



TALKMED GROUP LIMITED

("TalkMed" or the "Company")

11th Annual General Meeting
18 April 2024

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This presentation contains certain financial information and results of operation, and may also contain certain projections, plans, strategies, and objectives of the Company which are not statements of historical fact but would constitute “forward-looking statements” that reflect the Company’s current views with respect to future events and financial performance. These views expressed herein are based on a number of estimates and current assumptions which are subject to business, economic and political uncertainties and contingencies, as well as various risks which are in many cases outside the control of the Company, and which may change over time and may cause the Company’s future results to be materially different than expected or indicated by such statements. No assurance can be given that future events will occur, that projections will be achieved, or that the Company’s assumptions are correct. Such forward-looking statements are not guarantees of future performance and accordingly, the actual results, financial condition, performance or achievements of the Company may differ materially from those anticipated by the Company in the forward-looking statements. The information contained herein is current only as of its date and shall not, under any circumstances, create any implication that such information is correct as of any time subsequent to the date hereof or that there has been no change in the financial condition or affairs of the Company since such date. Opinions expressed herein reflect the judgment of the Company as of the date of this presentation and may be subject to change. This presentation may be updated from time to time and there is no undertaking by the Company to post any such amendments or supplements to this presentation. The Company will not be responsible for any consequences resulting from the use of this presentation, nor any undue reliance placed upon any opinion or statement contained herein.

Agenda

**Financial
performance**



Business/
corporate update
and outlook



Questions and
Answers



Summary





PERFORMANCE REVIEW FOR THE GROUP⁽¹⁾

For the year ended	FY23 S\$'000	FY22 S\$'000	% Increase/ (decrease) ⁽²⁾
Revenue	83,792	76,600	9.4%
Interest income	2,613	883	195.9%
Other income	209	301	(30.6%)
Operating expenses	(44,966)	(37,696)	19.3%
Impairment loss	(1,971)	(640)	208.0%
Finance costs	(356)	(346)	2.9%
Share of results of associate	65	(332)	(119.6%)
Share of results of joint ventures	(1,570)	(1,923)	(18.4%)
Profit before tax	37,816	36,847	2.6%
Income tax expense	(8,463)	(7,856)	7.7%
Profit after tax	29,353	28,991	1.2%
Profit after tax before impairment loss	31,324	29,631	5.7%

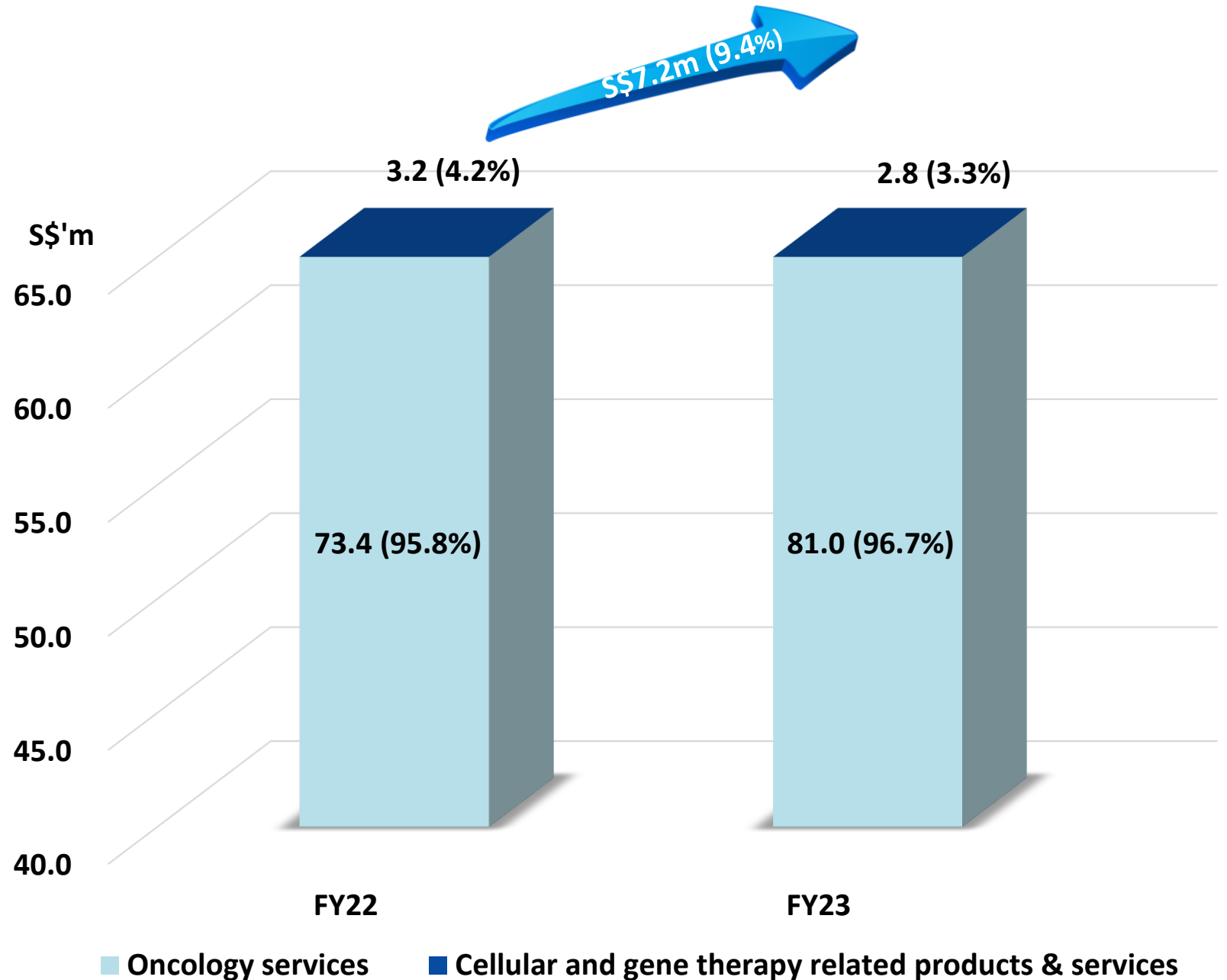
⁽¹⁾ Defined as the Company, its subsidiaries, joint ventures and associate company

