensation reserve \$'000	Retained earnings \$'000	Total equity \$'000
Company						
2024						
At 1 January 2024		76,138	–	128	5,389	81,655
Profit for the year, representing total comprehensive income for the year		–	–	–	5,824	5,824
Transactions with owners of the Company						
Issuance of ordinary shares	12	209	–	–	–	209
Reclassification of fair value	12	34	–	(34)	–	–
Dividends	26	–	–	–	(6,615)	(6,615)
Share-based compensation expense	22	–	–	67	–	67
Reversal of share options	22	–	–	(5)	–	(5)
Total transactions with owners of the Company		243	–	28	(6,615)	(6,344)
At 31 December 2024		76,381	–	156	4,598	81,135
2023						
At 1 January 2023		75,484	(105)	142	6,621	82,142
Profit for the year, representing total comprehensive income for the year		–	–	–	9,309	9,309
Transactions with owners of the Company						
Issuance of ordinary shares	12	539	–	–	–	539
Transfer and use of treasury shares	13	7	105	–	–	112
Reclassification of fair value	12	108	–	(108)	–	–
Dividends	26	–	–	–	(10,541)	(10,541)
Share-based compensation expense	22	–	–	94	–	94
Total transactions with owners of the Company		654	105	(14)	(10,541)	(9,796)
At 31 December 2023		76,138	–	128	5,389	81,655

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

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Profit before income tax		17,187	17,314
<u>Adjustments for:</u>			
Allowance for expected credit losses, net	23	35	22
Amortisation of intangible assets	23	404	534
Depreciation of property, plant and equipment	23	1,773	1,465
Depreciation of right-of-use assets	23	2,145	1,890
Interest income	19	(326)	(296)
Interest expense	21	602	651
Impairment loss for goodwill	20	1,520	–
Gain on lease modification	19	–	(10)
Property, plant and equipment written-off	20	8	7
Write-back of provision for restoration costs	19	–	(9)
Share-based compensation expense	22	67	94
Reversal of share options	22	(5)	–
Operating cash flows before movements in working capital		23,410	21,662
<u>Working capital changes:</u>			
– Inventories		(140)	(467)
– Trade and other receivables		(615)	103
– Prepayments		(85)	(44)
– Trade and other payables		(477)	648
Cash generated from operations		22,093	21,902
Income tax paid, net		(4,451)	(4,731)
Net cash generated from operating activities		17,642	17,171
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(11,781)	(3,418)
Purchase of intangible assets	6	(285)	(98)
Interest received		319	292
Payment to vendors ⁽¹⁾		(1,033)	(3,208)
Net cash used in investing activities		(12,780)	(6,432)

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

	Note	2024 \$'000	2023 \$'000
Cash flows from financing activities			
Advances from non-controlling interests	16	474	1,182
Dividends paid	26	(6,615)	(10,541)
Subscription of shares in a subsidiary by non-controlling interest		90	10
Proceeds from exercise of share options	12, 13	209	651
Principal elements of lease payments, net	5	(1,916)	(1,768)
Interest paid – lease liabilities	5	(471)	(453)
Proceeds from bank loan	17	29	507
Repayment of loan	17	(855)	(797)
Interest paid – loan	17	(74)	(96)
Net cash used in financing activities		(9,129)	(11,305)
Net decrease in cash and cash equivalents		(4,267)	(566)
Cash and cash equivalents at beginning of year		19,404	20,633
Effect of exchange rate changes on cash and cash equivalents		774	(663)
Cash and cash equivalents at end of year	11	15,911	19,404

- (1) The Group acquired IE Centre Sdn. Bhd. ("IE Centre") and Kampar Eye Sdn. Bhd. ("Kampar Eye") on 26 May 2022. In the prior financial year, 30% of total cash consideration, amounting to RM10,824,225 (equivalent to \$3,208,000) was paid to the vendors as partial settlement of the total cash consideration. The remaining balance of the total cash consideration of RM3,608,000 (equivalent to \$1,033,000) was paid to the vendors in the current financial year. As at the date of the report, the consideration has been fully settled.

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

1. CORPORATE INFORMATION

ISEC Healthcare Ltd. (the “Company”) is a public limited company, incorporated and domiciled in Singapore with its registered office address and principal place of business at 51 Goldhill Plaza #10-07/08 Singapore 308900. The Company’s registration number is 201400185H. The Company is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX”).

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

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

The immediate holding company is Aier Eye International (Singapore) Pte. Ltd., a company incorporated in Singapore. The intermediate holding company is Aier Eye Hospital Group Co., Ltd, and the ultimate holding company is Aier Medical Investment Co., Ltd., both companies incorporated in the People’s Republic of China.

The financial statements of the Company for the financial year ended 31 December 2024 were authorised for issue by the Board of Directors on the date of directors’ statement.

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position and the statement of changes in equity 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)s (“SFRS(I) INTs”). The financial statements have been 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 consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore Dollars (“SGD” or “\$”) which is also the functional currency of the Company, and all values presented are rounded to the nearest thousand (“\$’000”), unless otherwise indicated.

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual periods beginning 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 the Company’s accounting policies and has no material effect on the current or prior year’s financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards and interpretations applicable to the Group that have been 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: Lack of Exchangeability	1 January 2025
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Various	Annual Improvements to SFRS(I)s – Volume 11	1 January 2026
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 1-19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
SFRS(I) 10, SFRS(I) 1-28	Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	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, with the exception of SFRS(I) 18 Presentation and Disclosure in Financial Statements, will not have a material impact on the financial statements of the Group and Company in the period of their initial adoption.

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 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (i) over which the Group has control over and the Group is (ii) able to exercise such control 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 circumstance 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 control 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 on the financial statements are prepared on 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.

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 or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Investment 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 Business combinations (cont'd)

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.

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 reversible 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.

Acquisition under common control

Business combinations involving entities under common control are accounted for by applying the "pooling-of-interest" method which involves the following:

- the assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding group;
- no adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities;
- no additional goodwill is recognised as a result of the combination;
- any difference between the consideration paid/transferred and the equity 'acquired' is reflected within the equity as merger reserve; and
- the profit or loss reflects the results of the combining entities for the full year, irrespective of when the combination took place.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 Business combinations (cont'd)

Comparatives are restated to reflect the combination as if it had occurred from the beginning of the earliest period presented in the financial statements or from the date the entities had come under common control, if later.

The restructuring exercise in 2014 that involved acquisition of companies which are under common control, namely ISEC Sdn. Bhd. and its subsidiaries was accounted for by applying the "pooling-of-interest" method.

2.6 Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

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

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of property, 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 for its intended use. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration arises from the return of rented operating premises to the landlords pursuant to lease agreements. Subsequent to recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Computer equipment	5 years
Electrical equipment	6 – 15 years
Motor vehicles	5 years
Medical equipment	5 – 8 years
Office equipment, furniture and fittings	5 – 10 years
Renovation	6 – 15 years
Buildings	40 years
Leasehold Land	Remaining lease period

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 Property, plant and equipment (cont'd)

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

The residual value, estimated useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is de-recognised.

2.8 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.

Computer software and software under development

Acquired computer software is initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable costs of preparing the software for its intended use. Direct expenditure which enhances or extends the performance of computer software beyond its specifications and which can be reliably measured is added to the original cost of the software. Costs associated with maintaining computer software are recognised as an expense as incurred. Software under development are carried at cost, less any recognised impairment loss. Cost includes professional fees and other directly attributable costs of developing the software for its intended use. Capitalisation of software under development costs ceases and the software under development is transferred to computer software when substantially all the activities necessary to prepare the software under development for their intended use are completed.

Subsequent to initial recognition, computer software is carried at cost less accumulated amortisation and accumulated impairment losses. The cost of computer software is amortised to profit or loss using the straight-line method over the estimated useful life of 5 years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 Intangible assets (cont'd)

(a) Intangible assets with finite useful lives (cont'd)

Contractual relationship

Contractual relationship acquired in a business combination is measured at its fair value as at the date of acquisition. Following initial recognition, contractual relationship is amortised over the estimated useful life of 10 years.

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.

(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.

Goodwill

Goodwill arising on the acquisition of a subsidiary represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

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

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Impairment of non-financial assets excluding goodwill

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group makes an estimate of the asset's recoverable amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use.

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.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.10 Financial instruments

Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The financial assets of the Group are measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.10 Financial instruments (cont'd)

Financial assets (cont'd)

Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are de-recognised or impaired, and through amortisation process.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities and equity instruments

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. On de-recognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.10 Financial instruments (cont'd)

Financial liabilities and equity instruments (cont'd)

Current/non-current classification of borrowing

Borrowing is presented as current liabilities unless the Group has the right to defer settlement for at least 12 months after the reporting date. When an entity breaches an undertaking under a long-term loan agreement on or before the reporting date with the effect that the liability becomes payable on demand, the liability is classified as current, even if the lender has agreed, after the reporting date and before the authorisation of the financial statements for issue, not to demand payment as a consequence of the breach. The liability is classified as current because, at the reporting date, the entity does not have the right to defer its settlement for at least twelve months after that date.

Where the entity has the right, to roll over an obligation for at least 12 months after the reporting period under an existing loan facility with the same lender, the liability is classified as non-current.

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 issuance of ordinary shares are deducted against share capital.

Treasury share

When shares recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.11 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, and short-term deposits. Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.13 Inventories

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

Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price at which inventories can be realised in the ordinary course of business, less estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.14 Leases

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

As lessee

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 recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(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, as follows:

Clinic/office premises	2 – 30 years
Motor vehicle	5 years
Medical equipment	3 – 6 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 2.9.

(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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.14 Leases (cont'd)

As lessee (cont'd)

(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.

Sublease

The Group classifies a sublease as a finance lease or an operating lease as follows:

- if the entity has accounted for the head lease as a short-term lease, the sublease shall be classified as an operating lease.
- otherwise, the sublease shall be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset (for example, the item of plant or equipment that is the subject of the lease).

The Group subleases one of its clinic premises to an external party and has classified it as a finance lease. In relation to the sublease, the Group:

- de-recognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognises the net investment in the sublease;
- recognises any difference between the right-of-use asset and the net investment in the sublease in profit or loss; and
- retains the lease liability relating to the head lease in its statement of financial position, which represents the lease payments owed to the head lessor.

2.15 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation 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 financial year, 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 flow.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.16 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. Grants related to income are presented as a credit in profit or loss under "Other Income".

2.17 Contingencies

A contingent liability is:

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

A contingent asset is a possible asset that arise 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.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group.

2.18 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Rendering of services

Revenue from the provision of general medical care and prescription of medicine is recognised at a point in time when the services have been rendered, and medicine are despatched.

Revenue from specialised health service refers to the provision of medical care, consultancy, treatment and surgery in the field of ophthalmology and is recognised at a point in time when the services have been rendered. This includes profit-sharing of a subsidiary providing specialist ophthalmology services in accordance with the terms of the service agreement with the external service provider.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.18 Revenue recognition (Cont'd)

Revenue from the provision of procedural treatment services, usually sold in packages, are recognised upon completion of the distinct services rendered over the course of the packages, based on each utilisation allocated using the relative stand-alone selling prices.

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

2.19 Finance costs

Finance costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised as expenses in profit or loss in the financial year in which they are incurred. Finance costs are recognised on a time-proportion basis in profit or loss using the effective interest method.

2.20 Employees benefits

Defined contribution plans

As required by law, the Group makes contributions to the state pension scheme, the Central Provident Fund ("CPF") in Singapore and Employees Provident Fund ("EPF") in Malaysia. CPF and EPF contributions are recognised as compensation expenses in the same period as the employment that gives rise to the contributions.

Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when the Group has a present legal or constructive obligation to pay as a result of services rendered by employees up to the end of the reporting period.

Employee share option and performance share plans

Certain employees of the Group receive remuneration in the form of share options or share awards as consideration for services rendered. The cost of these equity-settled share-based payment transactions with employees is measured by reference to the fair value of the options or awards at the date on which the options or awards are granted using an appropriate valuation model. This cost is recognised in profit or loss, with a corresponding increase in the share compensation reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of share options or share awards that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period and is recognised in "Administrative Expenses" in profit or loss.

Service condition is not taken into account when determining the grant date fair value of share options or share awards, but the likelihood of the condition being met is assessed as part of the Group's best estimate of the number of share options or share awards that will ultimately vest.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.20 Employees benefits (Cont'd)

No expense is recognised for share options or share awards that do not ultimately vest. In the case where the share option or share award does not vest as the result of a failure to meet a vesting condition that is within the control of the Group or the employee, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in profit or loss upon cancellation. The share compensation reserve is transferred to retained earnings upon expiry of the share option.

2.21 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Company and subsidiaries operate and generate taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investment in subsidiaries and associate, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Taxes (cont'd)

(b) Deferred tax (Cont'd)

- in respect of deductible temporary differences associated with investment in subsidiaries and associate, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences 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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Sales tax

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

- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the 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.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.22 Foreign currency transactions and translation

The financial statements are presented in Singapore dollar, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. Upon the disposal of the entire interest in a foreign operation during the year, all of the exchange differences accumulated in the foreign exchange translation reserve in respect of that foreign operation attributable to the owners of the Company are reclassified to profit or loss.

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.

2.23 Dividends

Equity dividends are recognised as a liability when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year 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

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 2, management has not made any judgements that will have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations as discussed below.

3.2 Key sources of estimation uncertainty

Assumptions concerning the future and other key sources of estimation uncertainty and accounting judgements made at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenues and expenses within the next financial year are discussed below.

(a) Impairment assessment 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, the terminal growth rate and a suitable discount rate to calculate present value. Impairment loss of \$1,520,000 (FY2023: Nil) was recognised during the financial year. The carrying amount of goodwill as at 31 December 2024 was \$52,650,000 (2023: \$52,242,000) (Note 6).

(b) Impairment assessment of cost of investment in subsidiaries

At the end of each financial year, an assessment is made on whether there are indicators that the Company's investments are impaired. Where applicable, the 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, the terminal growth rate and a suitable discount rate to calculate the present value of those cash flows. The Company's carrying amount of investment in subsidiaries as at 31 December 2024 was \$60,997,000 (2023: \$62,487,000) (Note 7).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

3.2 Key sources of estimation uncertainty (cont'd)

(c) Depreciation of property, plant and equipment and right-of-use assets

The Group depreciates the property, plant and equipment and right-of-use assets 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 property, plant and equipment and right-of-use assets. 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 property, plant and equipment at 31 December 2024 were \$29,793,000 (2023: \$16,998,000) and \$53,000 (2023: \$70,000) respectively (Note 4). The carrying amounts of the Group's and the Company's right-of-use assets at 31 December 2024 were \$10,899,000 (2023: \$9,843,000) and \$91,000 (2023: \$127,000) respectively (Note 5).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment \$'000	Electrical equipment \$'000	Motor vehicles \$'000	Medical equipment \$'000	Office equipment, furniture and fittings \$'000	Renovation \$'000	Assets under construction \$'000	Land and buildings \$'000	Total \$'000
Group Cost									
At 1 January 2023	937	1,525	58	7,304	1,065	2,680	1,249	8,649	23,467
Additions	81	–	–	732	64	162	2,041	9	3,089 ⁽¹⁾
Written-off	(4)	–	–	(47)	(5)	(24)	–	–	(80)
Reclassification	–	–	–	10	5	39	(185)	131	–
Currency translation differences	(48)	(91)	(4)	(439)	(74)	(153)	(55)	(555)	(1,419)
At 31 December 2023 and 1 January 2024	966	1,434	54	7,560	1,055	2,704	3,050	8,234	25,057
Additions	115	22	49	2,202	141	229	10,536	–	13,294 ⁽¹⁾
Written-off	(22)	–	–	(82)	(20)	–	–	–	(124)
Reclassification	63	238	–	11	470	2,193	(3,498)	523	–
Transfer from lease	–	–	–	108	–	–	–	–	108
Currency translation differences	55	90	8	553	85	168	426	523	1,908
At 31 December 2024	1,177	1,784	111	10,352	1,731	5,294	10,514	9,280	40,243

(1) During the financial year ended 31 December 2024, \$1,486,000 (FY2023: \$40,000) of the property, plant and equipment purchased remained unpaid and was included in other payables of the financial statements. The remaining \$67,000 (FY2023: \$68,000) of the property, plant and equipment addition relates to the provision for the restoration costs which is a non-cash transaction.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Computer equipment \$'000	Electrical equipment \$'000	Motor vehicles \$'000	Medical equipment \$'000	Office equipment, furniture and fittings \$'000	Renovation \$'000	Assets under construction \$'000	Land and buildings \$'000	Total \$'000
Accumulated depreciation									
At 1 January 2023	527	82	53	4,702	478	1,309	–	–	7,151
Depreciation charge for the year	121	151	2	715	123	270	–	83	1,465
Written-off	(5)	–	–	(43)	(3)	(22)	–	–	(73)
Currency translation differences	(27)	(12)	(3)	(314)	(41)	(86)	–	(1)	(484)
At 31 December 2023 and 1 January 2024	616	221	52	5,060	557	1,471	–	82	8,059
Depreciation charge for the year	131	156	9	853	136	422	–	66	1,773
Written-off	(22)	–	–	(82)	(12)	–	–	–	(116)
Transfer from lease	–	–	–	108	–	–	–	–	108
Currency translation differences	37	24	5	374	61	118	–	7	626
At 31 December 2024	762	401	66	6,313	742	2,011	–	155	10,450
Carrying amount									
At 31 December 2023	350	1,213	2	2,500	498	1,233	3,050	8,152	16,998
At 31 December 2024	415	1,383	45	4,039	989	3,283	10,514	9,125	29,793

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Computer equipment \$'000	Office equipment, furniture and fittings \$'000	Renovation \$'000	Total \$'000
<u>Company</u>				
<u>Cost</u>				
At 1 January 2023	57	19	76	152
Additions	—	—	5	5
At 31 December 2023 and 1 January 2024	57	19	81	157
Additions	4	—	—	4
Written-off	(2)	—	—	(2)
At 31 December 2024	59	19	81	159
<u>Accumulated depreciation</u>				
At 1 January 2023	52	6	8	66
Depreciation charge for the year	2	4	15	21
At 31 December 2023 and 1 January 2024	54	10	23	87
Depreciation charge for the year	3	2	16	21
Written-off	(2)	—	—	(2)
At 31 December 2024	55	12	39	106
<u>Carrying amount</u>				
At 31 December 2023	3	9	58	70
At 31 December 2024	4	7	42	53

Assets under construction

The Group's property, plant and equipment of \$10,514,000 (2023: \$3,050,000) as at 31 December 2024 mainly relates to the acquisition of building and expenditures on renovation of centres in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. LEASES

As lessee

The Group has lease contracts for various items of medical equipment, clinic/office premises and motor vehicle. The Group's obligation under these leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of machinery and premises with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the "short-term lease" and "lease of low-value assets" recognition exemptions for these leases and continues to expense off such leases when incurred.

(a) Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Clinic/office premises \$'000	Motor vehicle \$'000	Medical equipment \$'000	Total \$'000
Group				
At 1 January 2023	9,370	7	1,500	10,877
Additions	582	—	836	1,418
Lease modification	(24)	—	(1)	(25)
Depreciation charge for the year	(1,263)	(4)	(623)	(1,890)
Currency translation differences	(461)	*	(76)	(537)
At 31 December 2023 and 1 January 2024	8,204	3	1,636	9,843
Additions	167	—	2,491	2,658
Depreciation charge for the year	(1,316)	(3)	(826)	(2,145)
Currency translation differences	395	*	148	543
At 31 December 2024	7,450	—	3,449	10,899

* Less than \$1,000

Lease modification in the prior financial year related to the reduction of the lease period in the existing/past leases of an office premise and a medical equipment.

	Office premises	
	2024 \$'000	2023 \$'000
Company		
At 1 January	127	162
Depreciation charge for the year	(36)	(35)
At 31 December	91	127

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. LEASES (CONT'D)

As lessee (cont'd)

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
At 1 January	10,390	11,225	131	164
Additions	2,658	1,588	—	—
Lease modification	—	(35)	—	—
Interest expense	478	455	6	7
Payments, net	(2,448)	(2,282)	(40)	(40)
Currency translation differences	575	(561)	—	—
At 31 December	11,653	10,390	97	131
Current	2,208	1,614	36	34
Non-current	9,445	8,776	61	97

Lease modification in the prior financial year related to the reduction of the lease period in the existing/past leases of an office premises and a medical equipment. The maturity analysis of lease liabilities is disclosed in Note 30(c).

(c) Net investment in sublease

The Group has entered into a sublease arrangement with an external party for one of its clinic premises. Set out below are the carrying amounts of net investment in sublease recognised and the movements during the year:

	2024	2023
	\$'000	\$'000
Group		
At 1 January	161	50
Additions	—	170
Accretion of interest income	7	2
Receipts, net	(61)	(61)
At 31 December	107	161
Current	57	54
Non-current	50	107

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. LEASES (CONT'D)

As lessee (cont'd)

(d) Amounts recognised in profit or loss

The following are the amounts recognised in profit or loss:

	2024 \$'000	2023 \$'000
Group		
Depreciation of right-of-use assets (Note 23)	2,145	1,890
Interest expense on lease liabilities (Note 21)	478	455
Interest income on sublease (Note 19)	(7)	(2)
Gain on lease modification (Note 19)	–	(10)
Lease expenses not capitalised in lease liabilities (Note 23)		
– Expenses relating to leases of short-term leases (Included in administrative expenses)	–	50
– Expenses relating to leases of short-term leases (Included in cost of sales)	–	3
– Expenses relating to leases of low-value leases (Included in administrative expenses)	16	13
Total amount recognised in profit or loss	2,632	2,399

(e) Total cash outflow

The Group had total cash outflows for leases (including short-term and low-value leases) of \$2,403,000 in 2024 (2023: \$2,287,000), net of receipts from sublease. The Group also had non-cash additions to right-of-use assets, lease liabilities and net investment in sublease of \$2,658,000 (2023: \$1,418,000), \$2,658,000 (2023: \$1,588,000) and Nil (2023: \$170,000) respectively during the financial year.

(f) Extension options

The Group has several lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises judgement in determining whether these extension options are reasonably certain to be exercised.

