



THOMSON MEDICAL GROUP LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199908381D)

RESPONSE TO SHAREHOLDER QUERIES IN ADVANCE OF OUR 23RD ANNUAL GENERAL MEETING TO BE CONVENED ON 9 OCTOBER 2023

The Board of Directors of Thomson Medical Group Limited (the “**Company**” or “**TMG**”, together with its subsidiaries, the “**Group**”) wishes to announce the following in response to the queries received from a shareholder in advance of our 23rd Annual General Meeting to be convened on 9 October 2023.

- Q1.** It was recently announced that another Singapore listed company is also acquiring a hospital in Vietnam. In assessing the financial impact of the acquisition of Far East Medical Vietnam Limited and its subsidiaries (the “**FV Group**”) (the “**Proposed Acquisition**”) on the Group, did TMG factor in the competitive landscape in Vietnam? How will this affect the financials going forward?

Response from Company

Our early entry into the Vietnamese healthcare market demonstrates our foresight in recognizing its significant advantages, including economic growth, rising healthcare demand, and medical tourism potential. FV Hospital in Ho Chi Minh City is a top-ranking hospital, known for being the first JCI accredited hospital, with a diverse medical team, comprehensive specialties, and a strategic location. We are well-poised to capitalize on these opportunities and play a pivotal role in shaping Vietnam's healthcare landscape.

Furthermore, the Proposed Acquisition contributes immediately to the Group's revenue and earnings before interest, tax, depreciation and amortisation (“**EBITDA**”), with a healthy 20-year financial track record of consistent growth. Additionally, it provides financial scale and geographical diversification for the Group to ensure long-term growth.

- Q2.** How is the Group's gearing after the acquisition? The global interest rate trend is expected to remain high into 2024 and possibly even 2025.

The pro forma debt-to-equity ratio calculated based on the audited financial statements of the Group as at 30 June 2023 will increase from 1.3 to 2.1 times after the Proposed Acquisition. The pro forma net debt-to-equity ratio calculated based on the audited financial statements of the Group as at 30 June 2023 will increase from 0.8 to 1.7 times after the Proposed Acquisition.

The Group had taken into the consideration the interest rate environment in planning for the Proposed Acquisition so we are confident that the increase in interest and cost of capital can be mitigated by the growth and development opportunities in FV Group over time.

By Order of the Board
THOMSON MEDICAL GROUP LIMITED

Dr Heng Jun Li Melvin
Executive Director and Group Chief Executive Officer
5 October 2023