⁽²⁾ Based on the Company's announcement dated 20 February 2024



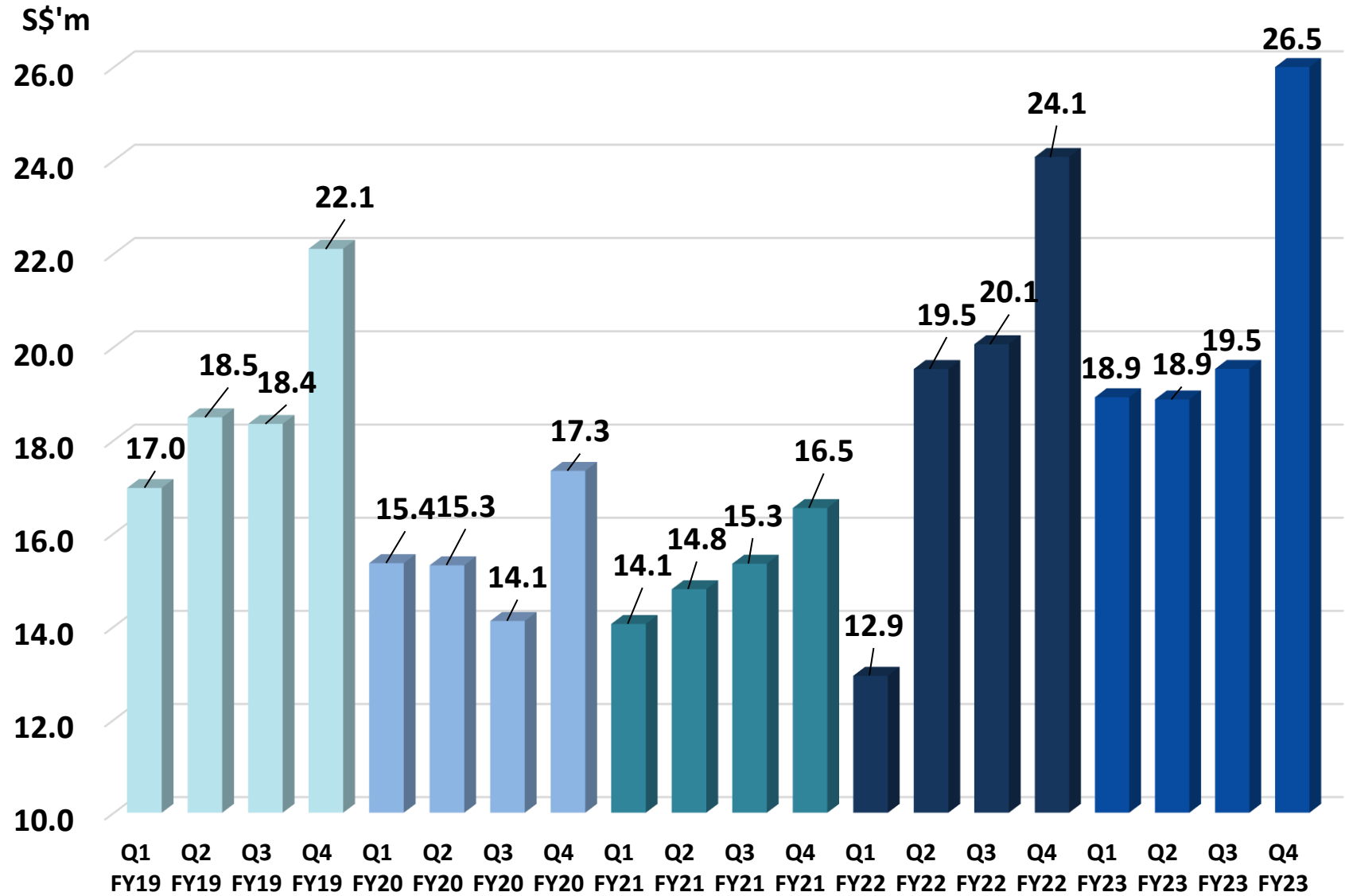
REVENUE BREAKDOWN

– FY2023 vs FY2022



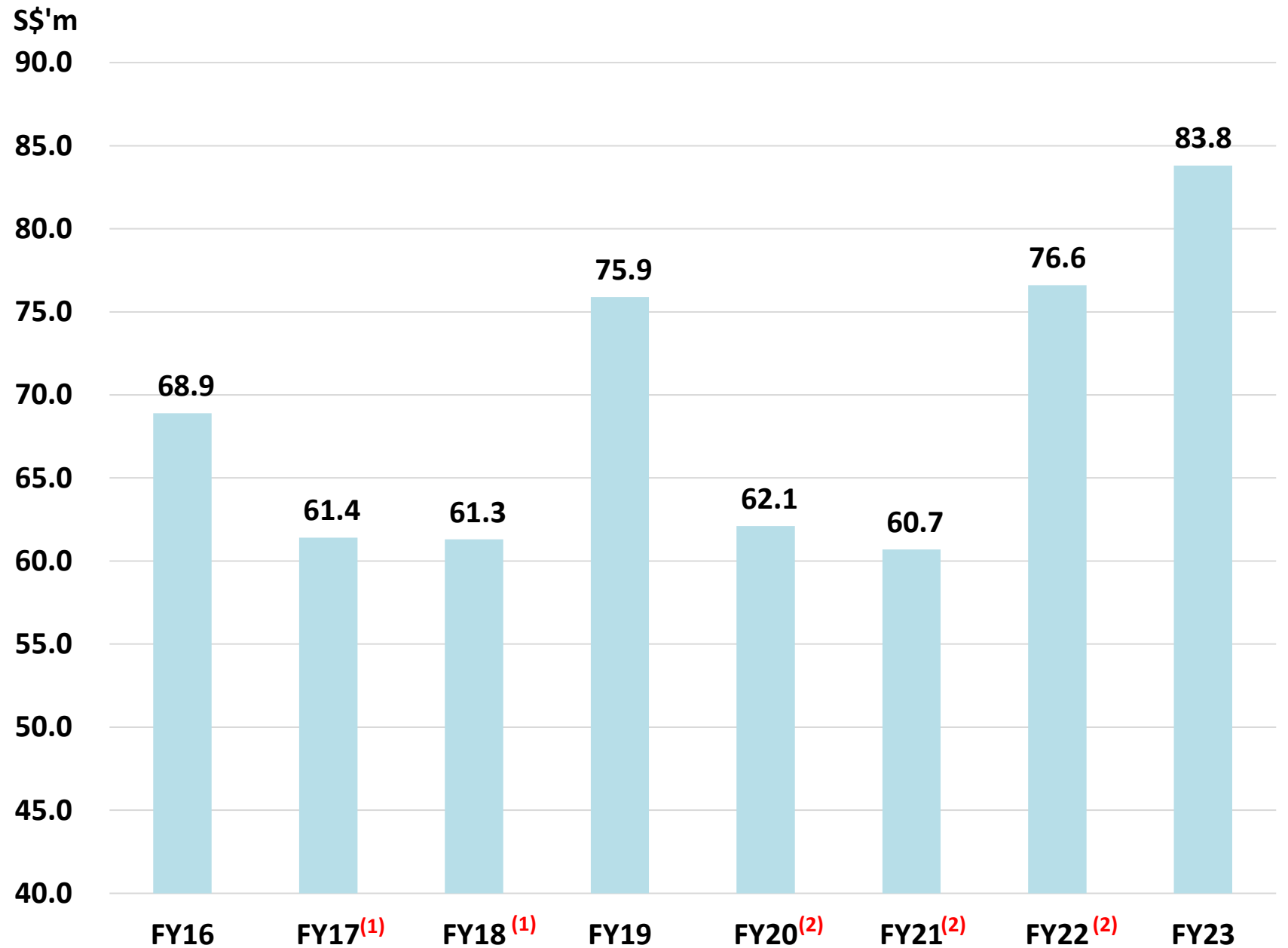


QUARTERLY REVENUE





YEARLY REVENUE