The Group included the extension option in the lease term for leases of clinic/office premises and medical equipment because of the additional costs that would arise to replace the assets. There is no extension option for lease of motor vehicle.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. INTANGIBLE ASSETS

	Computer Software \$'000	Software under development \$'000	Goodwill \$'000	Contractual relationship \$'000	Customer relationships \$'000	Total \$'000
Group						
Cost						
At 1 January 2023	509	140	54,215	5,300	155	60,319
Additions	9	89	–	–	–	98
Currency translation differences	(29)	(10)	(1,973)	–	–	(2,012)
At 31 December 2023 and 1 January 2024	489	219	52,242	5,300	155	58,405
Additions	30	255	–	–	–	285
Written-off	(7)	–	–	–	–	(7)
Impairment loss	–	–	(1,520)	–	–	(1,520)
Currency translation differences	29	15	1,928	–	–	1,972
At 31 December 2024	541	489	52,650	5,300	155	59,135
Accumulated amortisation						
At 1 January 2023	502	–	–	4,373	155	5,030
Amortisation for the year	4	–	–	530	–	534
Currency translation differences	(29)	–	–	–	–	(29)
At 31 December 2023 and 1 January 2024	477	–	–	4,903	155	5,535
Amortisation for the year	7	–	–	397	–	404
Written-off	(7)	–	–	–	–	(7)
Currency translation differences	29	–	–	–	–	29
At 31 December 2024	506	–	–	5,300	155	5,961
Carrying amount						
At 31 December 2023	12	219	52,242	397	–	52,870
At 31 December 2024	35	489	52,650	–	–	53,174
Remaining useful life as at 31 December 2024 (years)	0 to 5	Not applicable	Not applicable	–	–	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. INTANGIBLE ASSETS (CONT'D)

	Computer software \$'000	Software under development \$'000	Total \$'000
<u>Company</u>			
<u>Cost</u>			
At 1 January 2023	8	–	8
At 31 December 2023 and 1 January 2024	8	–	8
Additions	–	234	234
Written-off	(7)	–	(7)
At 31 December 2024	1	234	235
<u>Accumulated amortisation</u>			
At 1 January 2023	8	–	8
At 31 December 2023 and 1 January 2024	8	–	8
Written-off	(7)	–	(7)
At 31 December 2024	1	–	1
<u>Carrying amount</u>			
At 31 December 2023	–	–	–
At 31 December 2024	–	234	234
Remaining useful life as at 31 December 2024 (years)	–	Not applicable	

Amortisation of computer software and contractual relationship are included in “administrative expenses” and “other expenses” line items in profit or loss respectively.

Goodwill

Goodwill on consolidation arises from the acquisition of subsidiaries. Goodwill arising from business combinations is allocated to the following cash-generating units (“CGUs”) that are expected to benefit from the business combinations.

	2024 \$'000	2023 \$'000
<u>Goodwill</u>		
ISEC Eye Pte. Ltd. (“ISEC Eye”)	7,970	7,970
Southern Specialist Eye Centre Sdn. Bhd. (“SSEC”)	11,423	10,781
JL Medical (Bukit Batok) Pte. Ltd. (“JLMBB”)	3,309	3,939
JL Medical (Sembawang) Pte. Ltd. (“JLMS”)	2,980	2,980
JL Medical (Woodlands) Pte. Ltd. (“JLMW”)	3,509	3,509
JL Medical (Yew Tee) Pte. Ltd. (“JLMYT”)	584	1,474
Indah Specialist Eye Centre Sdn. Bhd. (“Indah Specialist”)	9,252	8,732
IE Centre Sdn. Bhd. (“IE Centre”)	11,639	10,984
Kampar Eye Sdn. Bhd. (“Kampar Eye”)	1,939	1,830
TE Centre Sdn. Bhd. (“TE Centre”)	17	16
ME Centre Sdn. Bhd. (“ME Centre”)	12	12
Taiping Eye Sdn. Bhd. (“Taiping Eye”)	16	15
	52,650	52,242

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. INTANGIBLE ASSETS (CONT'D)

Goodwill (cont'd)

The Group tests CGUs for impairment annually, or more frequently when there is an indication of impairment. The recoverable amounts of the CGUs have been determined based on the cash flow forecasts of the respective CGUs from actual performance of the latest financial year and financial budgets approved by management that uses a number of significant operational and predictive assumptions, covering a five-year period and projection to terminal year. The key assumptions for the value-in-use calculations are those regarding the revenue, terminal growth rates, and the pre-tax discount rates as follows:

	Revenue growth rate		Terminal growth rate		Pre-tax discount rate	
	2025 to 2029	2024 to 2028	2024	2023	2024	2023
	%	%	%	%	%	%
ISEC Eye	4 – 5	3 – 6	1.0	1.0	17	17
SSEC	6 – 7	3 – 6	3.0	3.0	14	15
JLMBB	6 – 8	4 – 6	2.0	2.0	10	10
JLMS	6	2 – 3	2.0	2.0	10	10
JLMW	5	4 – 5	2.0	2.0	10	10
JLMYT	5	4	2.0	2.0	10	10
Indah Specialist	6 – 7	6 – 9	3.0	3.0	14	15
IE Centre	5 – 7	5 – 7	3.0	3.0	14	15
Kampar Eye	5 – 7	5 – 8	3.0	3.0	14	15
TE Centre	5 – 283	–	3.0	–	14	–
ME Centre	30 – 264	–	3.0	–	14	–
Taiping Eye	30 – 253	–	3.0	–	14	–

Management estimates the discount rates using pre-tax rates that reflect current market assessment of the time value of money and the risks specific to each CGU. The revenue and terminal growth rates are based on management's estimates and expectations from historical trends, market and economic conditions, industry indices and planned strategies on revenue growth and cost initiatives.

Key assumptions used in the value in use calculations

The calculations of value in use for the CGUs are most sensitive to the following assumptions:

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.

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to each CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its CGUs and derived from its weighted average cost of capital ("WACC").

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. INTANGIBLE ASSETS (CONT'D)

Goodwill (cont'd)

Sensitivity analysis

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 in the respective countries.

The recoverable amount of JLMS and JLMW exceeded the carrying amount by approximately \$111,000 and \$142,000, respectively. Should the annual revenue growth rate for JLMS and JLMW decrease by 0.4% each year for the periods FY2025 to FY2029, further impairment loss would be recorded.

Impairment loss recognised

The performance of JLMBB and JLMYT in the general health services were adversely affected by the rising costs and competition in Singapore. The revenue of these subsidiaries decreased by 7% and 15% respectively during the financial year ended 31 December 2024.

The Group has assessed and recognised \$630,000 and \$890,000 impairment loss for goodwill arising from JLMBB and JLMYT respectively, as the recoverable amounts were assessed to be lower than the carrying amounts.

Contractual relationship

ISEC Eye

Contractual relationship relates to an agreement between ISEC Eye and Parkway Hospitals Singapore Pte. Ltd. ("PHS") where ISEC Eye has agreed to provide specialist ophthalmology services to the Asia Pacific Eye Centre ("Clinic") located at Gleneagles Hospital Singapore. The Clinic is operated by PHS which manages the daily operations, including purchasing, marketing and expenditures relating to equipment and supplies.

Customer relationships

JLMBB, JLMS, JLMW, JLMYT

Customer relationships arise from clinical and medical services to recurring customers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. INVESTMENT IN SUBSIDIARIES

	2024 \$'000	2023 \$'000
Company		
Unquoted equity shares, at cost	35,287	35,287
Deemed capital contribution	32,767	32,767
	68,054	68,054
Less: Allowance for impairment loss	(7,057)	(5,567)
	60,997	62,487

The movement in the allowance for impairment loss is as follows:

	2024 \$'000	2023 \$'000
Movement in allowance account:		
At 1 January	5,567	5,567
Impairment loss	1,490	–
At 31 December	7,057	5,567

Deemed capital contribution

Deemed capital contribution to subsidiaries are unsecured, interest-free and repayable at the discretion of the subsidiaries. It includes funding by the Company (by way of both allotment and issuance of shares and cash consideration) to its wholly-owned subsidiary, ISEC Sdn. Bhd., to acquire interests in SSEC, ISEC (Penang) Sdn. Bhd., Indah Specialist, IE Centre and Kampar Eye, and the Company's contribution to International Specialist Eye Centre Pte. Ltd., in the form of shares in the Company and cash contribution.

Impairment of subsidiaries – JLMBB and JLMYT

During the financial year ended 31 December 2024, the Company recognised an impairment loss on JLMBB and JLMYT amounting to \$630,000 and \$860,000 respectively in profit or loss due to indications of impairment for investment in subsidiaries. The recoverable amounts were determined based on the cash flow forecasts from the updated financial budgets approved by management that use various significant operational and predictive assumptions and taking into consideration the adverse effect on business arising from the rising costs and competition in Singapore. The key assumptions for the value in use calculations are those regarding the revenue growth rates, terminal growth rates, and the pre-tax discount rates as explained in Note 6.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Composition of the Group

The Group has the following investments in subsidiaries:

Name of company	Principal place of business	Principal activities	Proportion of ownership interest	
			2024 %	2023 %
<u>Held directly by the Company:</u>				
ISEC Sdn. Bhd. (“ISEC KL”) ⁽²⁾	Malaysia	Medical eye care services	100	100
ISEC Eye Pte. Ltd. ⁽¹⁾	Singapore	Medical eye care services	100	100
International Specialist Eye Centre Pte. Ltd. ⁽¹⁾	Singapore	Medical eye care services	100	100
ISEC Global Pte. Ltd. ⁽¹⁾	Singapore	Investment holding	100	100
JL Medical (Bukit Batok) Pte. Ltd. ⁽¹⁾	Singapore	General medical services	100	100
JL Medical (Sembawang) Pte. Ltd. ⁽¹⁾	Singapore	General medical services	100	100
JL Medical (Woodlands) Pte. Ltd. ⁽¹⁾	Singapore	General medical services	100	100
JL Medical (Yew Tee) Pte. Ltd. ⁽¹⁾	Singapore	General medical services	100	100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Composition of the Group (cont'd)

The Group has the following investments in subsidiaries: (cont'd)

Name of company	Principal place of business	Principal activities	Proportion of ownership interest	
			2024 %	2023 %
Held through ISEC KL:				
ISEC (Penang) Sdn. Bhd. ("ISEC Penang") ⁽²⁾	Malaysia	Medical eye care services	100	100
ISEC (Sibu) Sdn. Bhd. ("ISEC Sibu") ⁽²⁾	Malaysia	Medical eye care services	55	55
Southern Specialist Eye Centre Sdn. Bhd. ("SSEC") ⁽²⁾	Malaysia	Medical eye care services	100	100
Indah Specialist Eye Centre Sdn.Bhd. ("Indah Specialist") ⁽²⁾	Malaysia	Medical eye care services	100	100
ISEC (Kuching) Sdn. Bhd. ("ISEC Kuching") ⁽²⁾	Malaysia	Medical eye care services	51	51
IE Centre Sdn. Bhd. ("IE Centre") ⁽²⁾	Malaysia	Medical eye care services	100	100
Kampar Eye Sdn. Bhd. ("Kampar Eye") ⁽²⁾	Malaysia	Medical eye care services	100	100
ME Centre Sdn. Bhd. ("ME Centre") ⁽²⁾	Malaysia	Medical eye care services	50*	50*
TE Centre Sdn. Bhd. ("TE Centre") ⁽²⁾	Malaysia	Medical eye care services	50*	50*
Taiping Eye Sdn. Bhd. ("Taiping Eye") ⁽²⁾	Malaysia	Medical eye care services	50*	50*
ISEC (Klang) Sdn. Bhd. ("ISEC Klang") ⁽²⁾	Malaysia	Medical eye care services	65	65

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Composition of the Group (cont'd)

The Group has the following investments in subsidiaries: (cont'd)

Name of company	Principal place of business	Principal activities	Proportion of ownership interest	
			2024	2023
			%	%
<u>Held through ISEC Global</u>				
<u>Pte. Ltd.:</u>				
ISEC Myanmar Company Limited ("ISEC Myanmar") ⁽³⁾	Myanmar	Medical eye care services	51	51
<u>Held through SSEC:</u>				
ISEC Specialist Eye Clinic (Melaka) Sdn. Bhd. ⁽²⁾	Malaysia	Medical eye care services	100	100

(1) Audited by Forvis Mazars LLP, Singapore

(2) Audited by overseas member firms of Forvis Mazars LLP

(3) Audited by AKO Audit Firm

* The Group obtained the control of the aforesaid companies by subscription of 50.0% plus 1 ordinary share of the enlarged share capital of each of the aforesaid companies.

