

**ANG MO KIO - THYE HUA KWAN
HOSPITAL LTD**

(Registration No. 200201385C)

**DIRECTORS' STATEMENT AND
FINANCIAL STATEMENTS**

YEAR ENDED 31 MARCH 2026

ANG MO KIO – THYE HUA KWAN HOSPITAL LTD

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

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ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

DIRECTORS' STATEMENT

The directors present their statement together with the audited financial statements of the Company for the financial year ended 31 March 2026.

In the opinion of the directors,

- (a) the financial statements set out on pages 6 to 42 are drawn up in accordance with the provisions of the Companies Act 1967 (the "Act"), the Charities Act 1994 and other relevant regulations ("the Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2026 and the financial performance, changes in funds and cash flows of the Company for the financial year ended 31 March 2026;
- (b) the Company has complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations;
- (c) the use of donation monies are in accordance with the objectives of the Company as required under Regulations 11 of the Charities (Institutions of a Public Character) Regulations;
- (d) the accounting records required by the Act have been properly kept in accordance with the provision of the Act; and
- (e) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

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

Lee Kim Siang
Ong Ser Huan
Jayaram Lingamanaicker
Choo Wee Jin Philip
Teo Woon Keng John
Low Cheng Hock
Ching Chiat Kwong
Eu Yee Ming Richard
Richard Cheong Su Tan
Koh Juay Meng
Siow Yuen Khong Alex
Tan Khiaw Ngoh
Abdul Razakjr Bin Omar
Teng Su Ching

2 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

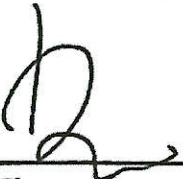
Not applicable as the Company is limited by guarantee.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD
DIRECTORS' STATEMENT

3 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE BOARD OF DIRECTORS



Lee Kim Slang
Director



Teo Woon Keng John
Director

11 September 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ang Mo Kio - Thye Hua Kwan Hospital Ltd ('the Company'), which comprise the statement of financial position as at 31 March 2026, the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 6 to 42.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 ('the Act'), the Singapore Charities Act 1994 and other relevant regulations ('the Charities Act and Regulations') and Financial Reporting Standards in Singapore ('FRSs') so as to give a true and fair view of the financial position of the Company as at 31 March 2026 and of the financial performance, changes in funds and cash flows of the Company for the 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 Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ('ACRA Code'), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements in of public interest entities in Singapore. We have also 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.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' statement set out on pages 1 to 2, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

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, the Charities Act and Regulations and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company'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 controls.
- Obtain an understanding of internal controls 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 Company's internal controls.
- 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 Company'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 Company to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF
ANG MO KIO - THYE HUA KWAN HOSPITAL LTD**

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

- 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.

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 controls that we identify during our audit.

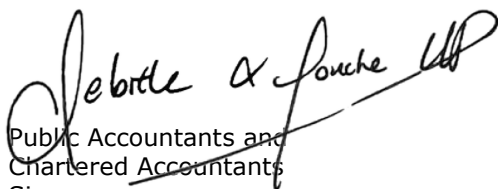
Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year:

- (a) the use of the donation moneys was not in accordance with the objectives of the Company as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (b) the Company has not complied with the requirements of Regulation 15 (fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Aw Xin-Pei.



Public Accountants and
Chartered Accountants
Singapore

11 September 2026

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

STATEMENT OF FINANCIAL POSITION
As at 31 March 2026

	Note	2026	2025
		\$	\$
<u>ASSETS</u>			
Current assets			
Cash and bank balances	6	94,195,044	77,431,307
Trade and other receivables	7	17,038,154	25,542,674
Inventories	8	256,843	250,404
Investments in financial assets	9	26,508,734	24,732,554
		<u>137,998,775</u>	<u>127,956,939</u>
Non-current assets			
Property, plant and equipment	10	3,686,226	2,862,812
Right-of-use assets	11	627,424	4,361,570
Investment property	12	14,799,881	12,782,163
Intangible assets	13	80,779	110,419
Investments in financial assets	9	60,157,305	50,407,780
Trade and other receivables	7	1,012,555	1,012,555
		<u>80,364,170</u>	<u>71,537,299</u>
Total assets		<u>218,362,945</u>	<u>199,494,238</u>
<u>LIABILITIES, FUNDS AND RESERVES</u>			
Current liabilities			
Trade and other payables	14	12,139,049	10,725,393
Lease liabilities	15	672,364	3,923,288
Deferred government grants	16	1,149,912	1,475,318
		<u>13,961,325</u>	<u>16,123,999</u>
Non-current liability			
Lease liabilities	15	-	672,364
Funds and reserves			
Restricted funds	18	3,881,398	3,896,087
Unrestricted funds		193,338,062	175,052,442
Fair value reserve	17	7,182,160	3,749,346
		<u>204,401,620</u>	<u>182,697,875</u>
Total liabilities, funds and reserves		<u>218,362,945</u>	<u>199,494,238</u>
Net assets of Medifund	19	<u>836,553</u>	<u>596,941</u>
Members Guarantee			
4 (2025 : 4) members of \$100 each		<u><u>400</u></u>	<u><u>400</u></u>

See accompanying notes to financial statements.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 March 2026

	Note	2026				
		Accumulated Fund (unrestricted)	Fair Value Reserve (unrestricted)	Patient Welfare Fund (restricted)	Sinking Fund (restricted)	Total Funds
		\$	\$	\$	\$	\$
Incoming resources:						
Incoming resources from generated funds:						
- Donation income	20	540,948	-	1,580	-	542,528
- Investment income	21	4,757,791	-	-	-	4,757,791
Incoming resources from charitable activities	22	97,026,359	-	-	-	97,026,359
Total incoming resources		102,325,098	-	1,580	-	102,326,678
Resources expended:						
Costs of generating funds:						
- Donation expenses	23	(160,134)	-	-	-	(160,134)
Charitable activities:						
- Other costs		(83,782,936)	-	(16,269)	-	(83,799,205)
- Finance costs from lease liabilities		(96,408)	-	-	-	(96,408)
		(83,879,344)	-	(16,269)	-	(83,895,613)
Total resources expended		(84,039,478)	-	(16,269)	-	(84,055,747)
Surplus (Deficit) for the year		18,285,620	-	(14,689)	-	18,270,931
Other comprehensive income:						
Items that will not be reclassified to income or expenditure:						
Equity investments at FVOCI – net change in fair value		-	3,414,252	-	-	3,414,252
Total items that will not be reclassified to income or expenditure		-	3,414,252	-	-	3,414,252