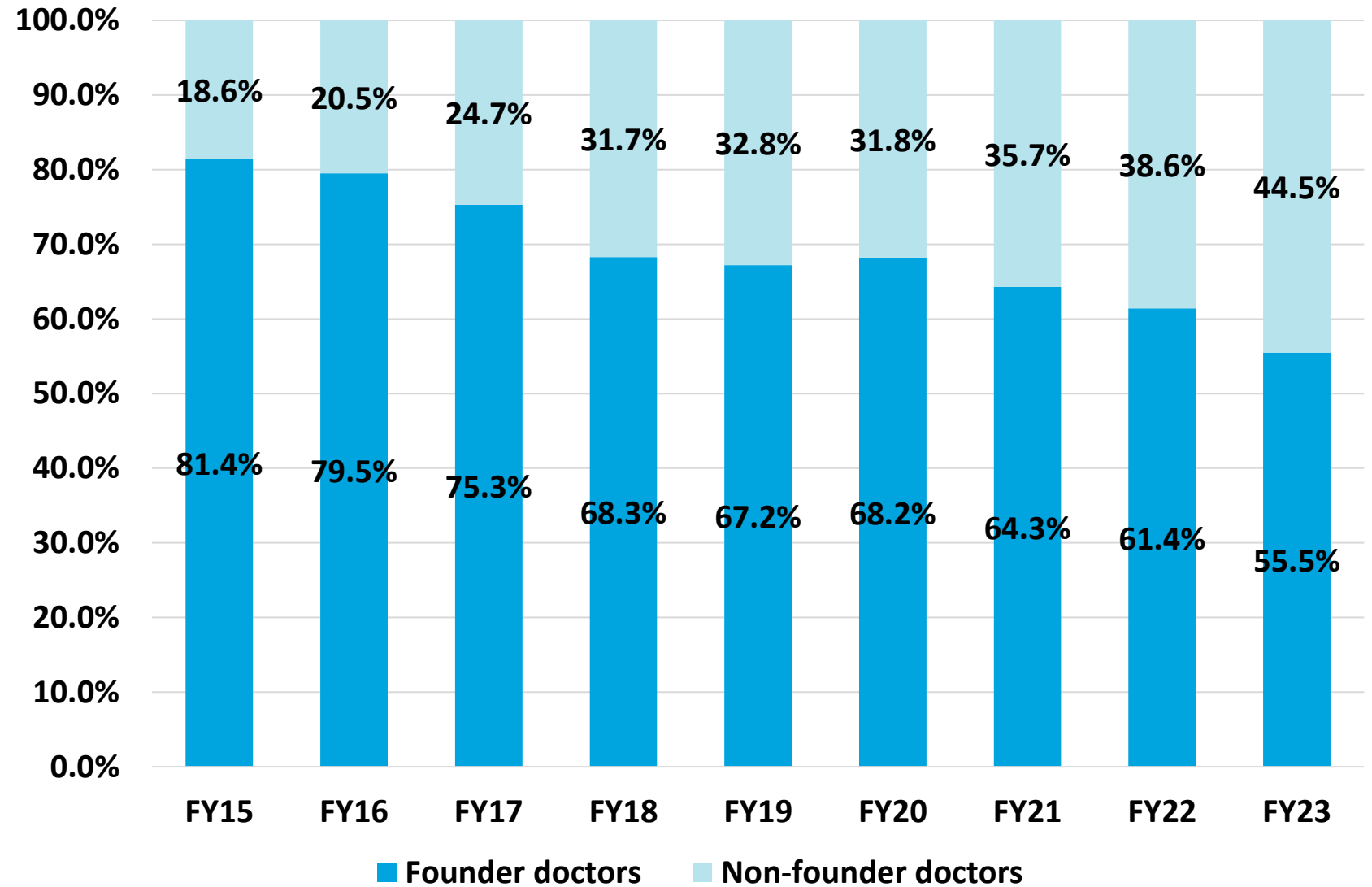
⁽¹⁾ Dr Ang was suspended from 25 July 2017 to 25 March 2018

⁽²⁾ Our operations were adversely affected by COVID-19 related measures up to March 2022



ESTIMATED REVENUE CONTRIBUTION (%)

