31 August 2026

Beansprout

# Foundation Healthcare Holdings Ltd. (SGX: FHH)

## Singapore-based private healthcare platform

- **Singapore-headquartered integrated private healthcare platform.** Foundation Healthcare is a Singapore-based private healthcare platform connecting specialists, providers, insurers, patients and facilities. It has 108 specialists across 74 clinics and 16 specialties, and owns four medical centres, including two day surgery centres, a radiology and imaging centre, and a fertility centre.
- **Specialist-led business model.** According to Frost & Sullivan, Foundation Healthcare is Singapore's largest multi-specialty private healthcare platform by number of specialists and clinics among key private specialist groups as at 31 March 2026. It has an estimated 4.4% share of private specialist headcount and 7.2% share of private specialist total revenue. Singapore's private specialist market growth is also accelerating, with a forecasted CAGR of 8.8% from 2025 to 2030.
- **Medical specialists' segment is the core revenue driver.** Foundation Healthcare generates revenue through two reportable segments: medical specialists (97.3% of FY2025 revenue), comprising consultation fees, procedures and drug/consumable sales; and others (2.7%), comprising Medical Centres facility and diagnostic fees and AVA® platform implementation and subscription fees. Established Specialists generate approximately S$2.7 million in annual revenue each, versus approximately S$1.3 million for Emerging Specialists in their first year.
- Revenue grew by 16.2% YoY in FY2025. Adjusted EBITDA margin improved from 36.9% in FY2024 to 38.0% in FY2025 but fell to 34.7% on a LTM basis, and adjusted profit after tax margin improved from 17.0% in FY2024 to 19.1% in FY2025.
- **Multiple growth pillars.** Foundation Healthcare has outlined six growth pillars in its prospectus, spanning organic expansion, acquisitions, capital-light facility investments, payor relationships, regional expansion and technology monetisation.
- **Valuation:** Foundation Healthcare is trading at a pro-forma multiple of 19.9x, lower than its peers IHH Healthcare's 36.5x and Raffles Medical's 22.6x. They do not have a fixed dividend policy and does not intend to pay dividends in respect of FY2026 or FY2027 profits.
- **Key Risks:** Foundation Healthcare's key risks include specialist retention and recruitment, acquisition integration, insurer and regulatory changes, facility ramp-up delays, reliance on key personnel, regional expansion execution, lack of near-term dividends, and potential gaps in insurance coverage.

| | |
|---|---|
| **Ticker** | FHH |
| **Rating** | Not Rated |
| **Price** | S$0.730 |
| **52-week range** | S$0.70 – S$0.82 |
| **Market Cap** | S$970M |

*As of 26 August 2026


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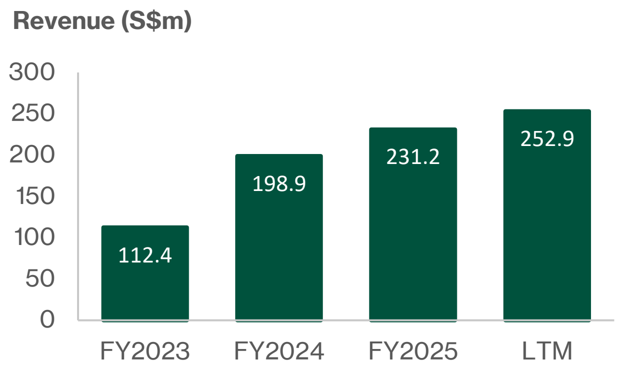
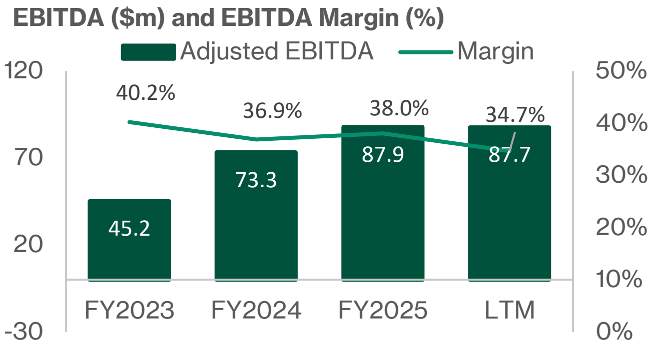
# Focus Charts and Tables