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

STATEMENT OF COMPREHENSIVE INCOME (CONT'D)
Year ended 31 March 2026

**Items that are or may be reclassified subsequently to
income or expenditure:**

Debt investments at FVOCI - net change in fair value

Debt investments at FVOCI - reclassified to income or expenditure

**Total items that are or may be reclassified subsequently
to income or expenditure**

Total comprehensive income (loss) for the year

Total funds brought forward

Total funds carried forward

----- 2026 -----				
Accumulated Fund (unrestricted)	Fair Value Reserve (unrestricted)	Patient Welfare Fund (restricted)	Sinking Fund (restricted)	Total Funds
\$	\$	\$	\$	\$
-	(51,074)	-	-	(51,074)
-	69,636	-	-	69,636
-	18,562	-	-	18,562
18,285,620	3,432,814	(14,689)	-	21,703,745
175,052,442	3,749,346	258,087	3,638,000	182,697,875
193,338,062	7,182,160	243,398	3,638,000	204,401,620

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

STATEMENT OF COMPREHENSIVE INCOME (CONT'D)
Year ended 31 March 2026

	Note	2025				Total Funds
		Accumulated Fund (unrestricted)	Fair Value Reserve (unrestricted)	Patient Welfare Fund (restricted)	Sinking Fund (restricted)	
		\$	\$	\$	\$	\$
Incoming resources:						
Incoming resources from generated funds:						
- Donation income	20	452,124	-	20,094	-	472,218
- Investment income	21	5,125,710	-	-	-	5,125,710
Incoming resources from charitable activities	22	87,844,405	-	-	-	87,844,405
Total incoming resources		93,422,239	-	20,094	-	93,442,333
Resources expended:						
Costs of generating funds:						
- Donation expenses	23	(136,976)	-	-	-	(136,976)
Charitable activities:						
- Other costs		(75,274,430)	-	(40,530)	-	(75,314,960)
- Finance costs from lease liabilities		(228,644)	-	-	-	(228,644)
		(75,503,074)	-	(40,530)	-	(75,543,604)
Total resources expended		(75,640,050)	-	(40,530)	-	(75,680,580)
Surplus (Deficit) for the year		17,782,189	-	(20,436)	-	17,761,753
Other comprehensive income:						
Items that will not be reclassified to income or expenditure:						
Equity investments at FVOCI – net change in fair value		-	2,853,693	-	-	2,853,693
Total items that will not be reclassified to income or expenditure		-	2,853,693	-	-	2,853,693

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

STATEMENT OF COMPREHENSIVE INCOME (CONT'D)
Year ended 31 March 2026

**Items that are or may be reclassified subsequently to
income or expenditure:**

Debt investments at FVOCI - net change in fair value

Debt investments at FVOCI - reclassified to income or expenditure

**Total items that are or may be reclassified subsequently
to income or expenditure**

Total comprehensive income (loss) for the year

Total funds brought forward

Total funds carried forward

----- 2025 -----				
Accumulated Fund (unrestricted)	Fair Value Reserve (unrestricted)	Patient Welfare Fund (restricted)	Sinking Fund (restricted)	Total Funds
\$	\$	\$	\$	\$
	136,886	-	-	136,886
-	78,594			78,594
-	215,480	-	-	215,480
17,782,189	3,069,173	(20,436)	-	20,830,926
157,270,253	680,173	278,523	3,638,000	161,866,949
175,052,442	3,749,346	258,087	3,638,000	182,697,875

See accompanying notes to financial statements.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

STATEMENT OF CASH FLOWS
Year ended 31 March 2026

	Note	2026 \$	2025 \$
Operating activities			
Surplus for the year		18,270,931	17,761,753
Adjustments for:			
Bad debts written off	24	-	16,242
Depreciation of property, plant and equipment	10	1,065,034	709,612
Depreciation of right-of-use assets	11	3,734,146	3,735,103
Amortisation of intangible assets	13	30,537	14,146
Interest income	21	(3,868,854)	(3,935,811)
Net change in fair value of financial assets designated at fair value through profit or loss ("FVTPL")	21	(88,557)	(484,413)
Loss on derecognition of debt investments at fair value through other comprehensive income ("FVOCI") - reclassified to income or expenditure	21	14,139	23,777
Dividend income	21	(814,519)	(729,263)
Impairment loss on receivables	24	407,433	309,405
Inventories written off	24	463	2,788
Property, plant and equipment written off	24	80,972	9,434
Interest expenses on lease liabilities	15	96,408	228,644
Utilisation of government grants	16	(690,242)	(1,944,877)
		<u>18,237,891</u>	<u>17,661,417</u>
Changes in:			
Inventories		(6,902)	(84,335)
Trade and other receivables		2,043,963	(13,211,247)
Trade and other payables		<u>1,413,656</u>	<u>(42,984)</u>
Net cash from operating activities		<u>21,688,608</u>	<u>2,377,974</u>
Investing activities			
Acquisition of investments in financial assets		(23,134,362)	(24,704,726)
Proceeds from disposal of investments in financial assets		15,115,889	6,074,672
Interest received		4,534,336	3,328,104
Purchase of property, plant and equipment	10	(1,940,564)	(1,468,326)
Purchase of intangible assets	13	(29,753)	(113,846)
Purchase of investment property	12	(2,017,718)	-
Placement of fixed deposits		(14,436,615)	(1,541,260)
Dividend received		829,424	729,263
Net cash used in investing activities		<u>(21,079,363)</u>	<u>(17,696,119)</u>
Financing activities			
Government grant received	16	364,836	670,120
Rental subvention from government	15	5,372,737	3,211,256
Repayment of lease liabilities	15	(3,923,288)	(3,792,052)
Interest paid	15	(96,408)	(228,644)
Net cash generated from (used in) financing activities		<u>1,717,877</u>	<u>(139,320)</u>
Net increase (decrease) in cash and cash equivalents		2,327,122	(15,457,465)
Cash and cash equivalents at beginning of year		<u>11,344,066</u>	<u>26,801,531</u>
Cash and cash equivalents at end of year	6	<u>13,671,188</u>	<u>11,344,066</u>