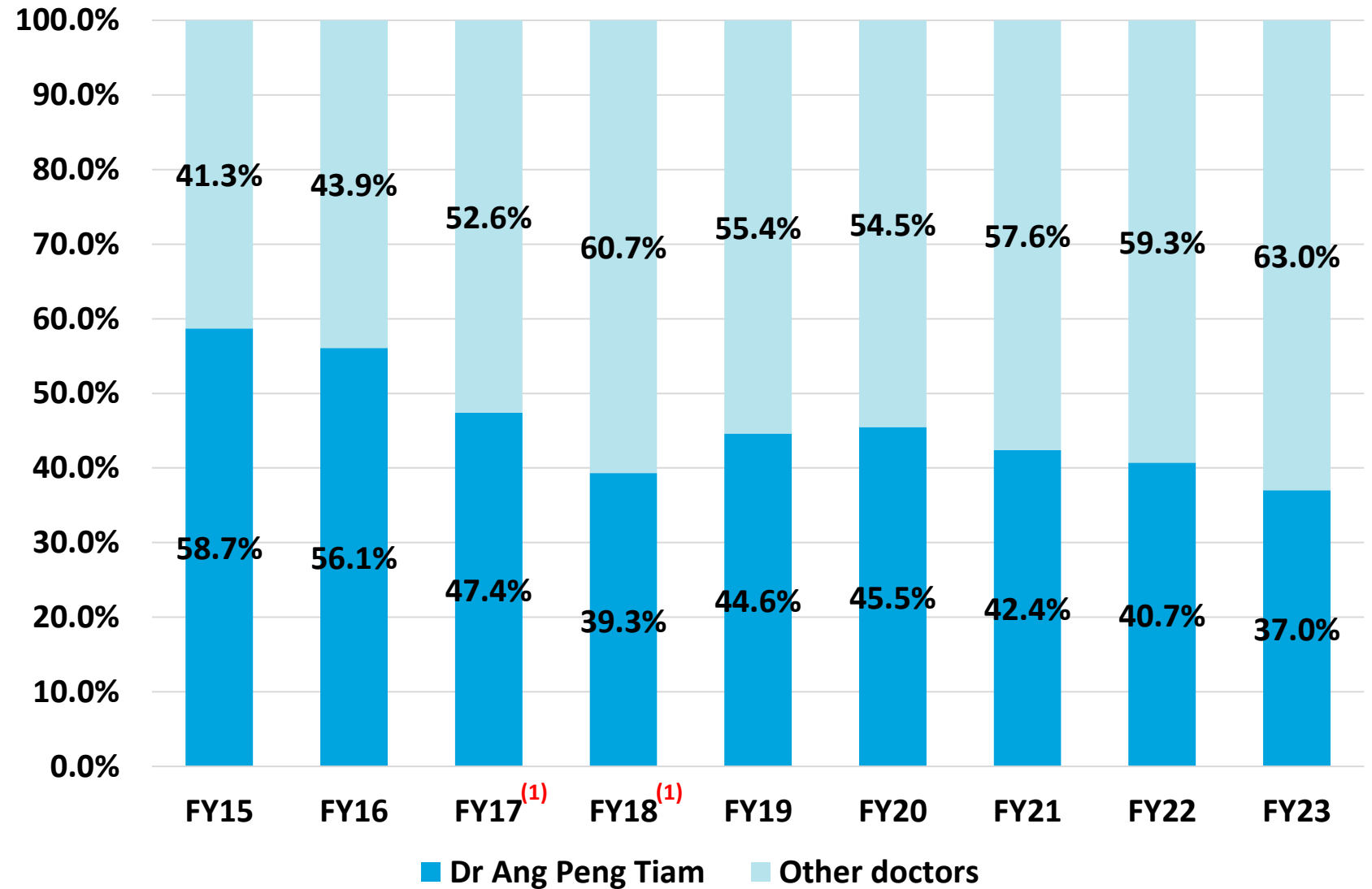
– Founder doctors vis-a-vis non-founder doctors





ESTIMATED REVENUE CONTRIBUTION (%)

– Dr Ang Peng Tiam
vis-a-vis other doctors



⁽¹⁾ Dr Ang was suspended from 25 July 2017 to 25 March 2018



OPERATING EXPENSES FOR THE GROUP

– Key movements

For the year ended	FY23 S\$'m	FY22 S\$'m	% Increase/ (decrease) ⁽²⁾
Employee benefits expense ⁽¹⁾	33.78	29.44	14.8%
Share-based payments expense	0.55	0.50	9.8%
Operating lease expense	0.07	0.06	10.2%
Depreciation of right-of-use assets	2.13	2.03	4.9%
Depreciation of plant and equipment	0.66	0.52	28.1%
Other operating expenses ⁽¹⁾	7.78	5.15	50.9%
Total operating expenses	44.97	37.70	19.3%

⁽¹⁾ Further details on the breakdown by entities and movements will be provided in later slides