**Figure 1: Revenue grew by a CAGR of 43.4% from FY23 to FY25**



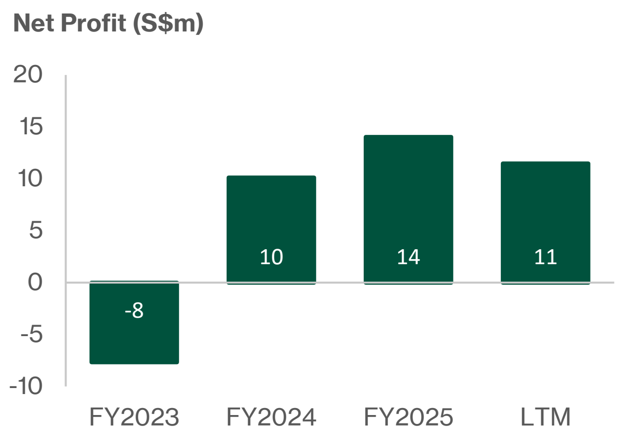

*Source: Company Data*

**Figure 2: Adjusted EBITDA grew by a CAGR of 39.4% from FY23 to FY25**



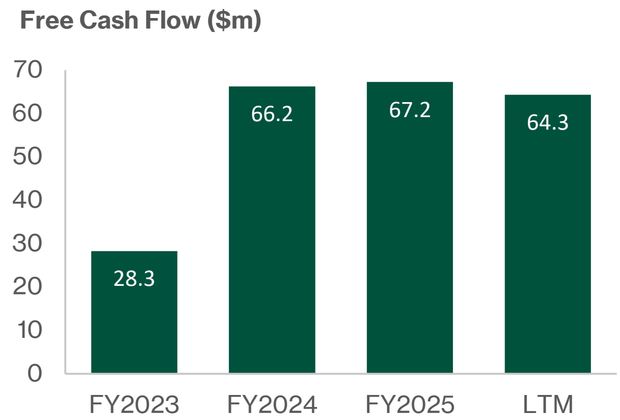

*Source: Company Data*

**Figure 3: Net profit grew by 38.6% from FY24 to FY25**



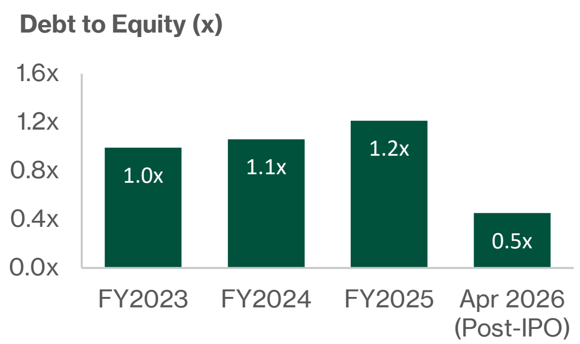

*Source: Company Data*

**Figure 4: Free Cash Flow grew by a CAGR of 54.1% from FY23 to FY25**



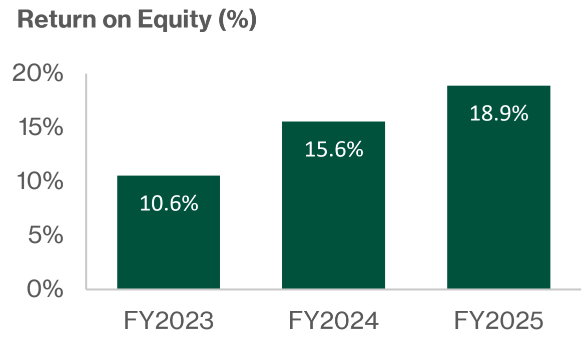

*Source: Company Data*

**Figure 5: Debt to Equity increased by 0.2x from FY23 to FY25**




*Source: Company Data, Foundation Healthcare's balance sheet as at 30 April 2026, adjusted for post-IPO, Prospectus*

**Figure 6: Return on Equity grew by 8.3% from FY23 to FY25**




*Source: Company Data*

# Foundation Healthcare Holdings Ltd.

## Company Overview

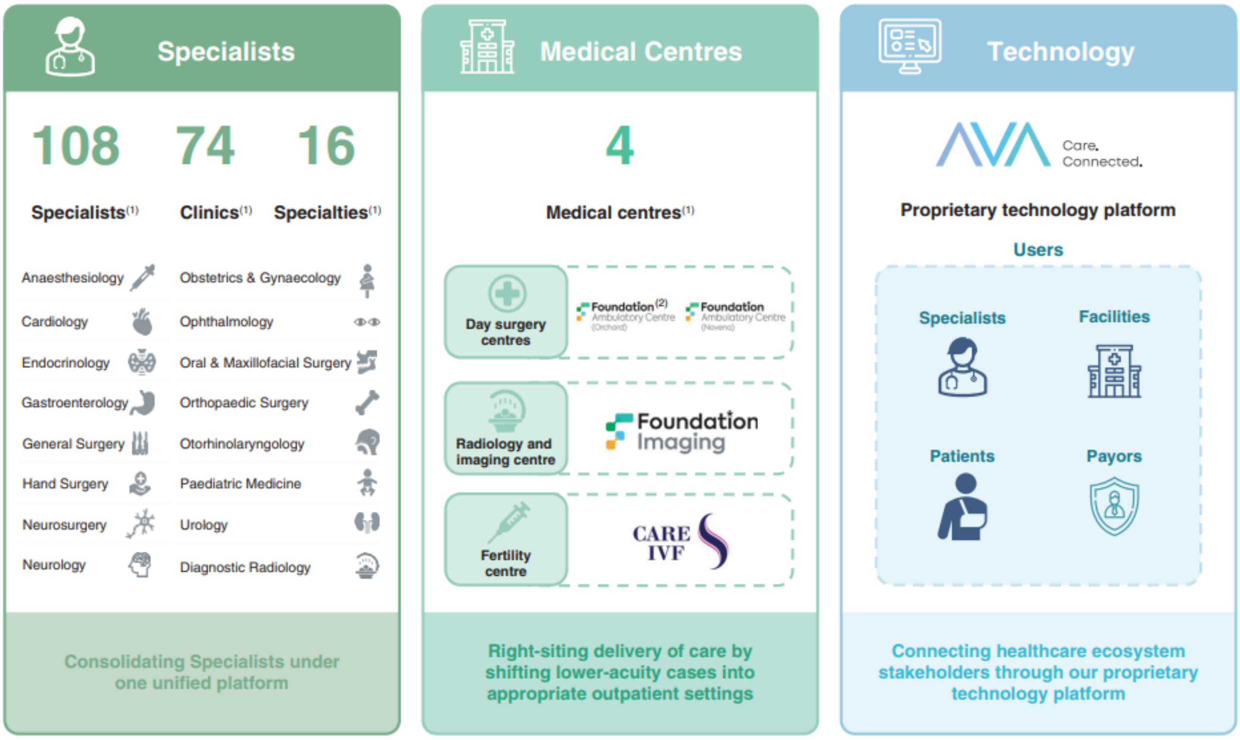
Foundation Healthcare is an integrated private healthcare platform in Singapore, connecting medical specialists, healthcare providers, payors, patients and facilities.