See accompanying notes to financial statements.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS

31 March 2026

1 GENERAL

Ang Mo Kio - Thye Hua Kwan Hospital Ltd (the "Company") is incorporated in the Republic of Singapore as a company limited by guarantee. The address of the Company's registered office is 1 North Bridge Road, #23-03, High Street Centre, Singapore 179094.

The Company was registered as a charity under the Singapore Charities Act 1994 on 27 March 2002. The Company is approved as an institution of a public character ("IPC") under the provisions of the Income Tax Act.

The principal activities of the Company are those relating to the carrying on of the business of the hospital offering rehabilitation and sub-acute care to patients. The Company is a not-for-profit entity whose mission is:

- To serve and to reach out to our patients, their families and the community, regardless of race, colour, creed, language, culture and religion.
- To rehabilitate and heal with commitment and professionalism in an environment of continuous learning and growth.

The Company was initially established as Ang Mo Kio Community Hospital under the auspices of the SingHealth group to serve increasing convalescent and rehabilitative needs in Singapore. In 2002, with the change in the role of community hospitals within the healthcare structure, the Company was divested from the SingHealth group.

The Company was assumed under the Thye Hua Kwan Moral Society and re-named as Ang Mo Kio - Thye Hua Kwan Hospital with the same shared vision of serving patients needing continual convalescent and rehabilitation care.

The Company provides a full spectrum of continuous rehabilitation and stepdown services for patients and their families in sync with its vision and mission.

The financial statements were authorised for issue by the Board of Directors on 11 September 2026.

1.1 BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below, and are drawn up in accordance with the provisions of Charities Act and Regulations, Companies Act 1967 ("the Act") and Financial Reporting Standards in Singapore ("FRSs"). These financial statements are presented in Singapore dollars, which is the Company's functional currency.

1.2 ADOPTION OF NEW AND REVISED STANDARDS

On 1 April 2025, the Company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

1.3 STANDARDS ISSUED BUT NOT EFFECTIVE

At the date of authorisation of these financial statements, the Company have not applied the following FRSs pronouncements that have been issued but are not yet effective:

Effective for annual periods beginning on or after 1 January 2026

- Amendments to FRS 109 and FRS107: *Amendments to the Classification and Measurement of Financial Instruments*

Effective for annual periods beginning on or after 1 January 2027

- FRS 118: *Presentation and Disclosure in Financial Statements*

Management anticipates that the adoption of the new or revised FRSs and amendments to FRS in future periods will not have a material impact on the financial statements in the period of their initial adoption except for the following:

FRS 118: Presentation and Disclosures in Financial Statements

FRS 118 replaces FRS 1, carrying forward many of the requirements in FRS 1 unchanged and complementing them with new requirements. In addition, some FRS 1 paragraphs have been moved to FRS 8 and FRS 107. Furthermore, minor amendments to FRS 7 and FRS 33 *Earnings per Share* have been made.

FRS 118 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss.
- provide disclosures on management-defined performance measures ("MPMs") in the notes to the financial statements.
- improve aggregation and disaggregation.

The Company is required to apply FRS 118 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to FRS 7 and FRS 33, as well as the revised FRS 8 and FRS 107, become effective when an entity applies FRS 118. FRS 118 requires retrospective application with specific transition provisions.

Management anticipates that the initial application of the new standard may have an impact on the financial statements in future periods. The Company is in the process of assessing the impact of the new standard, particularly with respect to the structure of the company's statement of profit or loss, the statement of cash flows and additional disclosures required for MPMs as well as the impact on how information is grouped in the financial statements. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the entity's financial statements as management has yet to complete its detailed assessment.

2 MATERIAL ACCOUNTING POLICY INFORMATION

FAIR VALUE MEASUREMENT

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value in use in FRS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS

31 March 2026

Classification of financial assets

Debt instruments that meet the following conditions and are subsequently measured at amortised cost:

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss ("FVTPL").

Despite the foregoing, the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Company may irrevocably designate a debt investment that meets the amortised cost or FVOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

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Impairment of financial assets

The Company recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

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Definition of default

The Company considers that default has occurred when a financial asset is more than 730 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in surplus or deficit.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with FRS 116 *Leases*.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis, except for short-term payables when the effect of discounting is immaterial.

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The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 be recognised previously. Such reversal is recognised in surplus or deficit.

EMPLOYEE BENEFITS

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in surplus or deficit in the periods during which related services are rendered by employees.

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Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

PROVISIONS

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

FUNDS STRUCTURE

Unrestricted funds are available for use at the discretion of the management in furtherance of the general objectives of the Company. Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

TAX

As a registered charity under the Singapore Charities Act 1994, the Company is exempted from income tax under Section 13 of the Income Tax Act 1947.

FOREIGN CURRENCY TRANSACTIONS

The financial statements are measured and presented in Singapore dollars which is the currency of the primary economic environment in which the entity operates (its functional currency).

In preparing the financial statements, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in statement of comprehensive income for the period.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

Management is of the opinion that any instances of application of judgements on the Company's accounting policies are not expected to have a significant effect of the amounts recognised in the financial statements.