(b) Interest in subsidiary with material non-controlling interest ("NCI")

The Group has the following subsidiary that has NCI that is material to the Group:

	ISEC Myanmar	
	2024	2023
Proportion of ownership interest held by non-controlling interest (%)	49	49
Profit after taxation allocated to NCI during the reporting period (\$'000)	227	157
Accumulated NCI at the end of reporting period (\$'000)	1,013	753

(c) Summarised financial information about subsidiary with material NCI

The summarised financial information before intra-group elimination of the subsidiary that has material non-controlling interests as at the end of each reporting period are as follows:

Summarised statement of financial position

	ISEC Myanmar	
	2024 \$'000	2023 \$'000
Non-current assets	463	501
Current assets	1,872	1,357
Non-current liabilities	(5)	(47)
Current liabilities	(262)	(272)
Net assets	2,068	1,539

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) Summarised financial information about subsidiary with material NCI (Cont'd)

Summarised statement of profit or loss and other comprehensive income

	ISEC Myanmar	
	2024	2023
	\$'000	\$'000
Revenue	2,748	1,987
Profit for the financial year, representing total comprehensive income	463	321

Other summarised information

	ISEC Myanmar	
	2024	2023
	\$'000	\$'000
Net cash generated from operating activities	568	490
Net cash used in investing activities	(115)	(29)
Net cash used in financing activities	(52)	(175)
Net change in cash and cash equivalents	401	286

8. DEFERRED TAX

Movement in deferred tax of the Group during the year are as follows:

	At 1 January 2024 \$'000	Recognised in profit or loss \$'000	Currency translation differences \$'000	At 31 December 2024 \$'000
<i>Deferred tax assets</i>				
Provisions and other temporary differences	268	(8)	15	275
Deferred tax credit		8		
<i>Deferred tax liabilities</i>				
Differences in depreciation for tax purposes	82	(81)	4	5
Differences in amortisation of intangible assets	68	(68)	–	–
	150	(149)	4	5
Deferred tax credit, net		(141)		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

8. DEFERRED TAX (CONT'D)

	At 1 January 2023 \$'000	Recognised in profit or loss \$'000	Currency translation differences \$'000	At 31 December 2023 \$'000
<u>Deferred tax assets</u>				
Provisions and other temporary differences	196	78	(6)	268
Deferred tax credit		(78)		
<u>Deferred tax liabilities</u>				
Differences in depreciation for tax purposes	141	(52)	(7)	82
Differences in amortisation of intangible assets	158	(90)	–	68
	299	(142)	(7)	150
Deferred tax credit, net		(220)		

Movement in deferred tax of the Company during the year are as follows:

	2024 \$'000	2023 \$'000
At beginning of the year	11	7
Recognised in profit or loss for the year	4	4
At end of the year	15	11
<u>Deferred tax assets</u>		
Provisions and other temporary differences	15	11

9. INVENTORIES

	2024 \$'000	2023 \$'000
<u>Group</u>		
Medical and surgical supplies	2,501	2,235

Inventories of \$14,935,000 (2023: \$14,336,000) were recognised as an expense and included in “cost of sales” line item in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

10. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade receivables	5,299	4,266	–	–
Contract assets	19	100	–	–
Total trade receivables	5,318	4,366	–	–
Less: Allowance for expected credit loss	(77)	(64)	–	–
	5,241	4,302	–	–
Other receivables	81	67	77	*
Amounts due from immediate holding company (non-trade)	15	10	–	10
Amounts due from subsidiaries (non-trade)	–	–	18,804	17,362
Deposits	613	612	14	14
Total trade and other receivables	5,950	4,991	18,895	17,386
Add:				
– Net investment in sublease (Note 5)	107	161	–	–
– Cash and cash equivalents (Note 11)	15,911	19,404	1,200	1,958
Total financial assets held at amortised cost	21,968	24,556	20,095	19,344

* Less than \$1,000

Trade receivables are unsecured, non-interest bearing and generally on 60 to 90 days' (2023: 60 to 90 days') credit terms.

Contract assets as at 31 December 2023 mainly relate to accrued Primary Care Network income. During current financial year, \$87,000 of contract assets reclassified to trade receivables and settled (2023: \$85,000).

Amounts due from subsidiaries (non-trade) are unsecured, non-interest bearing and repayable on demand.

Current deposits mainly relate to the refundable rental deposits of premises upon termination and/or expiry of the respective tenancy agreements.

There is no significant foreign currency risk exposure in the Group's trade and other receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

10. TRADE AND OTHER RECEIVABLES (CONT'D)

The Company's trade and other receivables that are not denominated in the functional currency of the Company are as follows:

	Company	
	2024 \$'000	2023 \$'000
Malaysia ringgit	<u>15,245</u>	<u>13,671</u>

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	2024 \$'000	2023 \$'000
Group		
At 1 January	64	43
Charge for the year	47	22
Write-back	(12)	–
Written-off	(21)	(1)
Currency translation differences	(1)	*
At 31 December	<u>77</u>	<u>64</u>

* Less than \$1,000

11. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Cash and bank balances	<u>14,919</u>	18,832	<u>1,200</u>	1,458
Fixed deposits	<u>992</u>	572	<u>–</u>	500
Total cash and cash equivalents	<u>15,911</u>	<u>19,404</u>	<u>1,200</u>	<u>1,958</u>

Fixed deposits are made with banks for varying periods of between one and three months and the effective interest rates on the fixed deposits range from 2.45% to 3.40% (2023: 2.40% to 3.85%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

12. SHARE CAPITAL

	Group and Company		
	2024	2023	
	Number of ordinary shares		
		2024	2023
		\$'000	\$'000
Issued and fully paid:			
At 1 January	574,473,912	572,616,606	75,484
Issuance of ordinary shares from the exercise of options granted under Share Option Scheme	719,140	1,857,306	539
Reclassification of fair value of exercised from Share Compensation Reserve	–	–	108
Cash on exercise of share options in excess of cost of treasury shares	–	–	7
At 31 December	575,193,052	574,473,912	76,138

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

13. TREASURY SHARE RESERVE

Treasury share reserve comprises the cost of the Company's shares held by the Company.

	Group and Company		
	2024	2023	
	Number of ordinary shares		
		2024	2023
		\$'000	\$'000
At 1 January	–	386,400	(105)
Treasury shares transferred for the exercise of options granted under Share Option Scheme	–	(386,400)	105
At 31 December	–	–	–

Treasury shares relate to ordinary shares of the Company that are held by the Company.

The Company acquired 386,400 shares in the Company through open-market purchases in 2019. The total amount paid to acquire the shares was \$105,000 and this was presented as a component within shareholders' equity. In the prior financial year, the Company fully utilised and transferred 386,400 treasury shares for \$112,000 for the exercise of options granted under Share Option Scheme.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

14. OTHER RESERVES

	2024 \$'000	2023 \$'000
Group		
Foreign currency translation reserve	(2,128)	(4,998)
Merger reserve	(3,572)	(3,572)
Capital reserve	(4,463)	(4,463)
Share compensation reserve	156	128
	(10,007)	(12,905)

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency and is non-distributable. Movement in the foreign currency translation reserve is reflected in the consolidated statement of changes in equity.

Merger reserve

Merger reserve represents the difference between the consideration paid and the share capital value of the subsidiaries acquired under common control.

Capital reserve

Capital reserve mainly consists of \$4,494,000 arising from the premium paid on acquisition of 49% of ISEC Penang in 2019.

Share compensation reserve

Share compensation reserve represents the equity-settled share-based compensation granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share-based compensation, and is reduced by the expiry, forfeiture or exercise of the share options or share awards.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. PROVISIONS

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Provision for restoration costs	324	235	14	14

Provision for restoration costs

The provision for restoration costs is the estimated costs to dismantle, remove or restore property, plant and equipment arising from the return of rented operating premises to the landlords pursuant to lease agreements.

Movements in provision for restoration costs during the financial year are as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
At 1 January	235	188	14	13
Additions	67	68	–	–
Amortisation of discount (Note 21)	12	7	*	1
Utilisation	–	(11)	–	–
Write-back	–	(9)	–	–
Currency translation differences	10	(8)	–	–
At 31 December	324	235	14	14

* Less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

16. TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade payables	2,244	1,825	–	–
Other payables	2,143	1,643	31	18
Goods and services tax (“GST”) payable	210	212	–	2
Amounts due to subsidiaries	–	–	4	–
Contract liabilities (Note 18(c))	53	59	–	–
Advances from customers	340	353	–	–
Advances from non-controlling interest	2,163	1,557	–	–
Accrued expenses	939	1,105	83	138
Payroll payable	4,333	3,838	147	98
Total trade and other payables	12,425	10,592	265	256
Less:				
– GST payable	(210)	(212)	–	(2)
– Advances from customers	(340)	(353)	–	–
– Contract liabilities	(53)	(59)	–	–
Add:				
– Lease liabilities (Note 5)	11,653	10,390	97	131
– Borrowings (Note 17)	1,439	2,170	–	–
Total financial liabilities carried at amortised cost	24,914	22,528	362	385

Trade and other payables are unsecured, non-interest bearing and are normally settled on 30 to 90 days' (2023: 30 to 90 days') terms. The deferred cash consideration payable to vendors of the acquisition of subsidiaries has been fully settled during the current financial year (FY2023: within 12 months from the acquisition date).

Amounts due to subsidiaries are non-trade in nature, unsecured, non-interest bearing and repayable on demand.

Advances from non-controlling interests are non-trade in nature, unsecured, interest bearing (2023: non-interest bearing) and repayable on demand. The interest rate for the current financial year ended 31 December 2024 was 4.15% (FY2023: Nil).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

16. TRADE AND OTHER PAYABLES (CONT'D)

There is no significant foreign currency risk exposure in the Group's and the Company's trade and other payables. The Company's trade and other payables that are not denominated in the functional currency of the Company are as follows:

	Company	
	2024	2023
	\$'000	\$'000
Malaysia ringgit	3	2

Movements of the Group's advances from non-controlling interests during the financial year are as follows:

	2024	2023
	\$'000	\$'000
At 1 January	1,557	403
Additions	474	1,182
Interest expenses (Note 21)	22	—
Currency translation differences	110	(28)
At 31 December	2,163	1,557

17. BORROWINGS

	2024	2023
	\$'000	\$'000
Group		
Bank loan A	529	1,249
Bank loan B	—	424
Bank loan C	464	497
Bank loan D	446	—
	1,439	2,170
Current	672	843
Non-current	767	1,327

Bank loan A

On 6 August 2020, ISEC (Penang) Sdn. Bhd., a wholly owned indirect subsidiary of the Company, entered into a 5-year term bank loan of RM13,000,000 (equivalent to \$4,254,000) to partially finance the acquisition of a freehold land and building. The loan is repayable monthly over 5-year term.

The loan bears a floating interest rate of the bank's cost of funds +0.5% margin per annum. The interest rate for the current financial year ended 31 December 2024 was 4.16% (FY2023: 4.05%).