According to Frost & Sullivan, Foundation Healthcare was the largest multi-specialty healthcare platform in Singapore by number of specialists and specialist clinics among key private specialist groups, as at 31 March 2026. They operated 108 medical specialists across 74 specialist clinics and 16 specialties.

They also owned four medical centres: two day surgery centres, a radiology and imaging centre, and a fertility centre.

The business is organised around three pillars: Specialist Services, Medical Centres, and its proprietary AVA® technology platform.

**Figure 7: Overview of Foundation Healthcare**



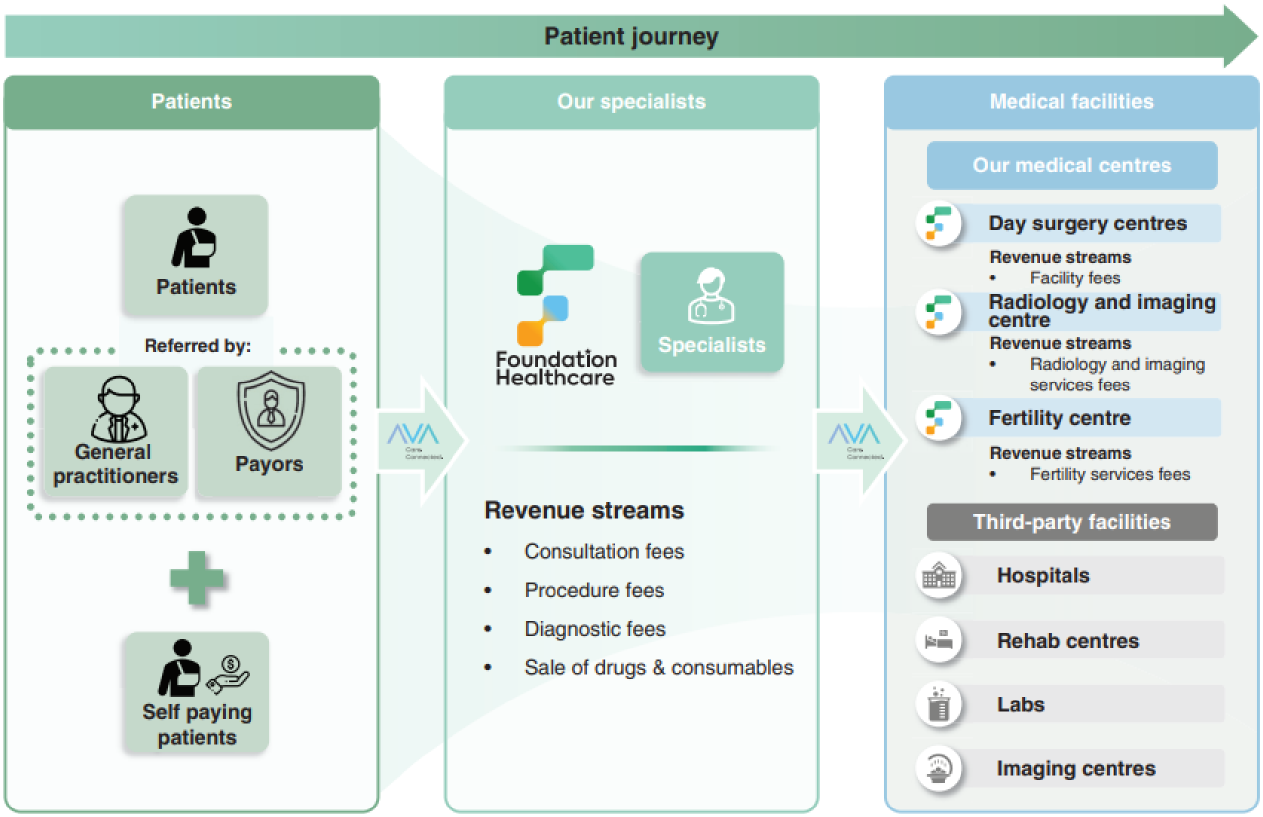

*Source: Company data*

Foundation Healthcare was co-founded by Mr Liaw Yit Ming, Executive Director and CEO, who was previously with IHH Healthcare Berhad and Khazanah Nasional Berhad, and Dr Lee Hong Huei, Executive Director and COO, who was previously with Parkway Pantai group and Singapore's public healthcare sector.