⁽²⁾ Based on the Company's announcement dated 20 February 2024

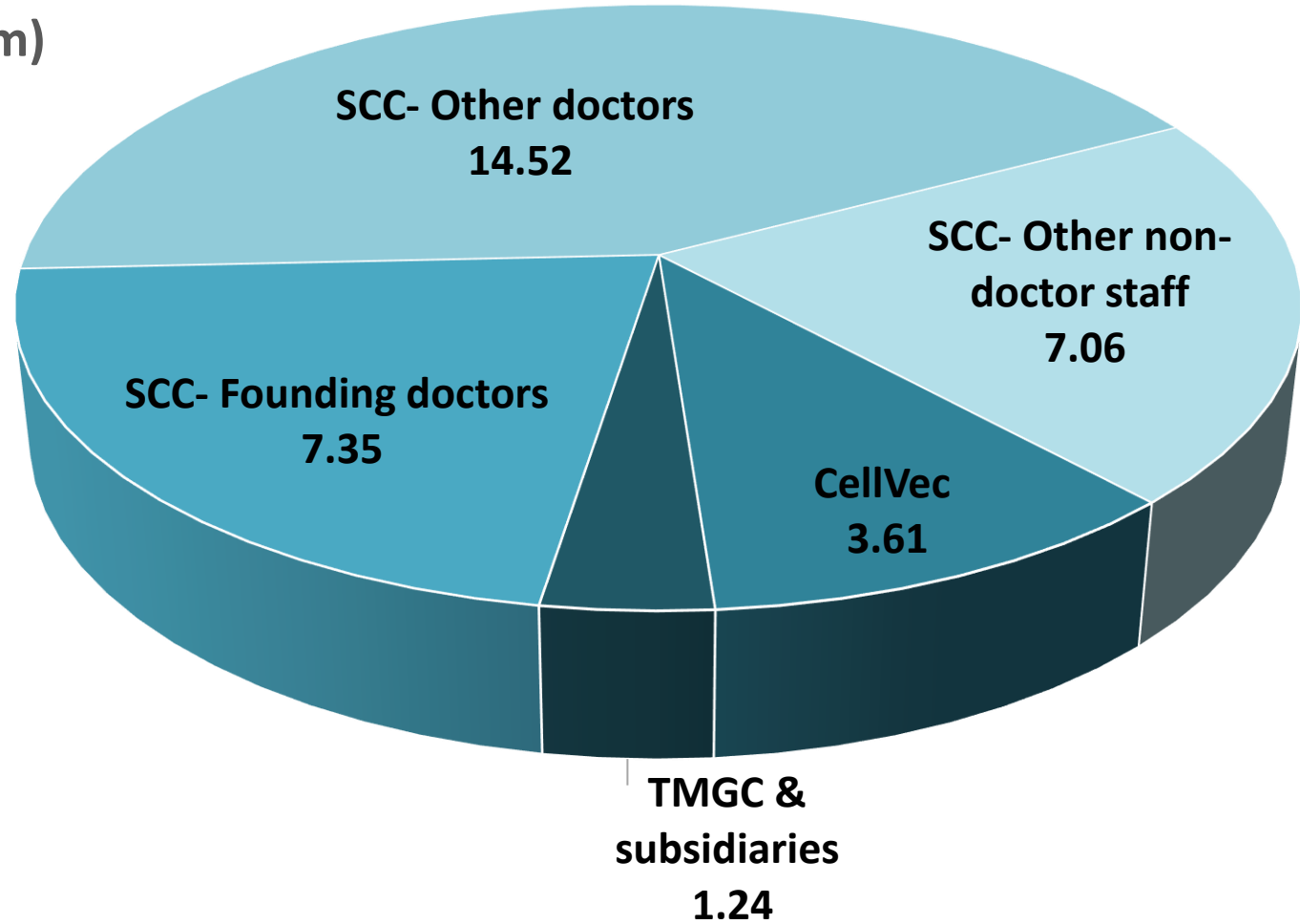


EMPLOYEE BENEFITS EXPENSE FOR THE GROUP

– By Entities

FY23 (Total: S\$33.78m)

(In S\$'m)



SCC- Singapore Cancer Centre Pte. Ltd.

CellVec- CellVec Pte. Ltd.

TMGC- TalkMed Greater China Pte. Ltd.