Key sources of estimation uncertainty

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

Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The carrying amount of trade and other receivables including the loss allowances is disclosed in Note 6 to the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) *Categories of financial instruments*

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

	2026	2025
	\$	\$
Financial assets		
Financial assets at FVOCI	80,696,606	55,829,306
Financial assets at FVTPL	5,969,433	19,311,028
Financial assets at amortised cost	<u>111,720,417</u>	<u>103,516,972</u>
Financial liabilities		
Financial liabilities at amortised cost	11,310,889	9,898,555
Lease liabilities	<u>672,364</u>	<u>4,595,652</u>

(b) *Financial risk management policies and objectives*

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management is responsible for developing and monitoring the Company's risk management policies. Management reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures these risks. The Company does not hold or issue derivative financial instruments for speculative purposes.

The Company's policies for managing its financial risks are summarised as follows:

(i) Credit risks

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Company has a significant concentration of credit risk with various government and other grant agencies representing 57.0% (2025 : 63.0%) of the total trade and other receivable of the Company. The majority of the Company's receivables relate to grant receivables from government and other grant agencies which are assessed as having low credit risk.

The Company has adopted procedures in monitoring its credit risk. Cash and bank balances are held with reputable institutions and are subject to immaterial credit loss.

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The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses represents the Company's maximum exposure to credit risk without taking account of the value of any collateral which can reduce the exposure.

The Company's most significant customer, a corporate customer, accounts for \$778,452 (2025 : \$679,595) of the carrying amount of trade and other receivables as at the reporting date.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuation in cash flows. The Company receives donations from the public and fund-raising activities organised by Thye Hua Kwan Moral Society and subvention income from the Government.

All the financial assets and liabilities are generally short-term in nature and payable within one year from end of reporting period, except for financial assets at FVTPL, FVOCI and lease liabilities as disclosed in Note 4, 9 and 15 respectively.

(iii) Interest rate risk

The Company is exposed to interest rate risk through the impact of rate changes on interest bearing financial assets. The interest rate of these interest bearing financial assets are disclosed in Notes 6 and 9 to the financial statements.

Exposure to interest rate risk

The Company is not exposed to any variable rate financial instruments and a change in interest rate at the reporting date would not affect income or expenditure.

(iv) Foreign currency risk

The financial assets and liabilities of the Company are primarily denominated in Singapore dollars. The Company has no significant exposure to foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS
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(v) Equity price risk

The Company is exposed to equity price changes arising from quoted equity investments designated at fair value through other comprehensive income. An increase in the underlying equity prices of the investments at the reporting date by 10% for the Company would have increased income for the year and fair value reserve by \$2,032,361 (2025 : \$1,859,509). Similarly, a decrease in the underlying equity prices by 10% for the Company would have an equal but opposite effect.

This analysis assumes that all other variables remain constant.

(c) Fair value of financial assets and liabilities

Investment in equity investments managed by fund manager

The fair values of equity investments managed by fund manager classified as FVOCI have been determined by reference to the quoted bid prices of the underlying equity securities at the reporting date. The investments are deemed as Level 1 on the fair value hierarchy.

Investment in debt investments and fixed income funds

The fair values of debt investments classified as financial assets carried at FVOCI and fixed income funds classified as financial assets carried at FVTPL have been determined by reference to the quoted bid prices at the reporting date. The investments are deemed as Level 1 on the fair value hierarchy.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) approximate their fair values because of the short period to maturity. The carrying amounts of non-current receivables approximate their fair values.

(d) Capital management policies and objectives

The Company's reserve management objectives are to maintain strong and healthy capital ratios in order to support its operations. The Company aims to maintain sufficient level of accumulated funds to meet three years of its budgeted operating expenditure. The Company regularly reviews and manages its reserves to ensure optimal capital structure, taking into consideration the future capital requirements of the Company's projected profitability and projected operating cash flows. The Company's overall strategy remains unchanged from the previous financial year ended.

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NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

5 RELATED PARTIES

For the purpose of these financial statements, parties are considered to be related to the Company if the related parties has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals, charities or other entities.

An affiliated company is defined as one in which a director of the Company is in a position to exercise significant influence.

Key management personnel compensation

Key management personnel of the Company are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, Chief Executive Officer and Heads of Departments are considered key management personnel of the Company.

Key management personnel compensation comprised:

	2026	2025
	\$	\$
Short-term employee benefits	2,324,322	2,084,073
Contribution to defined contribution plan	123,391	129,549
	<u>2,447,713</u>	<u>2,213,622</u>

One key management personnel is a close family member of a board member.

Other related party transactions

Other than disclosed elsewhere in the financial statements, the transactions with related parties are as follows:

	2026	2025
	\$	\$
Service fee paid to affiliated companies	870,898	738,110
Service fee received from affiliated companies	<u>2,466,153</u>	<u>2,350,953</u>

The annual remuneration of the Company's three highest paid staff who each received remuneration exceeding \$100,000, in the following bands in the year were as follows:

	2026	2025
Number of employees in bands:		
\$400,001 to \$500,000	1	-
\$300,001 to \$400,000	2	2
\$200,001 to \$300,000	<u>-</u>	<u>1</u>

None of the directors earned any directors' fees or other remuneration in respect of their services to the Company during the current year and prior year.

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6 CASH AND BANK BALANCES

	2026	2025
	\$	\$
Cash at bank and in hand	8,671,188	8,344,066
Fixed deposits maturing within 3 months	5,000,000	3,000,000
Cash and cash equivalents in statement of cash flows	13,671,188	11,344,066
Fixed deposits maturing more than 3 months	80,523,856	66,087,241
	94,195,044	77,431,307

The effective interest rate of cash and cash equivalents is 1.33% (2025 : 2.90%) per annum. The effective interest rate of the fixed deposits is 0.20% to 2.50% (2025 : 0.20% to 3.90%) per annum. Interest rate reprices between one month to one year. The fixed deposits have maturity period ranging from 90 days to 546 days (2025 : 90 days to 549 days).