### Specialist-led business model

Foundation Healthcare generates revenue mainly from its medical specialists' business. In FY2025, the medical specialists segment contributed 97.3% of total revenue, while the "Others" segment contributed 2.7%. The "Others" segment comprises Foundation Healthcare's Medical Centres and AVA® technology platform.

**Figure 8: Foundation Healthcare's Business Model**




*Source: Company data*

**Medical Specialists is Foundation Healthcare's core business**

Revenue is generated from consultation fees, medical procedures performed by Foundation Healthcare's specialists, and the sale of drugs and consumables.

As at 31 March 2026, Foundation Healthcare had 74 Established Specialists and 34 Emerging Specialists. Established Specialists generate about S$2.7 million in annual revenue per specialist, while Emerging Specialists generate about S$1.3 million in their first year.

The share of Emerging Specialists has risen from 21.0% of total specialists in 2023 to 31.5% in 2026.

All specialists are employed on a full-time basis, which gives Foundation Healthcare greater control over service quality, patient experience and insurer relationships.

**Medical Centres**

Foundation Healthcare also owns and operates medical centres that support its specialist network.

Revenue is generated from facility fees for procedures conducted at its two day surgery centres, imaging and radiology services at Foundation Imaging, and fertility services at Care IVF.

**Figure 9: Foundation Healthcare's 4 Medical Centres**


*Source: Company data*

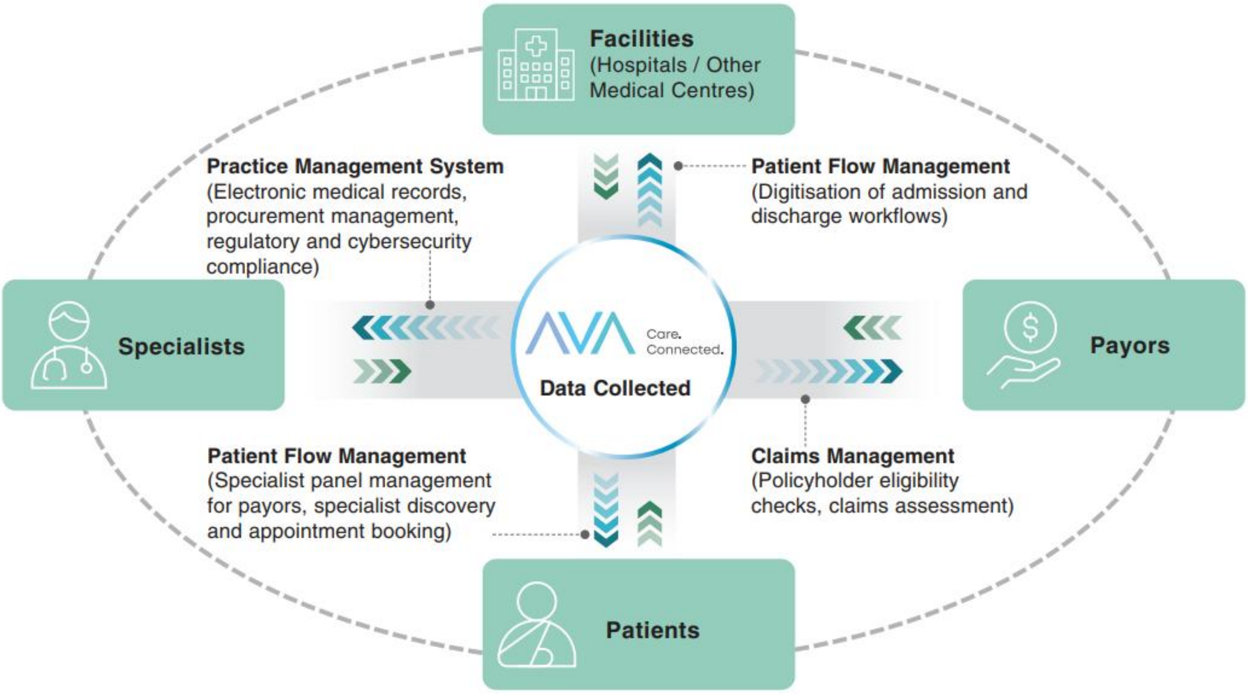
**AVA® Technology Platform**

AVA® is Foundation Healthcare's proprietary technology platform, designed to connect patients, payors (insurers and third-party administrators), healthcare providers, medical facilities, and referral partners across Singapore's private healthcare ecosystem.

It generates revenue through subscription fees for use of the platform and implementation fees for setting it up. Key functions include helping patients find specialists and book appointments, digitizing pre-authorization and billing paperwork for providers, and streamlining coordination between hospitals, specialists, and payors.

Over time, the company plans to expand AVA®'s use and develop new features (including data-driven tools) that could deepen payor relationships and create additional ways to generate revenue from the platform.