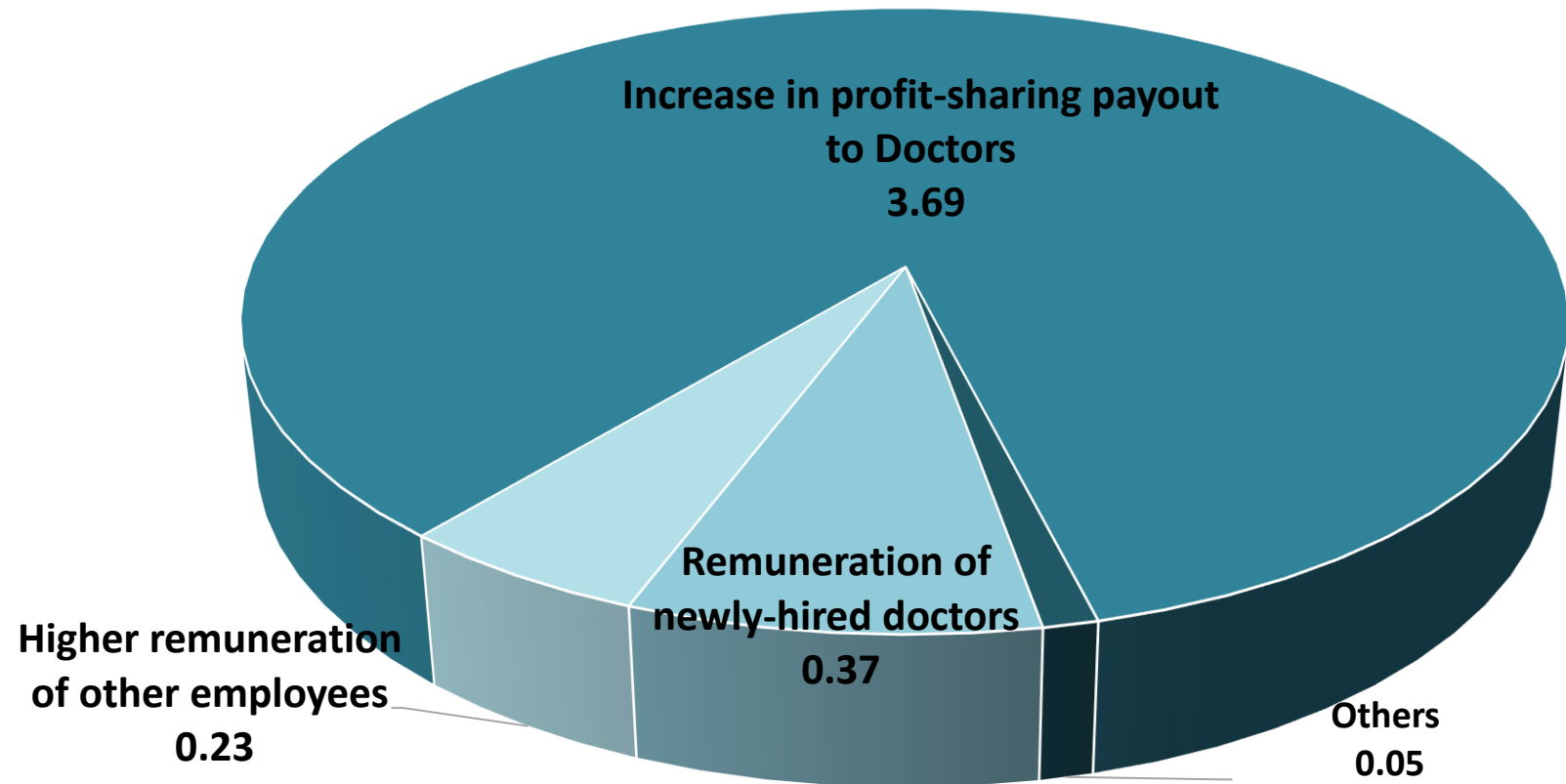


EMPLOYEE BENEFITS EXPENSE FOR THE GROUP

– FY2023 vs FY2022

FY23 vs FY22: Increase of S\$4.34m (see below for breakdown)

(In S\$'m)