Material accounting policy information

Cash and cash equivalents comprise cash and bank balances and short-term deposits with remaining maturity period and 3 months or less that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

7 TRADE AND OTHER RECEIVABLES

	2026	2025
	\$	\$
Current		
Trade receivables	2,838,957	2,693,189
Unbilled receivables	3,065,139	4,824,792
Loss allowance of receivables	(922,426)	(677,358)
	4,981,670	6,840,623
Amounts due from other hospitals	46,280	40,736
Government grant receivables	9,482,312	15,729,407
Other receivables	1,009,512	789,753
Deposits	840	-
Interest receivable	989,962	1,655,444
Dividend receivable	2,242	17,147
	16,512,818	25,073,110
Prepayments	525,336	469,564
	17,038,154	25,542,674
Non-Current		
Deposits	1,012,555	1,012,555
Total	18,050,709	26,555,229

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NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

Expected credit loss assessment

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers.

Loss rate is calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

Loss rates are based on actual credit loss experience over the past three years. These rates reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables. These scalar factors are calculated using statistical models that determine numeric co-relation of loss rates with relevant economic variables.

The Company considers trade receivables from corporate customers and government agencies to have a low credit risk by taking into consideration the historical payment, in estimating the risk of default used in measuring ECL. The amount of the allowance on these balances is insignificant.

Movements in allowance for impairment in respect of trade receivables

The movement in allowance for impairment loss in respect of trade and other receivables during the year was as follows:

	\$
At 1 April 2024	367,953
Impairment loss recognised	<u>309,405</u>
At 1 April 2025	677,358
Amount utilised	(162,365)
Impairment loss recognised	<u>407,433</u>
At 31 March 2026	<u>922,426</u>

Material accounting policy information

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 60 days and are therefore classified as current. Trade receivables are initially measured at their transaction price, unless they contain significant financing components, when they are recognised at fair value. They are subsequently measured at amortised cost, less loss allowance.

8 INVENTORIES

	2026	2025
	\$	\$
Pharmaceutical supplies	114,517	108,042
Medical and surgical supplies	<u>142,326</u>	<u>142,362</u>
	<u>256,843</u>	<u>250,404</u>

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In 2026, inventories of \$2,992,357 (2025 : \$2,773,862) were recognised as an expense during the year and included in 'supplies and consumables' (see Note 24).

In addition, inventories have been reduced by \$463 (2025 : \$2,788) as a result of the write-down to net realisable value.

Material accounting policy information

Inventories are measured at the lower of cost (calculated using weighted average cost method) and net realisable value. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

9 INVESTMENTS IN FINANCIAL ASSETS

	2026	2025
	\$	\$
Current investments in financial assets		
Debt investments - at FVOCI	6,185,129	6,137,464
Equity investments - at FVOCI	20,323,605	18,595,090
	<u>26,508,734</u>	<u>24,732,554</u>
Non-current investments in financial assets		
Debt investments - at FVOCI	54,187,872	31,096,752
Fixed income funds - at FVTPL	5,969,433	19,311,028
	<u>60,157,305</u>	<u>50,407,780</u>
Total investments	<u>86,666,039</u>	<u>75,140,334</u>

Debt investments bear interest rates of 2.0% to 6.5% (2025 : 2.1% to 5.3%) per annum with maturity dates from 2026 to 2046 (2025 : 2025 to 2035). Perpetual bonds bear interest at 4.1% to 5.0% (2025 : 5.0%) with no contractual maturity date.

Material accounting policy information

Debt investments at FVOCI

Quoted debt investments held by the Company are classified as at FVOCI (Note 9). The quoted debt investments are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these quoted debt investments as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in surplus or deficit. The amounts that are recognised in surplus or deficit are the same as the amounts that would have been recognised in surplus or deficit if these quoted debt investments had been measured at amortised cost. All other changes in the carrying amount of these quoted debt investments are recognised in other comprehensive income and accumulated under the heading of fair value reserve. When these quoted debt investments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to surplus or deficit.

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Equity investments at FVOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVOCI. Designation at FVOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination to which FRS 103 applies.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. The cumulative gain or loss will not be reclassified to surplus or deficit on disposal of the equity investments.

The Company has designated all investment in equity instruments that is not held for trading as at FVOCI on initial recognition.

Dividends on these investments in equity instruments are recognised in surplus or deficit when the Company's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "investment income" line item in surplus or deficit.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in surplus or deficit to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in surplus or deficit is included in the "investment income" or "investment expenditure" line item and any dividend or interest earned on the financial asset is included in the "investment income" line item.

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10 PROPERTY, PLANT AND EQUIPMENT

	Medical and hospital equipment	Computer equipment	Office equipment	Furniture and fittings	Work-in- progress	Total
	\$	\$	\$	\$	\$	\$
Cost:						
At 1 April 2024	1,125,203	1,002,627	1,127,130	1,321,842	-	4,576,802
Additions	264,730	170,654	296,271	664,671	72,000	1,468,326
Written off	(19,606)	(43,446)	(26,148)	(17,520)	-	(106,720)
At 31 March 2025	1,370,327	1,129,835	1,397,253	1,968,993	72,000	5,938,408
Additions	557,239	670,702	40,618	233,273	438,732	1,940,564
Transfer from intangible assets (Note 13)	-	28,856	-	-	-	28,856
Written off	(67,140)	(247,568)	(65,530)	(179,757)	(72,000)	(631,995)
At 31 March 2026	1,860,426	1,581,825	1,372,341	2,022,509	438,732	7,275,833
Accumulated depreciation:						
At 1 April 2024	467,300	640,597	612,389	742,984	-	2,463,270
Depreciation charge for the year	114,454	251,439	189,571	154,148	-	709,612
Written off	(18,311)	(43,446)	(25,436)	(10,093)	-	(97,286)
At 31 March 2025	563,443	848,590	776,524	887,039	-	3,075,596
Depreciation charge for the year	340,812	353,541	190,757	179,924	-	1,065,034
Written off	(64,029)	(247,568)	(65,530)	(173,896)	-	(551,023)
At 31 March 2026	840,226	954,563	901,751	893,067	-	3,589,607
Carrying amounts:						
At 31 March 2025	806,884	281,245	620,729	1,081,954	72,000	2,862,812
At 31 March 2026	1,020,200	627,262	470,590	1,129,442	438,732	3,686,226

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS

31 March 2026

Material accounting policy information

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost is stated net of related government grants.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour; any other costs directly attributable to bringing the asset to a working condition for their intended use; when the Company has an obligation to remove the asset or restore the site, an estimate of the cost of dismantling and removing the items and restoring the site on which they are located; and capitalised borrowing costs.