**Figure 10: AVA® Value Proposition**



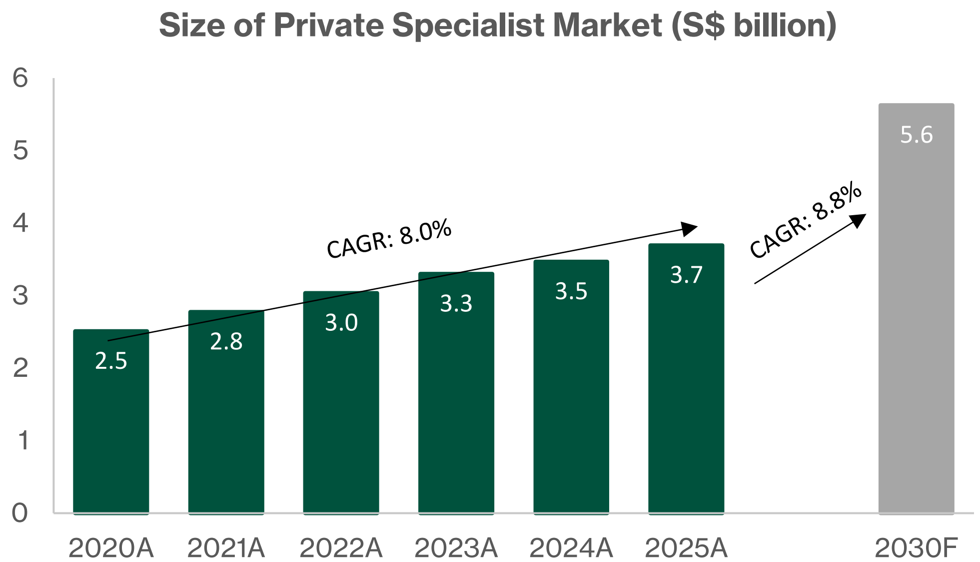

*Source: Company data*

## Industry Overview

According to Frost & Sullivan, the private specialist market's growth is accelerating, growing at a CAGR of 8.0% from 2020 to 2025, and is forecasted to grow at 8.8% from 2025 to 2030.

This growth is supported by Singapore's ageing population, rising chronic disease burden, and continued patient preference for shorter waiting times in private healthcare.

**Figure 11: The private specialist market grew by a CAGR of 8% from 2020 to 2025**




*Source: Frost & Sullivan*

The market size of surgeries at day surgery centres has also expanded rapidly, growing at a CAGR of 38.5% from 2020 to 2025, and is forecasted to grow at 44.5% from 2025 to 2030.

A key reason is cost. According to Frost & Sullivan, selected procedures at standalone day surgery centres can cost about 33.5% less on average than inpatient hospital settings, with savings ranging from 15.0% to 48.3% depending on procedure complexity.

Singapore's private specialist care market also remains fragmented. Patient care is often spread across multiple independent providers, with limited shared records or coordinated care pathways.

This creates an opportunity for larger integrated platforms such as Foundation Healthcare, which can combine specialists, medical centres, insurer relationships and technology infrastructure under one model.

**Key competitors**

Foundation Healthcare is the largest multi-specialty healthcare platform in Singapore by number of specialists, specialist clinics and medical centres as at 31 March 2026.

For valuation and benchmarking purposes, IHH Healthcare, Raffles Medical Group and Thomson Medical Group are the closest SGX-listed comparables though these are not perfect comparisons.

IHH, Raffles Medical and Thomson Medical operate broader hospital-based or integrated healthcare models, while Foundation Healthcare is more focused on a specialist-clinic-led platform supported by medical centres and technology infrastructure.

**Figure 12: Comparison of Foundation Healthcare against key competitors**


*Source: Frost & Sullivan*

## FY2025 Financial Overview

Foundation Healthcare has delivered 77% and 16% revenue growth in FY2024 and FY2025 respectively.

On a pro forma basis, which assumes FY2024 and FY2025 acquisitions had been completed from the start of the calendar year, FY2025 revenue growth would be 32%.

Profitability has also improved, with EBITDA margin rising from 36.9% in FY2024 to 38.0% in FY2025. Adjusted profit after tax margin also improved from 17.0% in FY2024 to 19.1% in FY2025.

**Figure 13: Revenue grew by a CAGR of 43.4% from FY23 to FY25**

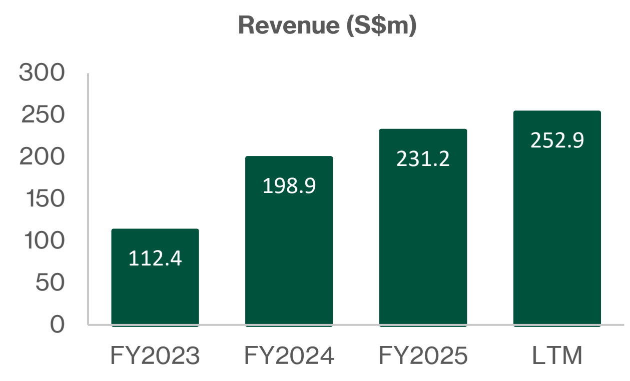
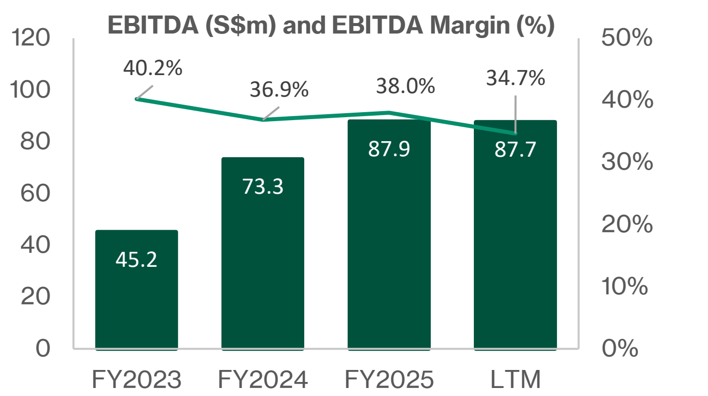