The loan is secured by the freehold land and building for which the loan was entered into, and the subsidiary is required to maintain certain deposits balance with the bank.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

17. BORROWINGS (CONT'D)

Bank loan B

On 26 May 2022, the Group completed its acquisition of ME Centre which includes an existing 15-year bank loan of RM1,709,160 (equivalent to \$539,000) entered into on 29 January 2021 to partially finance the acquisition of a building. The loan is repayable monthly over the 15-year term.

The loan bears a floating interest rate of the bank's base lending rate -2.57% margin per annum for the first year and bank's base lending rate -2.30% margin per annum from the second year onwards. The interest rate as at the date of settlement was 4.42% (FY2023: 4.42%).

The loan is secured by the building for which the loan was entered into. As at 31 December 2024, bank loan B has been fully settled by refinancing through bank loan D.

Bank loan C

On 21 May 2023, TE Centre, an indirect subsidiary of the Company, entered into a 7-year term bank loan of RM1,774,483 (equivalent to \$507,000) to finance partially the construction cost of a building.

The loan bears a floating interest rate of the bank's base financing rate -2.50% margin per annum. The interest rate for the current financial year ended 31 December 2024 was 4.15% (FY2023: 4.15%).

The loan is secured by the land and building for which the loan was entered into.

Bank loan D

In June 2024, ME Centre entered into a 7-year bank loan of RM1,646,000 (equivalent to \$472,000) with another bank to refinance the acquisition of the building. The loan has been drawn down to fully settle bank loan B.

The loan bears a floating interest rate of the bank's base financing rate -2.5% margin per annum. The interest rate for the current financial year ended 31 December 2024 was 4.15%.

The loan is secured by the buildings for which the loan was entered into.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

17. BORROWINGS (CONT'D)

A reconciliation of liabilities arising from financing activities relating to borrowings are as follows:

	Non-cash movements					At 31 December 2024 \$'000
	At 1 January 2024 \$'000	Cash flows \$'000	Addition \$'000	Accretion of interest \$'000	Translation differences \$'000	
Borrowings	2,170	(929) ⁽¹⁾	29	74	95	1,439

	Non-cash movements					At 31 December 2023 \$'000
	At 1 January 2023 \$'000	Cash flows \$'000	Addition \$'000	Accretion of interest \$'000	Translation differences \$'000	
Borrowings	2,593	(893) ⁽¹⁾	507	96	(133)	2,170

(1) Cash flows comprise interest paid of \$74,000 (2023: \$96,000) and payment of principal portion of borrowing of \$855,000 (2023: \$797,000).

18. REVENUE

(a) Disaggregation of revenue

	General health services		Specialised health services		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Types of goods or services</u>						
Consultation, medication and procedures	3,596	3,979	70,601	66,015	74,197	69,994
<u>Timing of transfer of goods or services</u>						
At a point in time	3,527	3,940	70,601	66,015	74,128	69,955
Over time	69	39	—	—	69	39
	3,596	3,979	70,601	66,015	74,197	69,994
<u>Primary geographical market</u>						
Singapore	3,596	3,979	8,256	8,068	11,852	12,047
Malaysia	—	—	59,597	55,960	59,597	55,960
Myanmar	—	—	2,748	1,987	2,748	1,987
	3,596	3,979	70,601	66,015	74,197	69,994

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

18. REVENUE (CONT'D)

(b) Methods used in recognising revenue

Recognition of revenue from consultation, medication and procedures

For the consultation, medication and procedures, the Group satisfies its performance obligations either at a point in time or over time. Revenue from the provision of medical care, consultancy, treatment, surgery and prescription of medicine is recognised when the promised goods or services are transferred to the customer, which is when the customer obtains control of the goods or services. For procedural treatment services where the Group satisfies its performance obligations over time, management has determined that an output method provides a faithful depiction of the Group's performance in transferring control of the goods or services to the customers, as it reflects the direct measurements of the value to the customer of goods or services transferred to date relative to the remaining goods or services promised under the contract. The measure of progress is based on the number of sessions utilised as a percentage of the total sessions sold upfront.

(c) Contract liabilities

Information about contract liabilities from contracts with customers is disclosed as follows:

	2024 \$'000	2023 \$'000
Contract liabilities (Note 16)	<u>53</u>	<u>59</u>

Contract liabilities primarily relate to the Group's obligation to perform procedural treatment services to the customers for which the Group has received consideration in advance and are recognised as revenue when the Group performs the services.

Changes in contract liabilities are highlighted as follows:

	2024 \$'000	2023 \$'000
Revenue recognised that was included in the contract liability balance at the beginning of the year	<u>19</u>	<u>19</u>

(d) Transaction price allocated to remaining performance obligation

The Group has applied the practical expedient not to disclose information about its remaining performance obligation as the Group recognises revenue to which it has a right to invoice customers in amounts that correspond directly with the value to the customer of the Group's performance completed to date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

19. OTHER INCOME

	2024 \$'000	2023 \$'000
Group		
Interest income	319	294
Interest income on sublease (Note 5)	7	2
Government grants	120	110
Gain on lease modification (Note 5)	–	10
Gain on exchange differences, net	692	–
Write-back of provision for restoration costs	–	9
Others	71	46
	1,209	471

Government grants for the financial year ended 31 December 2024 mainly relate to the Chronic Enrolment Grant and GP IT Enablement Grant in Singapore as incentives by Ministry of Health (“MOH”) to support clinics to manage patients with more complex chronic conditions and care needs and IT environment in private General Practitioner clinics.

In the prior financial year, the government grants mainly relate to the Primary Care Network (“PCN”) income and Job Growth Incentive in Singapore to enhance primary care in General Practitioner clinic and to support local hiring.

20. OTHER EXPENSES

	2024 \$'000	2023 \$'000
Group		
Amortisation of intangible assets ⁽¹⁾	397	530
Impairment loss for goodwill	1,520	–
Loss on exchange differences, net	–	724
Property, plant and equipment written-off	8	7
Others	46	22
	1,971	1,283

(1) Comprised amortisation of contractual relationship.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

21. FINANCE COSTS

	2024 \$'000	2023 \$'000
Group		
Interest expense on bank loans (Note 17)	74	96
Interest expense on amortisation of discount on provision (Note 15)	12	7
Interest expense on advances from non-controlling interest (Note 16)	22	–
Interest expense on lease liabilities (Note 5)	478	455
Interest expense on other payables	16	93
	602	651

22. SHARE-BASED COMPENSATION EXPENSE

	2024 \$'000	2023 \$'000
Group		
Share-based compensation expense, net, in relation to:		
Employee Share Option Scheme	(5)	5
Performance Share Plan	67	89
	62	94

Employee Share Option Scheme (“ESOS”)

On 22 April 2020, the Group granted equity-settled share options to the employees of the Group under the Employee Share Option Scheme.

Under the ESOS, share options are granted to the employees of the Group. The exercise price of the share option granted was fixed at \$0.29, based on the average of the last dealt prices of the Group's shares between 15 April 2020 and 21 April 2020. The vesting period of the share options granted is 1 to 3 years from the date of grant. Upon completion of the vesting period, these share options may be exercised for a period up to 4 years from the date of grant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

22. SHARE-BASED COMPENSATION EXPENSE (CONT'D)

Employee Share Option Scheme ("ESOS") (cont'd)

Movements of share options

The following table illustrates the number (No.) and weighted average exercise prices ("WAEP") of, and movements in, share options during the years ended 31 December 2024 and 2023:

	2024		2023	
	No.	WAEP \$	No.	WAEP \$
Outstanding at 1 January	819,700	0.29	3,063,406	0.29
Options exercised during the year	(719,140)	0.29	(2,243,706)	0.29
Options expired during the year	(100,560)	0.29	–	–
Outstanding at 31 December	–	–	819,700	0.29
Exercisable at 31 December	–	–	819,700	0.29

There were no outstanding share options as at 31 December 2024. The exercise price for share options outstanding as at 31 December 2023 was \$0.29 with remaining contractual life less than 1 year.

Performance Share Plan ("PSP")

The Company granted share awards on 23 September 2022 to eligible employees of the Company pursuant to the ISEC Healthcare Performance Share Plan ("PSP"). The total number of share awards outstanding was 507,500 as at 31 December 2024. 100% of the share awards granted have a vesting period from 1 January 2023 to 31 December 2024, subject to vesting conditions set.

	At 1 January 2024	Share awards granted	Share awards forfeited	Share awards vested	At 31 December 2024
<u>Date of grant</u>					
23.09.2022	630,000	–	(122,500)	–	507,500

	At 1 January 2023	Share awards granted	Share awards forfeited	Share awards vested	At 31 December 2023
<u>Date of grant</u>					
23.09.2022	680,000	–	(50,000)	–	630,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

22. SHARE-BASED COMPENSATION EXPENSE (CONT'D)

Performance Share Plan ("PSP") (cont'd)

Fair value of share options and performance share awards granted

The fair value of the share options granted in 2020 and the performance share awards granted in 2022 were estimated at the grant date using a binomial option pricing model and discounted cash flow model respectively, taking into account the terms and conditions upon which the share options and the performance share awards were granted.

The weighted average fair value of share options granted on 22 April 2020 and of performance share awards granted on 23 September 2022 were \$0.047 and \$0.307 respectively.

The following table summarises the key inputs:

	<u>2020</u>	<u>2022</u>
Type of share award	Share options	Performance share
Valuation model	Binomial option pricing model	Discounted cash flow model
Expected dividend yield (%)	3.00	3.60
Expected volatility (%)	25.6 to 25.8	—
Risk-free interest rate (% p.a.)	0.52 to 0.61	3.20 to 3.31
Expected life of option from the date of grant (years)	<u>2.5 to 3.5</u>	<u>2.27</u>

The expected life of the share options was determined based on mid-points of the vesting periods and the contractual life of share options, as historical data was not available, and was not necessarily indicative of exercise patterns that may occur. The expected volatility reflected the assumption that the historical volatility over period similar to the life of the share options was indicative of future trends, which may not necessarily be the actual outcome.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

23. PROFIT BEFORE INCOME TAX

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the above includes the following charges/(credits):

	2024 \$'000	2023 \$'000
Group		
Audit fees paid to:		
– Auditors of the Company	117	106
– Member firm of Forvis Mazars	71	80
Non-audit fees paid to:		
– Auditors of the Company	19	–
– Member firm of Forvis Mazars	–	35
Cost of inventories (Note 9)	14,935	14,336
Depreciation of property, plant and equipment (Note 4)	1,773	1,465
Depreciation of right-of-use assets (Note 5)	2,145	1,890
Doctors' consultancy fees	2,108	1,450
Directors' fees (Note 27)	204	184
Employee benefits expense (including executive directors)		
– Salaries, bonus and other benefits	26,514	25,149
– Defined contribution plans	2,794	2,604
Amortisation of intangible assets (Note 6)	404	534
Allowance for expected credit losses, net (Note 10)	35	22
Short-term and low-value lease expenses (Note 5)	16	66
Share-based compensation expense (Note 22)	67	94
Reversal of share options (Note 22)	(5)	–

24. INCOME TAX EXPENSE

	2024 \$'000	2023 \$'000
Current tax expense		
Current financial year	4,487	4,396
Over-provision in previous financial years	(53)	(12)
	4,434	4,384
Deferred tax credit (Note 8)		
Current financial year	(86)	(183)
Under-provision in previous financial years	(55)	(37)
	(141)	(220)
Income tax expense	4,293	4,164

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

24. INCOME TAX EXPENSE (CONT'D)

The Company is incorporated in Singapore and accordingly is subject to income tax rate of 17% (2023: 17%). Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. There were no changes in the corporate income tax of the different applicable jurisdictions in the current year from the last year.

There is no deferred tax expense related to other comprehensive income or charged directly in equity during the year (2023: Nil).