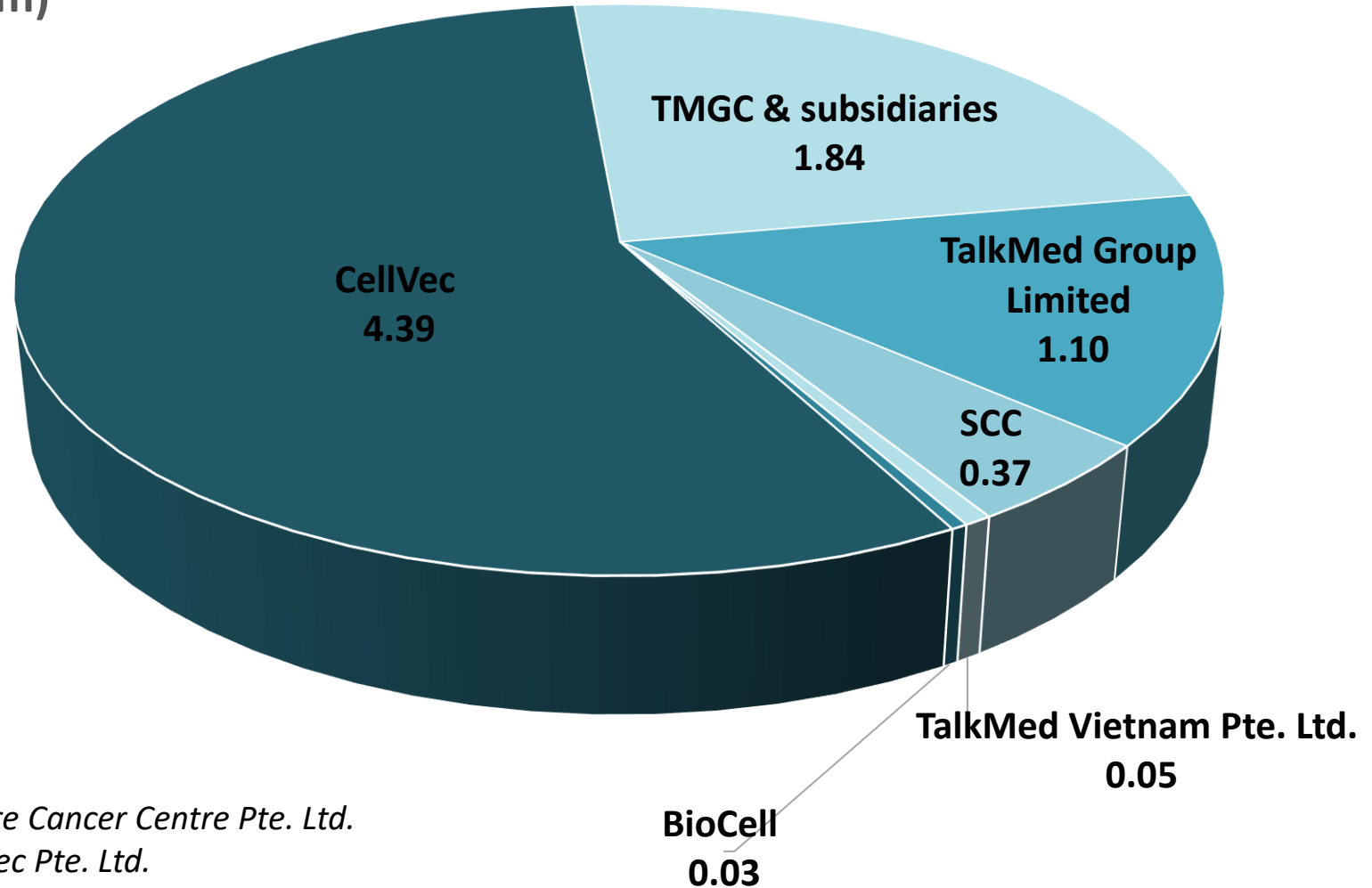


OTHER OPERATING EXPENSES FOR THE GROUP

– By Entities

FY23 (Total: S\$7.78m)

(In S\$'m)



SCC- Singapore Cancer Centre Pte. Ltd.
CellVec- CellVec Pte. Ltd.