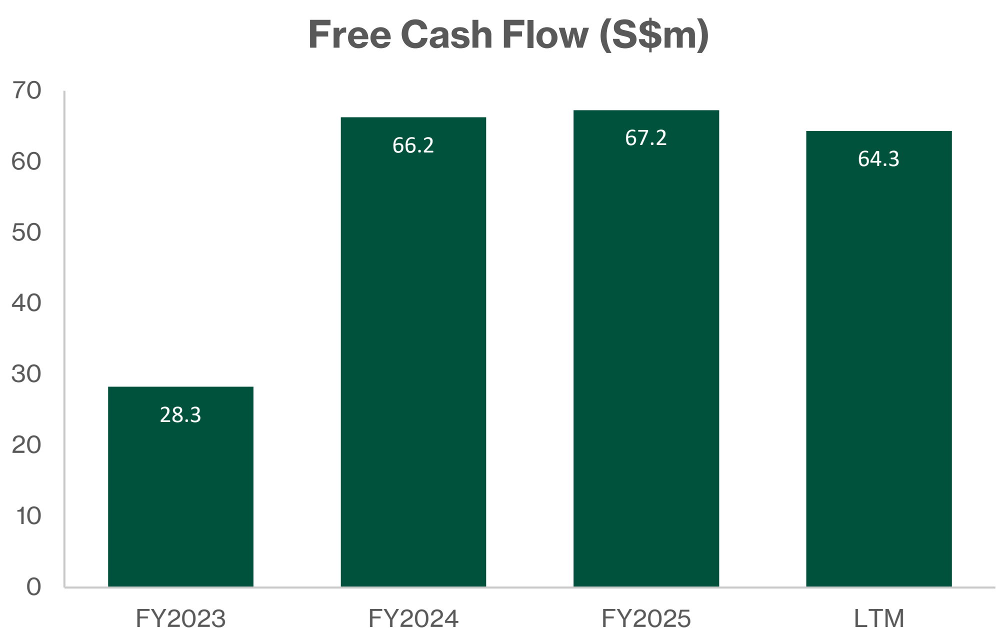

**Figure 14: Adjusted EBITDA grew by a CAGR of 39.4% from FY23 to FY25**




*Source: Company data*

Free cash flow (net cash from operating activities less capital expenditure) to revenue has fallen slightly from 33.3% in FY2024 to 29.1% in FY2025. This drop is due to Foundation Healthcare increasing CAPEX by 163% in FY2025.

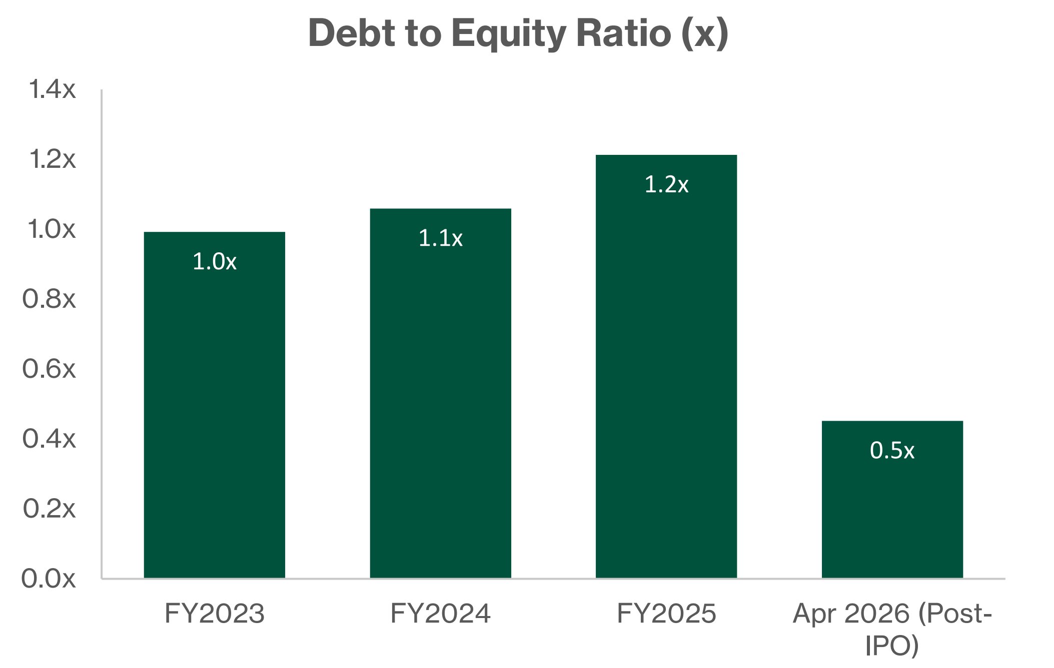
**Figure 15: Free Cash Flow grew by a CAGR of 54.1% from FY23 to FY25**




*Source: Company data*

The debt-to-equity ratio has hovered between 1.0x and 1.2x but is expected to fall to 0.45x post-IPO. This is attributed to the IPO proceeds, raising the cash balance as well as the common equity.