Reconciliation of effective tax rate is as follows:

	2024 \$'000	2023 \$'000
Group		
Profit before income tax	17,187	17,314
Income tax calculated at Singapore's statutory income tax rate of 17% (2023: 17%)	2,922	2,943
Adjustments:		
– Effect of different tax rates in other countries	1,062	1,020
– Income not subject to income tax	(102)	(74)
– Non-deductible expenses	616	487
– Deferred tax assets not recognised	(41)	–
– Benefits from previously unrecognised deferred tax assets	–	(79)
– Over-provision of income tax expense in previous years	(53)	(12)
– Under-provision of deferred tax credit (net) in previous years	(55)	(37)
– Effect of tax exemption and rebates	(74)	(84)
– Others	18	–
	4,293	4,164

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

As at 31 December 2024, the Group has unrecognised tax losses and capital allowances of approximately \$26,000 (2023: \$Nil) and \$94,000 (2023: \$ Nil) respectively available for offset against future taxable profits subject to the agreement by the tax authorities and provisions of the tax legislations of the respective countries in which the Group operates.

Tax consequence of proposed dividends

There are no income tax consequences (2023: Nil) attached to the dividends to the shareholders proposed by the Group but not recognised as a liability in the financial statements (Note 26).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

24. INCOME TAX EXPENSE (CONT'D)

Unrecognised temporary differences relating to investment in subsidiaries

At the end of the reporting period, no deferred tax liability has been recognised for taxes that would be payable on the undistributed earnings of certain subsidiaries of the Group as the undistributed earnings are eligible for tax exemption.

25. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year. Diluted earnings per share is calculated by dividing the net profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflect the profit and share data used in the computation of basic and dilutive earnings per share for the years ended 31 December:

	2024	2023
Group		
Profit for the year attributable to owners of the Company (\$'000)	12,824	12,963
Weighted average number of ordinary shares in issue during the financial year applicable to basic earnings per share	575,012,285	573,251,330
Effect of dilution:		
– Share options and performance share awards	561,077	166,436
Weighted average number of ordinary shares outstanding for diluted earnings per share computation	575,573,362	573,417,766
Earnings per share (in cents)		
– basic	2.23	2.26
Earnings per share (in cents)		
– diluted	2.23	2.26

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

26. DIVIDENDS

	2024 \$'000	2023 \$'000
Group and Company		
<i>Dividends on ordinary shares:</i>		
– Final tax-exempt dividend for 2023: 0.85 cents (2022: 1.08 cents) per share	4,889	6,180
– First interim tax-exempt dividend for 2024: 0.30 cents (2023: 0.76 cents) per share	1,726	4,361
	6,615	10,541
 Proposed but not recognised as a liability as at 31 December:		
– Final tax-exempt dividends on ordinary shares for 2024 of 0.70 cents (2023: 0.85 cents) per share, subject to shareholders' approval at the Annual General Meeting	4,026	4,889
	4,026	4,889

27. 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 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 and Company or of a parent of the Company.
- (b) An entity is related to the Group and 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 employers are also related to the Company;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

27. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

- (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);
- (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.

In addition to the related party information disclosed elsewhere in the financial statements, the following were significant related party transactions at rates and terms agreed between the Group and the Company with their related parties during the financial year:

	2024 \$'000	2023 \$'000
Group		
With firm and member firm related to a director of the Company		
Professional fees charged by	64	142

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

The remuneration of the key management personnel of the Group during the financial year was as follows:

	2024 \$'000	2023 \$'000
Group		
Directors of the Company		
– Directors' fee	120	120
– short-term employee benefits	864	864
– post employment benefits	17	23
– share-based compensation expense	–	*
Key management personnel of the Group		
– Directors' fee	28	25
– short-term employee benefits	5,495	5,391
– post employment benefits	653	619
– share-based compensation expense	–	2
Other key management personnel of the subsidiaries, including directors		
– Directors' fee	56	39
– short-term employee benefits	2,973	2,951
– post employment benefits	253	279
– share-based compensation expense	15	20
	10,474	10,333

* Less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

28. COMMITMENTS

Capital commitment

As at the end of the reporting period, capital expenditures approved and contracted for but not recognised in the financial statements were as follows:

	2024 \$'000	2023 \$'000
Group		
Renovation, currently classified as assets under construction	243	334
Building	16,967	24,508
Software under development	187	118
	17,397	24,960

29. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker. A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Management monitors the operating results of the segment separately for the purposes of making decisions about resources to be allocated and assessing performance. The information reported to the chief operating decision maker does not include an analysis of assets and liabilities. Segment performance is evaluated based on operating profit or loss.

The Group has two reportable segments as described below.

Business segments information

- Specialised health services: provision of medical care, consultancy, treatment and surgery in the field of ophthalmology
- General health services: provision of general medical and procedural treatment services

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

29. SEGMENT INFORMATION (CONT'D)

Business segments information (cont'd)

	2024 \$'000	2023 \$'000
Group		
Segment revenue		
Specialised health services	70,601	66,015
General health services	3,596	3,979
	74,197	69,994
Segment profit/(loss) after tax		
Specialised health services	13,848	12,408
General health services	(954)	742
	12,894	13,150
Impairment loss for goodwill		
Specialised health services	—	—
General health services	1,520	—
	1,520	—
Depreciation of property, plant and equipment and right-of-use assets		
Specialised health services	3,643	3,079
General health services	275	276
	3,918	3,355
Additions to property, plant and equipment		
Specialised health services	13,266	3,043
General health services	28	46
	13,294	3,089

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

29. SEGMENT INFORMATION (CONT'D)

Geographical information

Revenue and operating result are based on the country in which the services are provided and country where the customers are located.

	2024 \$'000	2023 \$'000
Group		
Segment revenue		
Singapore	11,852	12,047
Malaysia	59,597	55,960
Myanmar	2,748	1,987
	74,197	69,994
Segment profit after tax		
Singapore	773	1,428
Malaysia	11,619	11,335
Myanmar	502	387
	12,894	13,150
Impairment loss for goodwill		
Singapore	1,520	—
Malaysia	—	—
Myanmar	—	—
	1,520	—
Depreciation of property, plant and equipment and right-of-use assets		
Singapore	410	338
Malaysia	3,281	2,767
Myanmar	227	250
	3,918	3,355
Additions to property, plant and equipment		
Singapore	33	51
Malaysia	13,103	2,974
Myanmar	158	64
	13,294	3,089

Major customers

Revenue is mainly derived from the walk-in patients who are the general public. Due to the diverse base of customers to which the Group renders services, the Group is generally not reliant on any customer for its sales and no one single customer accounted for 5% or more of the Group's total revenue except for 1 (FY2023: 1) corporate customers, which in total had contributed to 9% (FY2023: 9%) of the Group's total revenue for financial year ended 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's and the Company's activities have exposure to credit risk, foreign currency risk, liquidity risk and interest rate risk arising in the ordinary course of business. 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 Group's management then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies, if applicable, in accordance with the objectives and underlying principles approved by the Board of Directors.

There has been no change to the Group's exposure to these financial risks or the manner in which the risks are managed and measured.

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.

(a) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments 365 days after they fall due, which is derived based on the Group's historical information.

The Group considers financial instruments to have low credit risk at reporting date if the credit risk has not increased significantly since initial recognition. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition.

A significant increase in credit risk is presumed if a debtor is more than 365 days past due in making contractual payment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) *Credit risk (cont'd)*

The Group determined that its financial assets are credit-impaired when:

- A breach of contract, such as a default or past due event;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- There is a disappearance of an active market for that financial asset because of financial difficulty

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for trade receivables.

Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping debtors based on their risk profile. The expected credit losses below also incorporate forward-looking information such as forecast of gross domestic product ("GDP") which affects the number of defaults.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk (cont'd)

Trade receivables (cont'd)

Summarised below is the information about the credit risk exposure on the Group's trade receivables (including contract assets) using provision matrix, grouped by the risk profile of the debtors:

		Past due				
	Current	0-90	91-180	181-365	>365	Total
	\$'000	days	days	days	days	\$'000
		\$'000	\$'000	\$'000	\$'000	
2024						
Credit impaired debtors:						
Gross carrying amount	–	–	–	*	17	17
Allowance for ECL	–	–	–	*	(17)	(17)
Expected credit loss rate	–	–	–	^	100%	
Corporate debtors:						
Gross carrying amount	2,565	1,457	252	68	34	4,376
Allowance for ECL	–	–	–	(18)	(19)	(37)
Expected credit loss rate	–	–	–	26%	56%	
Individuals:						
Gross carrying amount	398	94	124	286	23	925
Allowance for ECL	(5)	(2)	(1)	(3)	(12)	(23)
Expected credit loss rate	1%	2%	1%	1%	52%	
2023						
Credit impaired debtors:						
Gross carrying amount	–	–	–	21	9	30
Allowance for ECL	–	–	–	(21)	(9)	(30)
Expected credit loss rate	–	–	–	100%	100%	
Corporate debtors:						
Gross carrying amount	2,597	737	253	43	38	3,668
Allowance for ECL	–	(1)	*	(1)	(25)	(27)
Expected credit loss rate	–	^	^	2%	66%	
Individuals:						
Gross carrying amount	484	103	26	47	8	668
Allowance for ECL	(1)	(2)	(1)	(1)	(2)	(7)
Expected credit loss rate	^	2%	4%	2%	25%	

* Less than \$1,000

^ Less than 1%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk (cont'd)

Trade receivables (cont'd)

Information regarding loss allowance movement of trade receivables are disclosed in Note 10.

During the financial year, the Group has written-off \$21,000 (2023: \$1,000) of trade receivables previously provided for which are more than 365 days past due as the Group does not expect to receive future cash flows from and there are no recoveries from collection of cash flows previously written-off.

Other financial assets

The Group and the Company computes expected credit loss for other financial assets using the general approach. In calculating the expected credit loss, the Group and the Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the impairment loss allowance derived using 12-months ECL is insignificant.

Excessive risk concentration and exposure to credit risk

The Group does not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics except trade receivables from 4 (2023: 4) corporate customers which represent 54% (2023: 58%) of total trade receivables balance at year end.

At the end of the reporting period, the Group's and Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

(b) Foreign currency risk

The Company is exposed to currency translation risk arising from its intergroup balances with Malaysia subsidiaries denominated in Malaysian Ringgit ("RM").

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Company's equity to a reasonably possible change in RM exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	Company	
	2024 \$'000	2023 \$'000
	<u>Increase/(decrease) in equity</u>	
RM/SGD		
Strengthened 5% (2023: 5%)	762	684
Weakened 5% (2023: 5%)	<u>(762)</u>	<u>(684)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) *Liquidity risk*

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

The Group and the Company actively manage operating cash flows so as to ensure that all payment obligations are met. As part of its overall prudent liquidity management, the Group and the Company minimise liquidity risk by ensuring the availability of funding through an adequate amount of credit facilities and maintain sufficient levels of cash to meet working capital requirements.

Contractual maturity analysis

The following table details the Group's and the Company's remaining contractual maturity for their non-derivative financial instruments. The tables have been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group and the Company are expected to receive or pay.