Low value assets costing less than \$1,000 individually are written off in the period of outlay.

Donated property, plant and equipment received costing less than \$1,000 is written off in the period of receipt. The corresponding donation income is recognised in the statement of comprehensive income in the period of receipt. Donated property, plant and equipment received costing more than \$1,000 are capitalised and depreciated over their useful lives so as to match the related amortisation of the deferred income.

Depreciation is recognised as an expense in the statement of comprehensive income on a straight-line basis over their estimated useful lives of each part of an item of property, plant and equipment unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative years are as follows:

Medical and hospital equipment	5 to 10 years
Computer equipment	3 years
Office equipment	5 years
Furniture and fittings	8 years

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

Renovation in progress is stated at cost and is not depreciated. Cost includes direct related expenditure incurred during the period of renovation and up to the completion of the renovation. The accumulated costs will be reclassified to the appropriate property, plant and equipment account when the renovation is substantially completed and the asset is ready for its intended use.

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

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

11 RIGHT-OF-USE ASSETS

	Leased building	Office equipment	Total
	\$	\$	\$
Cost:			
At 1 April 2024, 31 March 2025 and 2026	27,546,069	73,402	27,619,471
Accumulated depreciation:			
At 1 April 2023	19,504,158	18,640	19,522,798
Depreciation for the year	3,711,651	23,452	3,735,103
At 31 March 2025	23,215,809	42,092	23,257,901
Depreciation for the year	3,711,651	22,495	3,734,146
At 31 March 2026	26,927,460	64,587	26,992,047
Carrying amounts:			
At 31 March 2025	4,330,260	31,310	4,361,570
At 31 March 2026	618,609	8,815	627,424

Material accounting policy information

The right-of-use-assets and lease liability are presented as a separate line in the statement of financial position. The Company leases several assets including office equipment. The lease term ranges 3 to 5 years and lease rates are generally fixed during the lease term.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset as below. The depreciation starts at the commencement date of the lease.

The Company applies FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.

As a practical expedient, FRS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

12 INVESTMENT PROPERTY

	\$
At 1 April 2025	12,782,163
Addition	<u>2,017,718</u>
At 31 March 2026	<u>14,799,881</u>

148 Cecil Street, Singapore

Investment property comprises of 8 unit of freehold commercial space at Level 14 in 148 Cecil Street office building under construction. The investment property under construction is measured at cost.

In April 2023, the Board has approved for the purchase of a property for consideration of the sum of \$52,054,000. This property will be held as "Investment property". The Company has exercised the options to purchase this property in July 2023.

As at 31 March 2026 and 2025, the fair value of the investment property could not be reliably measured as the development of the property is at initial stage with foundation and reinforced concrete works is in progress.

Material accounting policy information

Investment property is held on a long-term basis for income and potential investment gains. Investment property under construction is stated at cost less any accumulated impairment losses.

Depreciation is charged so as to write off the cost over their estimated useful using the straight-line method.

The estimated useful lives and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of investment property is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

13 INTANGIBLE ASSETS

	Computer software	Work-in- progress	Total
	\$	\$	\$
Cost:			
At 1 April 2024	344,795	-	344,795
Addition	82,743	31,103	113,846
Disposals	(83,244)	-	(83,244)
At 31 March 2025	344,294	31,103	375,397
Addition	29,753	-	29,753
Transfer to PPE (Note 10)	-	(28,856)	(28,856)
Transfer	2,247	(2,247)	-
Disposals	(34,785)	-	(34,785)
At 31 March 2026	341,509	-	341,509
Accumulated amortisation:			
At 1 April 2024	334,076	-	334,076
Amortisation charge for the year	14,146	-	14,146
Disposals	(83,244)	-	(83,244)
At 31 March 2025	264,978	-	264,978
Amortisation charge for the year	30,537	-	30,537
Disposals	(34,785)	-	(34,785)
At 31 March 2026	260,730	-	260,730
Carrying amounts:			
At 31 March 2025	79,316	31,103	110,419
At 31 March 2026	80,779	-	80,779

Material accounting policy information

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

14 TRADE AND OTHER PAYABLES

	2026	2025
	\$	\$
Trade payables	2,369,090	2,347,937
Accrued operating expenses	7,805,702	6,519,226
Other payables	1,136,097	1,031,392
	11,310,889	9,898,555
Net GST payable	828,160	826,838
	12,139,049	10,725,393

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

15 LEASE LIABILITIES

	2026	2025
	\$	\$
Maturity analysis:		
Within one year	675,290	4,019,696
Within two to five years	-	675,290
	675,290	4,694,986
Less: Unearned interest	(2,926)	(99,334)
Total	672,364	4,595,652
Analysed as:		
Current	672,364	3,923,288
Non-current	-	672,364
Total	672,364	4,595,652

The Company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Company's treasury function. The effective interest rate applied to the lease liabilities on 31 March 2026 is ranging from 0.94% to 3.43% (2025 : 0.94% to 3.43%).

Reconciliation of movements to cash flows arising from financing activities

Lease liabilities

	2026	2025
	\$	\$
Balance as at 1 April 2025 and 1 April 2024	4,595,652	8,387,704
Changes from financing cash flows		
Interest paid	(96,408)	(228,644)
Payment of lease liabilities	(3,923,288)	(3,792,052)
Rental subvention from government	5,372,737	3,211,256
Total changes from financing cash flows	1,353,041	(809,440)
Other changes		
Rental subvention from government	(4,307,140)	(4,238,395)
Subvention receivable	(1,065,597)	1,027,139
Interest expense	96,408	228,644
Total other changes	(5,276,329)	(2,982,612)
Balance as at 31 March 2026 and 31 March 2025	672,364	4,595,652

As at 31 March 2026, the Company has received \$5,372,737 (2025 : \$3,211,256) and recognised \$2,013,197 (2025 : \$3,078,794) of receivable from government as rental subvention for leases.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD**NOTES TO THE FINANCIAL STATEMENTS**
31 March 2026***Leases as lessee***

The Company leases the hospital building with Singapore Land Authority ("SLA"). The lease runs for a period of 3 years, with an option to renew the lease after that date.