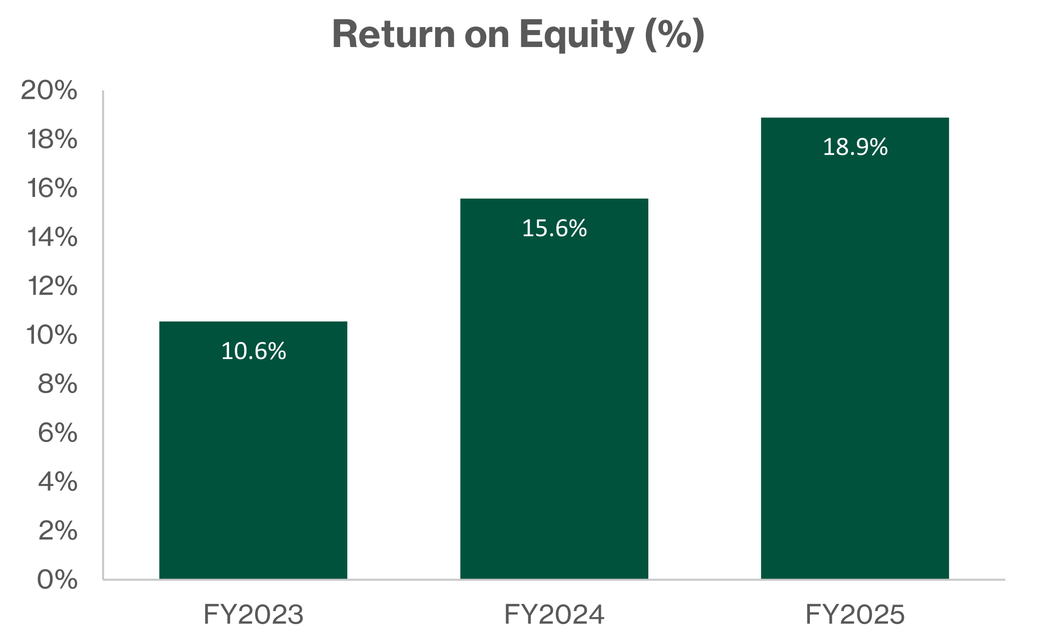
**Figure 16: Debt to Equity increased by 0.2x from FY23 to FY25**




*Source: Company data, Foundation Healthcare's Balance Sheet as at 30 April 2026, adjusted for post-IPO*

Return on equity has also increased from 15.6% in FY2024 to 18.9% in FY2025.

**Figure 17: Return on Equity grew by 8.3% from FY23 to FY25**




*Source: Company data*

## Corporate growth strategy

Foundation Healthcare has outlined six growth pillars in its prospectus, spanning organic expansion, acquisitions, capital-light facility investments, payor relationships, regional expansion and technology monetisation.

**Organic growth by adding more specialists**

Foundation Healthcare wants to recruit more medical specialists, especially in areas of rising patient demand. A key tool here is its Health Connective Programme, launched in 2024, which connects GPs, specialists and allied health professionals. As of March 2026, it had over 340 GPs, 350 specialists and 35 allied health professionals as members, and had generated more than 7,800 patient appointments. With over 2,000 GP clinics in Singapore, management sees room to sign up more.

**Inorganic growth through acquisitions**

Foundation Healthcare plans to keep acquiring specialist practices, particularly in fast-growing sub-specialties. Singapore's private specialist market is forecast to grow at 8.8% a year from 2025 to 2030, helped by an ageing population and more people choosing private care. The company structures its deals so that acquired specialists stay financially tied to the practice's long-term performance, rather than just cashing out.

**Capital-light medical centre investments**

Building a medical centre doesn't require much capital, according to the company. Two centres, Foundation Ambulatory Centre (Novena) and Foundation Imaging, cost S$2.5 million and S$5.4 million in FY2025, with a further S$2.1 million spent on Novena into early 2026.

This ties into a broader industry trend: standalone day surgery centres in Singapore are expected to grow from 9 in 2025 to 40 in 2030, and treatment at these centres can cost 15% to 48% less than at a hospital. Foundation Healthcare’s Novena centre, which opened in February 2026, is billed as Singapore's largest day surgery centre by floor space, with room for 36 to 40 surgeries a day. A second centre in Orchard is being refurbished with capacity for 14 to 16 surgeries a day.

**Tighten insurer relationships**

The company wants to be a longer-term partner to insurers and corporate healthcare payors, not just a service provider they pay per visit. It plans to use data from across its business (specialists, medical centres, and its AVA® technology) to give payors more visibility into treatment costs and outcomes.

**Expansion into Malaysia and Hong Kong**

These two markets are the near-term targets, chosen for having sizeable private healthcare sectors and workable licensing rules. In Hong Kong, the public system covers about 97% of hospital costs, but demand still spills over into private care. Healthcare spending per person there grew 6.0% a year from 2020 to 2025. In Malaysia, spending per person grew 5.3% a year over the same period, but is still only about 13% of Singapore's level, suggesting there's a lot of room to grow. Longer term, the company wants to expand elsewhere in Asia-Pacific too.

Foundation Healthcare identified Hong Kong and Malaysia as markets with similar healthcare systems as Singapore, as well as mutual insurers who the company already works with.