	One year or less \$'000	One to five years \$'000	Over five years \$'000	Total \$'000
Group				
2024				
<u>Financial assets</u>				
Trade and other receivables	5,950	–	–	5,950
Net investment in sublease	61	51	–	112
Cash and cash equivalents	15,911	–	–	15,911
Total undiscounted financial assets	21,922	51	–	21,973
<u>Financial liabilities</u>				
Trade and other payables	11,822	–	–	11,822
Lease liabilities	2,663	5,762	7,449	15,874
Borrowings	702	692	188	1,582
Total undiscounted financial liabilities	15,187	6,454	7,637	29,278
Total net undiscounted financial assets/(liabilities)	6,735	(6,403)	(7,637)	(7,305)
2023				
<u>Financial assets</u>				
Trade and other receivables	4,991	–	–	4,991
Net investment in sublease	61	112	–	173
Cash and cash equivalents	19,404	–	–	19,404
Total undiscounted financial assets	24,456	112	–	24,568
<u>Financial liabilities</u>				
Trade and other payables	9,984	–	–	9,984
Lease liabilities	2,007	5,122	7,409	14,538
Borrowings	912	1,020	504	2,436
Total undiscounted financial liabilities	12,903	6,142	7,913	26,958
Total net undiscounted financial assets/(liabilities)	11,553	(6,030)	(7,913)	(2,390)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Liquidity risk (cont'd)

Contractual maturity analysis (cont'd)

	One year or less \$'000	One to five years \$'000	Total \$'000
Company			
2024			
Financial assets			
Trade and other receivables	18,895	–	18,895
Cash and cash equivalents	1,200	–	1,200
Total undiscounted financial assets	20,095	–	20,095
Financial liabilities			
Trade and other payables	265	–	265
Lease liabilities	40	63	103
Total undiscounted financial liabilities	305	63	368
Total net undiscounted financial assets/(liabilities)	19,790	(63)	19,727
2023			
Financial assets			
Trade and other receivables	17,386	–	17,386
Cash and cash equivalents	1,958	–	1,958
Total undiscounted financial assets	19,344	–	19,344
Financial liabilities			
Trade and other payables	254	–	254
Lease liabilities	39	103	142
Total undiscounted financial liabilities	293	103	396
Total net undiscounted financial assets/(liabilities)	19,051	(103)	18,948

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from their borrowings.

The Group's borrowings at floating rates on which hedging has not been entered into, is denominated in Malaysian Ringgit.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if RM interest rates had been 50 basis points higher/lower with all other variables held constant, the Group's profit net of tax would have been \$7,000 (2023: \$11,000) lower/higher, arising mainly as a result of higher/lower interest expense.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

31. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Cash and cash equivalents, trade and other receivables, trade and other payables and borrowings, wherein, the carrying amounts of these financial instruments are based on their notional amounts, reasonably approximate their fair values because these are mostly short-term in nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

32. CAPITAL MANAGEMENT

The Group and the Company manage capital to ensure that the Group and the Company are able to continue as a going concern and maintain an optimal capital structure so as to maximise shareholders' value.

The Group and the Company are not subject to any externally imposed capital requirements for the financial years ended 31 December 2024 and 31 December 2023.

Management reviews the capital structure to ensure that the Group and the Company are able to service any debt obligations (including principal repayment and interest) based on operating cash flows. Upon review, the Group and the Company will balance the overall capital structure through new share issues or the issue of new debt, if necessary. The Group's overall strategy remains unchanged during the financial years ended 31 December 2024 and 31 December 2023.

The Group monitors capital on the basis of the Group's consolidated gearing ratio, which is total debt over total equity. Total debt relates to borrowings and total equity includes share capital, treasury share reserve, other reserves, retained earnings and non-controlling interests.

	2024 \$'000	2023 \$'000
Group		
Total debt (Note 17)	1,439	2,170
Total equity	91,739	82,150
Gearing ratio (%)	2%	3%

33. EVENT OCCURRING AFTER THE REPORTING PERIOD

Political situation in Myanmar

Myanmar's military has, on 31 January 2025, further extended the country's state of emergency by another six months. The political situation in Myanmar remains fairly uncertain. As at the date this set of financial statements, ISEC Myanmar's centre continues to be operational and profitable.

STATISTICS OF SHAREHOLDINGS

AS AT 21 MARCH 2025

Number of Ordinary Shares in Issue

(excluding treasury shares and subsidiary holdings)	:	575,193,052
Number of Treasury Shares held	:	Nil
Number of Subsidiary Holdings held	:	Nil
Class of Shares	:	Ordinary
Voting Rights	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	4	1.33	48	0.00
100 – 1,000	36	12.00	20,500	0.00
1,001 – 10,000	111	37.00	795,300	0.14
10,001 – 1,000,000	126	42.00	12,334,229	2.15
1,000,001 AND ABOVE	23	7.67	562,042,975	97.71
TOTAL	300	100.00	575,193,052	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1.	DBS NOMINEES (PRIVATE) LIMITED	381,967,947	66.41
2.	CITIBANK NOMINEES SINGAPORE PTE LTD	45,973,072	7.99
3.	MAYBANK SECURITIES PTE. LTD.	43,536,391	7.57
4.	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	15,856,953	2.76
5.	FANG SENG KHEONG OR CAROLINE HO MEI LI	12,116,991	2.11
6.	SHIN HOY CHOONG	10,502,264	1.83
7.	JUSTIN TAN YOKE TARNG	7,500,000	1.30
8.	PHILLIP SECURITIES PTE LTD	5,790,870	1.01
9.	LIM SIEW GEOK	5,523,358	0.96
10.	MICHAEL LAW SIE HAUR	4,154,378	0.72
11.	YONG KED SHEONG	3,501,320	0.61
12.	LEE YENG FEN	2,919,581	0.51
13.	LEE PENG HWA	2,841,679	0.49
14.	RAFFLES NOMINEES (PTE.) LIMITED	2,801,252	0.49
15.	WOI YOU WAN	2,761,679	0.48
16.	SIOW YUN CHING	2,579,774	0.45
17.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	2,110,700	0.37
18.	CHENG HENG LIANG	2,100,793	0.37
19.	UOB KAY HIAN PRIVATE LIMITED	1,934,853	0.34
20.	TAN SIOW WEI	1,726,049	0.30
	TOTAL	558,199,904	97.07

STATISTICS OF SHAREHOLDINGS

AS AT 21 MARCH 2025

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

NO.	NAME OF SUBSTANTIAL SHAREHOLDER	DIRECT INTEREST		DEEMED INTEREST	
		NO. OF SHARES	% ⁽¹⁾	NO. OF SHARES	% ⁽¹⁾
1.	Aier Eye International (Singapore) Pte. Ltd.	–	–	343,173,790 ⁽²⁾	59.66
2.	Aier Eye Hospital Group Co., Ltd.	–	–	343,173,790 ⁽²⁾	59.66
3.	Aier Medical Investment Group Co., Ltd	–	–	343,173,790 ⁽²⁾	59.66
4.	Mr Chen Bang	–	–	343,173,790 ⁽²⁾	59.66

Notes:

- (1) Based on the total issued share capital of 575,193,052 ordinary shares (excluding nil treasury shares) of the Company as at 21 March 2025.
- (2) Aier Eye International (Singapore) Pte. Ltd. ("**Aier Singapore**") is deemed to be interested in the 343,173,790 ordinary shares held through its depository agent, DBS Nominees Pte. Ltd. Aier Singapore is a wholly-owned subsidiary of Aier Eye Hospital Group Co., Ltd. ("**Aier China**"), which is listed on the Shenzhen Stock Exchange. Mr Chen Bang directly holds 15.48% of shares in Aier China and 79.99% of shares in Aier Medical Investment Group Co., Ltd. ("**Aier Medical**"). Aier Medical directly holds 34.33% of shares in Aier China.

PUBLIC FLOAT

Based on the information available to the Company as at 21 March 2025, approximately 21.98% of the issued ordinary shares of the Company are held by the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section B: Rules of Catalist issued by the Singapore Exchange Securities Trading Limited.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“**AGM**”) of **ISEC HEALTHCARE LTD.** will be held at RELC International Hotel, 30 Orange Grove Road, Singapore 258352, on Monday, 21 April 2025 at 10.00 a.m. to transact the following business:

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 approve the payment of a final tax exempt (one-tier) dividend of 0.7 Singapore cents per ordinary share for the financial year ended 31 December 2024 (FY2023: Final tax exempt (one-tier) dividend of 0.85 Singapore cents per ordinary share).
[See Explanatory Note (i)] **(Resolution 2)**
3. To re-elect Mr Chong Weng Hoe who is retiring pursuant to Regulation 117 of the Constitution of the Company, and who has, being eligible, offered himself for re-election as a Director.
[See Explanatory Note (ii)] **(Resolution 3)**
4. To re-elect Ms Zhang Yongmei who is retiring pursuant to Regulation 117 of the Constitution of the Company, and who has, being eligible, offered herself for re-election as a Director.
[See Explanatory Note (iii)] **(Resolution 4)**
5. To re-elect Ms Wee Kim Lin Evelyn who is retiring pursuant to Regulation 122 of the Constitution of the Company, and who has, being eligible, offered herself for re-election as a Director.
[See Explanatory Note (iv)] **(Resolution 5)**
6. To approve the payment of Directors’ fees amounting to S\$120,000 for the financial year ending 31 December 2025, payable quarterly in arrears. (FY2024: S\$120,000).
(Resolution 6)
7. To re-appoint Forvis Mazars LLP as the Independent Auditors of the Company for the ensuing year and to authorise the Directors of the Company to fix their remuneration.
(Resolution 7)
8. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

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

9. Authority to allot and issue shares

That pursuant to Section 161 of the Companies Act 1967 (the “**Companies Act**”) and Rule 806 of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), the Directors of the Company be authorised and empowered to:

- (a) (i) allot and issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) 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,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) 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 per centum (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which 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 other than on a pro rata basis to shareholders of the Company shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of any convertible securities;
 - (b) new Shares arising from the exercising of share options or vesting of share awards; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;

NOTICE OF ANNUAL GENERAL MEETING

and, in sub-paragraph (1) above and this sub-paragraph (2), “subsidiary holdings” has the meaning given to it in the Catalist Rules;

Adjustments in accordance with sub-paragraph (2)(a) or (2)(b) 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;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), the Companies Act and the Constitution, for the time being, of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (v)]

(Resolution 8)

10. **Authority to issue Shares under the ISEC Healthcare Share Option Scheme (the “Share Option Scheme”)**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised to offer and grant options in accordance with the provisions of the Share Option Scheme and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be allotted and issued pursuant to the exercise of options under the Share Option Scheme, provided always that the aggregate number of new Shares to be allotted and issued pursuant to the Share Option Scheme, when added to the aggregate number of Shares issued and issuable in respect of all options granted under the Share Option Scheme and any other share option, share incentive, performance share or restricted share plan implemented by the Company, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company on the day preceding the date of grant of the option, as determined in accordance with the provisions of the Share Option Scheme. Such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (vi)]

(Resolution 9)

11. **Proposed Renewal of the Share Buyback Mandate**

That

- (a) for the purposes of Sections 76C and 76E of the Companies Act, the Directors of the Company be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
 - (i) market purchases transacted on Catalist through the ready market, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose of the share buyback (“**Market Purchases**”); and/or

NOTICE OF ANNUAL GENERAL MEETING

- (ii) off-market purchases effected pursuant to an equal access scheme as defined in Section 76C of the Companies Act ("**Off-Market Purchase**"),

and otherwise in accordance with all other laws and regulations, including but not limited to, the Company's Constitution, the provisions of the Companies Act and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

- (b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buyback Mandate shall, at the discretion of the Directors of the Company, either be cancelled or held in treasury and dealt with in accordance with the Companies Act;
- (c) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company 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 passing of this Resolution and expiring on the earlier of:
 - (i) the date on which the next AGM of the Company is held or is required by law to be held;
 - (ii) the date on which the purchases or acquisitions of the shares pursuant to the Share Buyback Mandate is carried out to the full extent mandated; or
 - (iii) the date on which the authority conferred in the Share Buyback Mandate is varied or revoked by the shareholders in a general meeting,

whichever is the earliest ("**Relevant Period**");

- (d) for purposes of this Resolution:

"**Prescribed Limit**" means 10% of the total number of issued ordinary shares of the Company ("**Shares**") as at the date of passing of this Resolution unless the Company has, at any time during the Relevant Period, effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, in which event the total number of Shares shall be taken to be the total number of Shares as altered (excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time); and

"**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, 105% of the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price,

NOTICE OF ANNUAL GENERAL MEETING

where:

- (iii) **“Average Closing Price”** means the average of the closing market prices of a Share over the last five market days, on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of Shares was made, or as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5)-day period and the day on which the purchases are made;
- (iv) **“day of the making of the offer”** means the day on which the Company announces its intention to make an offer for an Off-Market Purchase, stating the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and
- (v) **“market day”** means a day on which the SGX-ST is open for trading in securities;
- (e) any of the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including without limitation, to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents), as they or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Resolution.