The Company leases office equipment with contract terms of 3 years. Some of these leases are short-term and/or leases of low value items. The Company has elected not to recognise right-of-use assets and liabilities for these leases.

Information about leases for which the Company is a lessee is presented below.

Amounts recognised in income or expenditure

	2026	2025
	\$	\$
Leases under FRS 116		
Interest on lease liabilities	(96,408)	(228,644)
Income from sub-leasing right-of-use assets presented in 'rental income'	272,257	273,341
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>(28,568)</u>	<u>(20,937)</u>

Amounts recognised in statement of cash flows

	2026	2025
	\$	\$
Cash outflow related to payments of lease liabilities and interest expenses arising from leases	<u>(4,019,696)</u>	<u>(4,020,696)</u>

Leases as lessor

The Company leases out its leased building. All leases are classified as operating leases from a lessor perspective.

Operating lease as lessor

The Company sub-leases out parts of its building. The Company has classified these leases as operating leases because they do not transfer substantially all the risks and rewards incidental to the ownership of the assets.

Rental income from building sub-lease recognised by the Company during 2026 was \$133,302 (2025 : \$148,216) and the service charge income from the building sub-lease recognised by the Company was \$51,632 (2025 : \$48,359).

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

The following table sets out a maturity analysis of payments, showing the undiscounted lease and service charge payments to be received after the reporting date.

	2026	2025
	\$	\$
Operating leases		
Within 1 year	138,129	103,169
After 1 year but within 5 years	31,560	11,184
Total	169,689	114,353

Material accounting policy information

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

- Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

16 DEFERRED GOVERNMENT GRANTS

	2026	2025
	\$	\$
At 1 April	1,475,318	2,750,075
Grant received	364,836	670,120
Grant utilised for qualifying expenses	(268,048)	(917,521)
Grant utilised for Enhancement Projects	(422,194)	(1,027,356)
At 31 March	1,149,912	1,475,318

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

The Agency for Integrated Care ("AIC") will provide a matching grant of one dollar for every donation dollar raised for Intermediate and Long-term Care ("ILTC") programmes by the Company.

The purpose of the Community Silver Trust ("CST") matching grant is to enhance the Company's capabilities and provide value-added services in relation to ILTC programmes to achieve higher quality care and affordable step-down care. The CST matching grant may be used to fund recurring operating expenses and Enhancement Projects as described below.

Enhancement Projects are programmes or initiatives introduced by certain Operating Units to:

- (i) enhance the range of and innovate existing ILTC services;
- (ii) improve their organisational capabilities; and
- (iii) increase their capacity.

Upon utilising the grant to purchase property, plant and equipment for Enhancement Projects, the grant is recognised as deferred income and is recognised in the statement of comprehensive income as 'other income' on a systematic basis over the useful life of the asset to match the corresponding depreciation expense.

The CST matching grant has to be utilised before 31 March 2026 for different projects and AIC has the right to clawback the balance amounts in the event the grants are not used by the stipulated deadline.

Material accounting policy information

Government and other grants are accounted for on an accrual basis in the statement of financial position when there is reasonable assurance that the Company has complied with all the terms and conditions attached to the grant and that there is reasonable certainty that the grant will be received.

17 FAIR VALUE RESERVE

Fair value reserve comprises the cumulative net change in the fair values of financial assets designated at FVOCI until the investments are derecognised or impaired.

18 RESTRICTED FUNDS

		2026	2025
		\$	\$
Patient welfare fund	(a)	243,398	258,087
Sinking fund	(b)	3,638,000	3,638,000
		<u>3,881,398</u>	<u>3,896,087</u>

(a) Patient welfare fund

Patient welfare fund was set up by the Company to provide further financial assistance to the needy patients. This fund further assists the needy patients with the settlement of their outstanding hospital bills. This fund also allows the hospital's patients an alternative avenue for further financial aid to the retrofitting of their homes and purchasing of furniture to enable the patients to have a safe home environment upon discharge of the patients, as well as assisting the needy patients to purchase wheelchairs, walking aids and other necessities relating to the welfare of the patients.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD**NOTES TO THE FINANCIAL STATEMENTS
31 March 2026****(b) Sinking fund**

Sinking fund was set up by the Company for the purpose of major replacements or acquisition of property, plant and equipment.

19 NET ASSETS OF MEDIFUND

Medifund and Medifund Silver are meant to act as a safety net for needy patients to ensure that no Singaporean is denied basic healthcare because of inability to pay. Medifund and Medifund Silver would help a needy patient who faces difficulty affording the remaining portion of his subsidised medical bill, after drawing on all other means of payment - Medisave, MediShield, personal medical insurance, employer-provided medical benefits and cash.

Both Medifund and Medifund Silver cover Singaporeans receiving subsidised inpatient or outpatient treatments in Medifund-approved institutions.

	2026	2025
	\$	\$
At 1 January:		
Accumulated funds	596,941	1,086,187
Income		
Grant received from MOH	1,750,500	473,600
Expenditure		
Grant disbursed to eligible patients	(1,510,888)	(962,846)
Net deficit for the financial year	<u>239,612</u>	<u>(489,246)</u>
At 31 March:		
Accumulated funds	<u>836,553</u>	<u>596,941</u>
REPRESENTED BY		
Cash and cash equivalents	<u>836,553</u>	<u>596,941</u>

20 DONATION INCOME

Tax-exempt receipts of \$468,270 (2025 : \$399,288) were issued during the year.