**Monetise the AVA® technology platform further**

Foundation Healthcare wants to sell AVA® more widely to insurers and healthcare providers, charging through subscriptions, usage fees, or outcome-based pricing. It also plans to use anonymised patient data collected through AVA® to build AI tools, with tracking of patient outcomes expected to start in the first half of 2027. Notably, the company wants to sell AVA® to other payors and providers outside its own network too, giving it a revenue stream not tied to its clinics or medical centres.

## Use of IPO Proceeds

At the offering price of S$0.76 per share, Foundation Healthcare expects to raise estimated net proceeds of about S$228.4 million from the offering and the issue and sale of cornerstone shares. Of this amount, about S$91.3 million will go to Foundation Healthcare.

Foundation Healthcare intends to allocate 55% of proceeds to investments and acquisitions of clinical practices and medical centres in Singapore. 30% will be used to support expansion into new geographical markets. 9% will go toward underwriting fees and offering expenses, and 6% will be used for general corporate and working capital purposes.

## Dividend policy

Foundation Healthcare does not have a fixed dividend policy.

The group has stated that it does not intend to pay dividends from profits generated in FY2026 and FY2027. Instead, it plans to reinvest profits into the business, including funding acquisitions.

## Valuation

Foundation Healthcare trades at a pro forma P/E of 19.9 times, below its peers' average of 26.3 times.

It is also delivering higher revenue and earnings growth than its peers.

Its return on equity is higher than both IHH Healthcare and Raffles Medical.

However, its net debt-to-equity ratio higher than IHH Healthcare's and higher than Raffles Medical's.

**Figure 18: Peer comparison**

| Company Name | Ticker | Currency | Price | Market Value (S$m) | Revenue growth (%) | EPS growth (%) | P/E (x) | ROE (%) | Net debt/ equity (x) |
|---|---|---|---|---|---|---|---|---|---|
| Foundation Healthcare Holdings Limited | FHH-SG | SGD | 0.73 | 969.9 | 16.2 | 39.5 | 19.9 | 18.9 | 0.5 |
| IHH Healthcare Bhd. | Q0F-SG | SGD | 2.65 | 22977.0 | 10.3 | -17.6 | 36.5 | 6.8 | 0.4 |
| Raffles Medical Group Ltd | BSL-SG | SGD | 0.86 | 1620.7 | 1.8 | 13.7 | 22.6 | 6.7 | -0.2 |
| Thomson Medical Group Ltd. | A50-SG | SGD | 0.05 | 1428.0 | 12.4 | -460.0 | n.m. | -9.8 | 2.1 |
| Average | | | | | | | 26.3x | 5.6% | 0.7x |
| Median | | | | | | | 22.6x | 6.8% | 0.4x |

*Source: Factset, Foundation Healthcare's final prospectus, data as of 26 August 2026.*

## Foundation Healthcare on Beansprout's Opportunity Pot framework

Foundation Healthcare screens positively on Beansprout's Opportunity framework.

Revenue and earnings momentum was strong in FY2025. Revenue rose 16.2% while adjusted EPS increased 39.2%, meaning earnings growth outpaced revenue growth.

Returns are also healthy. ROE was at 18.9% in FY2025, far above our baseline of 8%.

The balance sheet prior to IPO would have been a concern, with the debt-to-equity ratio at 1.2x. However, on a pro-forma basis post-IPO, the debt-to-equity ratio falls to 0.45x, due to a large increase in both the cash balance as well as the common equity. This pro-forma ratio is below our 1x threshold.

## Key Risks

**Specialist retention risk.** Foundation Healthcare's business depends on the continued retention of its medical specialists. The loss of key specialists, particularly the higher revenue generating Established Specialists, could negatively affect revenue and patient relationships.

**Acquisition and integration risk.** Foundation Healthcare's growth strategy relies on continued acquisitions of specialist, as well as specialist practices and medical centres. These acquisitions need to meet expected financial returns, and the integration of acquired practices carries execution risk.

**Insurer and payor relationship risk.** Many of Foundation Healthcare's specialists are on insurer panels. If insurers change these panel arrangements, relationships, or fee benchmarks, it could reduce patient referrals and affect specialist earnings.

**Regulatory risk.** Foundation Healthcare operates in a regulated healthcare environment. Changes in healthcare laws, licensing and accreditation requirements, or insurance-related regulations (such as the Ministry of Health's April 2026 changes to integrated shield plan rider design) could increase costs or affect patient demand for private healthcare services.

**Facility ramp-up risk.** Foundation Ambulatory Centre (Orchard) is undergoing refurbishment and has not been relaunched. Delays to this timeline would affect Medical Centres segment capacity.

**Regional expansion risk.** Foundation Healthcare has identified Malaysia and Hong Kong as potential expansion markets. Execution of regional expansion plans carries operational and market-entry risks distinct from existing Singapore operations.

**Dividend policy.** Foundation Healthcare does not have a fixed dividend policy and has stated it does not intend to pay dividends in respect of profits generated in FY2026 and FY2027.

**Insurance coverage risk.** Foundation Healthcare may not be able to maintain insurance coverage adequate to indemnify it against all possible liabilities, including medical malpractice or professional negligence claims.

# Disclosure Appendix

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