[See Explanatory Note (vii)]

(Resolution 10)

By Order of the Board

Ngiam May Ling
Company Secretary

Singapore,
4 April 2025

Explanatory Notes:

- (i) For the financial year ended 31 December 2023, the Company paid a final tax exempt (one-tier) dividend of 0.85 Singapore cents per ordinary share. For the financial year ended 31 December 2024, the Company paid a first interim tax exempt (one-tier) dividend of 0.3 Singapore cents per ordinary share and will be paying a final tax exempt (one-tier) dividend of 0.7 Singapore cents per ordinary share, if approved by the members at this AGM.
- (ii) Mr Chong Weng Hoe, a Director of the Company who retires by rotation at this AGM. Mr Chong Weng Hoe, will upon re-election as a Director of the Company, remain as the Chairman of the Board and Audit Committee and a member of the Remuneration and Nominating Committees and will be considered independent for the purposes of Catalyst Rule 704(7). For more information on Mr Chong Weng Hoe, please refer to the “Board of Directors” section in this Annual Report 2024.
- (iii) Ms Zhang Yongmei, a Director of the Company who retires by rotation at this AGM. Ms Zhang Yongmei, will upon re-election as a Director of the Company, remain as a member of the Audit, Remuneration and Nominating Committees and will be considered non-independent for the purpose of Catalyst Rule 704(7). For more information on Ms Zhang Yongmei, please refer to the “Board of Directors” section in this Annual Report 2024.
- (iv) Ms Wee Kim Lin Evelyn, a Director of the Company who retires by rotation at this AGM. Ms Wee Kim Lin Evelyn, will upon re-election as a Director of the Company, remain as the Chairman of the Remuneration and Nominating Committees and a member of the Audit Committee and will be considered independent for the purposes of Catalyst Rule 704(7). For more information on Ms Wee Kim Lin Evelyn, please refer to the “Board of Directors” section in this Annual Report 2024.

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- (v) The Ordinary Resolution 8, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred per centum (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to fifty per centum (50%) may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of Shares that may be issued, the percentage of issued Shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time Ordinary Resolution 8 is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards and any subsequent bonus issue, consolidation or subdivision of shares. These adjustments 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.

- (vi) The Ordinary Resolution 9, if passed, will empower the Directors of the Company to issue Shares up to an amount in aggregate not exceeding fifteen per centum (15%) of the issued share capital (excluding treasury shares and subsidiary holdings) of the Company pursuant to the Share Option Scheme, and such other share-based incentive scheme or share plan, on the date preceding the date of the relevant grant. This authority is in addition to the general authority to issue Shares sought under Ordinary Resolution 8.
- (vii) The Ordinary Resolution 10, if passed, will empower the Directors of the Company, effective period commencing from the date on which the ordinary resolution in relation to the proposed renewal of the Share Buyback Mandate is passed in a general meeting and expiring on the earliest of the date on which the next Annual General Meeting is held or is required by law to be held, the date the said mandate is revoked or varied by the Company in a general meeting, or the date on which the purchases of shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to ten per cent (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the Maximum Price as defined in this Notice of AGM.

The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Buyback Mandate on the audited consolidated financial statements of the Group for the financial year ended 31 December 2024 are set out in greater detail in the Addendum to the Annual Report 2024.

Notes:

- The AGM will be held physically at the venue, date and time stated above. There will be no option for members to participate virtually.
- Printed copies of this Notice of AGM, Proxy Form and Request Form will be sent to members via post and also made available on the Company's website at <https://www.isehealthcare.com> and on the SGXNet at <https://www.sgx.com/securities/company-announcements>. A member will need an internet browser and PDF reader to view these documents.
- Printed copies of the Annual Report 2024 and the Addendum dated 4 April 2025 in relation to the proposed renewal of the Share Buyback Mandate will not be sent to members via post and have been published on the Company's website at <https://www.isehealthcare.com> and on the SGXNet at <https://www.sgx.com/securities/company-announcements>.
- A member who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon.
- A proxy need not to be a member of the Company.
- A member can appoint the chairman of the AGM ("**Chairman**") as his/her/its proxy, but this is not mandatory.
- In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instructions as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.
- The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her/its attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal, executed as a deed in accordance with the Companies Act 1967 of Singapore or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.
- The instrument appointing the proxy, together with the letter or power of attorney or other authority under which it is signed or a duly certified copy thereof (if applicable), must be:
 - deposited at the office of the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
 - emailed to the Company at isec.agm@gmail.com,

NOTICE OF ANNUAL GENERAL MEETING

by 10.00 a.m. on Friday, 18 April 2025, being not less than seventy-two (72) hours before the time appointed for holding the AGM, and in default the instrument of proxy shall not be treated as valid.

10. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.

“**Relevant Intermediary**” has the meaning ascribed to it in section 181 of the Companies Act 1967.

11. SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective SRS Operators to submit their votes at least seven (7) working days before the AGM, i.e. 10.00 a.m. on Wednesday, 9 April 2025.
12. Completion and submission of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of proxy(ies) for the AGM will be deemed to be revoked by the member attending the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant Proxy Form(s) to the AGM.
13. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument.

Submission of questions in advance of the AGM

14. Shareholders who have any questions in relation to the resolutions in this Notice may send their queries to the Company in advance, in the following manner:

(a) via email to isec.agm@gmail.com; or

(b) via post to the registered office of the Company at 51 Goldhill Plaza, #10-07/08, Singapore 308900,

in either case, by 10.00 a.m. on Saturday, 12 April 2025 for the purposes of the AGM.

When submitting questions by post or via email, shareholders should also provide the following details: (i) the shareholder's full name, (ii) the shareholder's email address, and (iii) the manner in which the shareholder holds shares in the Company (e.g., via CDP, SRS and/or physical scrip), for verification purposes.

15. The Company will endeavour to address all substantial and relevant questions received from shareholders and will upload the responses on SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://www.isechealthcare.com> by 10.00 a.m. on Wednesday, 16 April 2025, being at least forty-eight (48) hours prior to the closing date and time for the lodgement of the proxy forms. Where substantial and relevant questions are unable to be answered prior to the AGM, the Company will address them at the AGM.
16. The Company will, within one (1) month after the date of the AGM, publish the minutes of the AGM on SGXNET at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://www.isechealthcare.com> and the minutes will include the responses to the substantial and relevant questions raised during the AGM.

Personal data privacy:

By submitting a proxy form appointing 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 or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) 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 or service providers) 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 or service providers), 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 or service providers) 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.

ISEC HEALTHCARE LTD.
(Company Registration No. 201400185H)
(Incorporated in the Republic of Singapore)

PROXY FORM
Annual General Meeting

Printed copies of this proxy form will be sent to members of the Company via post. This proxy form has also been made available on the SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://www.isechealthcare.com/>.

IMPORTANT

1. Relevant intermediaries (as defined in section 181(6) of the Companies Act 1967) may appoint more than two (2) proxies to attend, speak and vote at the AGM.
2. This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by SRS investors who hold the Company's shares through SRS operators. SRS investors should contact their respective SRS operators if they have any queries regarding appointment of their proxies.
3. SRS investors who wish to vote should approach their respective CPF agent banks or SRS operators to submit their votes at least seven (7) working days before the AGM i.e. by 10.00 a.m. on Wednesday, 9 April 2025.

I/We (Name) _____ (NRIC/Passport/UEN No.) _____
of _____ (Address)
being a member/members of ISEC Healthcare Ltd. (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of shares	%
Address			

or failing him/her* the Chairman of the Annual General Meeting ("**AGM**") of the Company as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf at the AGM of the Company to be held at RELC International Hotel, 30 Orange Grove Road, Singapore 258352, on Monday, 21 April 2025 at 10.00 a.m. and at any adjournment thereof.

*I/We have directed *my/our proxy/proxies to vote for or against the resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting are given, the *proxy/proxies may vote or abstain from voting at *his/their discretion, as *he/they will on any other matters arising at the AGM and/or at any adjournment thereof.

All resolutions put to the vote at the AGM shall be decided by way of poll.

No.	Resolutions	For	Against	Abstain
As Ordinary Business				
1	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2024 together with the Independent Auditor's Report thereon			
2	Declaration of a final tax exempt (one-tier) dividend of 0.7 Singapore cents per ordinary share for the financial year ended 31 December 2024			
3	Re-election of Mr Chong Weng Hoe as a Director of the Company			
4	Re-election of Ms Zhang Yongmei as a Director of the Company			
5	Re-election of Ms Wee Kim Lin Evelyn as a Director of the Company			
6	Approval of Directors' fees amounting to S\$120,000 for the financial year ending 31 December 2025, payable quarterly in arrears			
7	To re-appoint Forvis Mazars LLP as the Independent Auditors of the Company			
As Special Business				
8	Authority to allot and issue shares			
9	Authority to issue shares under the ISEC Healthcare Share Option Scheme			
10	Proposed Renewal of the Share Buyback Mandate			

Notes: If you wish to exercise all your votes "For", "Against" or "Abstain", please indicate with a tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

* Delete accordingly

Dated _____ day of _____ 2025

Total Number of Shares in	Number of Shares
CDP Register	
Register of members	

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

IMPORTANT: PLEASE READ NOTES FOR THIS PROXY FORM OVERLEAF

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instructions as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.
3. The instrument appointing the proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal, executed as a deed in accordance with the Companies Act 1967 or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.
4. The instrument appointing the proxy, together with the letter or power of attorney or other authority under which it is signed or a duly certified copy thereof (if applicable), must be:
 - (a) deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
 - (b) emailed to the Company at isec.agm@gmail.com,

by 10.00 a.m. on Friday, 18 April 2025, being not less than seventy-two (72) hours before the time appointed for holding the AGM, and in default the instrument of proxy shall not be treated as valid.

A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.

5. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.

"Relevant intermediary" has the meaning ascribed to it in section 181(6) of the Companies Act 1967.
6. A proxy need not be a member of the Company.
7. SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective SRS Operators to submit their votes at least seven (7) working days before the AGM, i.e. 10.00 a.m on Wednesday, 9 April 2025.
8. Completion and submission of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant Proxy Form(s) to the AGM.
9. The Company shall be entitled to reject a Proxy Form which is invalid, incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, 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 seventy-two (72) hours before the time fixed for holding the AGM, as certified by the CDP to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend, speak and vote at the AGM unless his name appears on the Depository Register seventy-two (72) hours before the time fixed for holding the AGM.
10. By submitting this proxy form, a member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 4 April 2025.