Material accounting policy information

Donation income is recognised in surplus or deficit when the Company's entitlement to such income is established with certainty and the amount can be measured with sufficient reliability. This normally coincides with the period of receipt.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

21 INVESTMENT INCOME (EXPENDITURE)

	2026	2025
	\$	\$
Net change in fair value of financial assets designated at FVTPL	88,557	484,413
Loss on derecognition of debt investments at FVOCI - reclassified to income or expenditure	(14,139)	(23,777)
Dividend income	814,519	729,263
Interest income from:		
- Fixed deposits	1,707,047	2,412,501
- Debt investments	2,161,807	1,523,310
	<u>4,757,791</u>	<u>5,125,710</u>

Material accounting policy information

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

Dividend income are recognised in profit or loss when the right to receive payment is established. This is the ex-dividend date for listed equity securities, and on the date when shareholders approve the dividend for unlisted equity securities.

22 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2026	2025
	\$	\$
Government subvention income	51,748,481	46,821,225
Patient and related revenue from provision of medical services	32,311,539	25,648,498
Retail pharmacy income	883,680	815,656
Sales to other hospitals	71,433	46,164
Rental income	272,257	273,341
Service charge income	51,632	48,359
Grant income:		
- Community Care Salary Enhancement	6,873,978	8,787,424
- CST matching grant	550,402	1,840,375
- Award for Nurses' Grace, Excellence and Loyalty (Angel)	460,753	-
- Others	588,472	698,290
Others	<u>3,213,732</u>	<u>2,865,073</u>
	<u>97,026,359</u>	<u>87,844,405</u>

The Award for Nurses' Grace, Excellence and Loyalty ('Angel') Scheme is a long-term retention scheme for nurses in public healthcare which aims to improve the remuneration and retention of nurses in public healthcare.

'Others' in grant income mainly comprise the senior management associate scheme grant and job growth incentives.

'Others' mainly comprise services fee received from affiliated companies and training income earned.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS

31 March 2026

Government subvention income

The purpose of government subvention income is to fund patient requiring rehabilitation and subacute care in Community Hospitals that provide intermediate care facilities to patients. The funding also covers dialysis, outpatient and home care services for the elderly.

The government subvention income includes rental subvention to fund the Hospital on its Temporary Occupation License fees that are payable to the Singapore Land Authority.

Information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies are as follows:

Patient and related revenue

The Company generates revenue from the provision of inpatient and outpatient services, and supply of drugs. For inpatient services, income is recognised over time when the medical services are provided to the patients. For revenue relating to other patient and related income, revenue is recognised at a point in time upon completion of medical services and supply of drugs. Payment is due when invoice is issued and payables within 30 days.

Retail pharmacy income

The Company generates revenue from provision of medical and related items to customers. Income is recognised at a point in time when the Company satisfies a performance obligation when the goods are transferred to a customer. Payment is due upon delivery to customers.

Sales to other hospitals

The Company generates revenue from provision of drugs and pharmaceutical supplies to other hospitals. Income is recognised at a point in time when the Company satisfies a performance obligation when the goods are transferred to other hospitals. Payment is due when invoice is issued monthly and payables within 30 days.

Rental income and service charge income

The Company generates rental and service charge revenue under operating leases to hospitals and service providers. The Company recognises revenue over time on a straight-line basis over the lease term. Payment is due when invoice is issued monthly and payables within 30 days.

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

23 COST OF GENERATING FUNDS - DONATION EXPENSES

	2026	2025
	\$	\$
Fund-raising cost in current financial year	154,298	127,499
Others	5,836	9,477
	<u>160,134</u>	<u>136,976</u>

The Company incurred fund raising costs of \$154,298 (2025 : \$127,499), out of which, \$86,015 (2025 : \$127,499) is payable to an affiliated company, Thye Hua Kwan Moral Society, to procure donations for the Company.

24 CHARITABLE ACTIVITIES

	2026	2025
	\$	\$
Amortisation of intangible assets	30,537	14,146
Advertising and promotion	152,254	150,186
Audit fees paid/payable to:		
- auditors of the Company	110,800	92,532
- other auditors	250	27,700
Non-audit fees paid/payable to:		
- other auditors of the Company	9,050	7,970
Bad debts written off	-	16,242
Contract services	9,754,410	8,759,222
Depreciation of property, plant and equipment	1,065,034	709,612
Depreciation of right-of-use assets	3,734,146	3,735,103
Disallowed input goods and services tax	1,533,262	1,386,515
Impairment loss on receivables	407,433	309,405
Insurance	124,238	108,441
Interest expenses on lease liabilities	96,408	228,644
Inventories written off	463	2,788
Legal and professional fees	12,607	8,055
Low value assets written off	382,850	370,168
Medical professional fees	1,801,369	1,486,495
Operating lease expenses	28,568	20,937
Property, plant and equipment written off	80,972	9,434
Repairs and maintenance	372,005	592,077
Staff costs (see below)	58,370,817	52,169,765
Supplies and consumables	3,470,378	3,175,652
Utilities	1,093,117	1,241,102
Other expenses	1,264,645	921,413
	<u>83,895,613</u>	<u>75,543,604</u>
Staff costs:		
- Wages and salaries	50,105,282	43,855,335
- Contribution to defined contribution plans	3,429,928	2,977,590
- Foreign worker levies	2,457,488	2,558,387
- Other short-term benefits	2,378,119	2,778,453
	<u>58,370,817</u>	<u>52,169,765</u>

ANG MO KIO - THYE HUA KWAN HOSPITAL LTD

NOTES TO THE FINANCIAL STATEMENTS 31 March 2026

25 INCOME TAXES

The Company is an approved charity organisation under the Singapore Charities Act 1994 and an Institution of a Public Character under the Income Tax Act 1947. No provision for taxation has been made in the financial statements as the Company is a registered charity with income tax exemption.

26 COMMITMENTS

Capital expenditure which have not been provided for in the financial statements were as follows:

	2026	2025
	\$	\$
Authorised and contracted for:		
- Property, plant and equipment	4,189,261	-
- Investment property	37,254,119	39,271,837
	<u>41,443,380</u>	<u>39,271,837</u>