BioCell- BioCell Innovations Pte. Ltd.
TMGC- TalkMed Greater China Pte. Ltd.

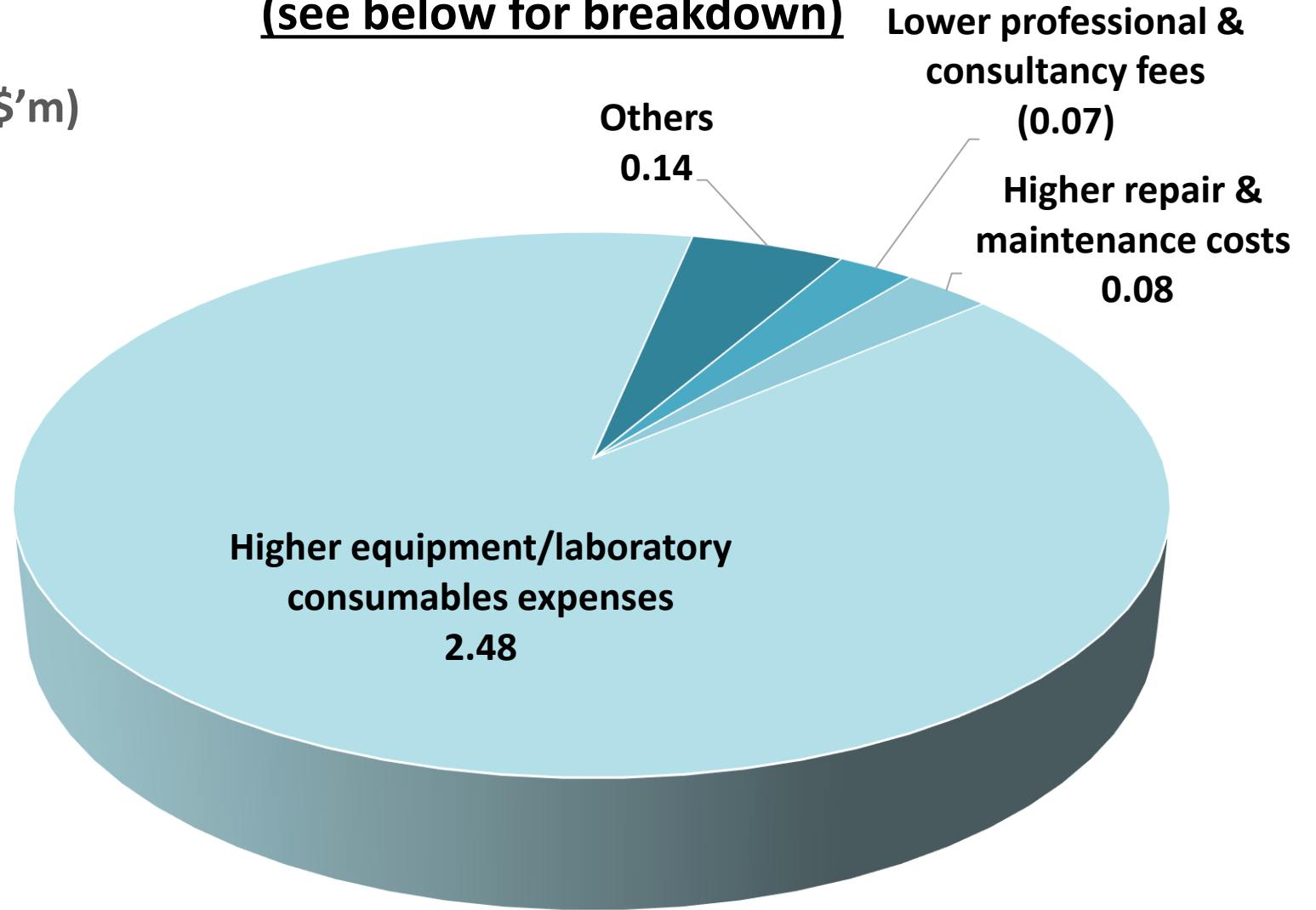


OTHER OPERATING EXPENSES FOR THE GROUP

– FY2023 vs FY2022

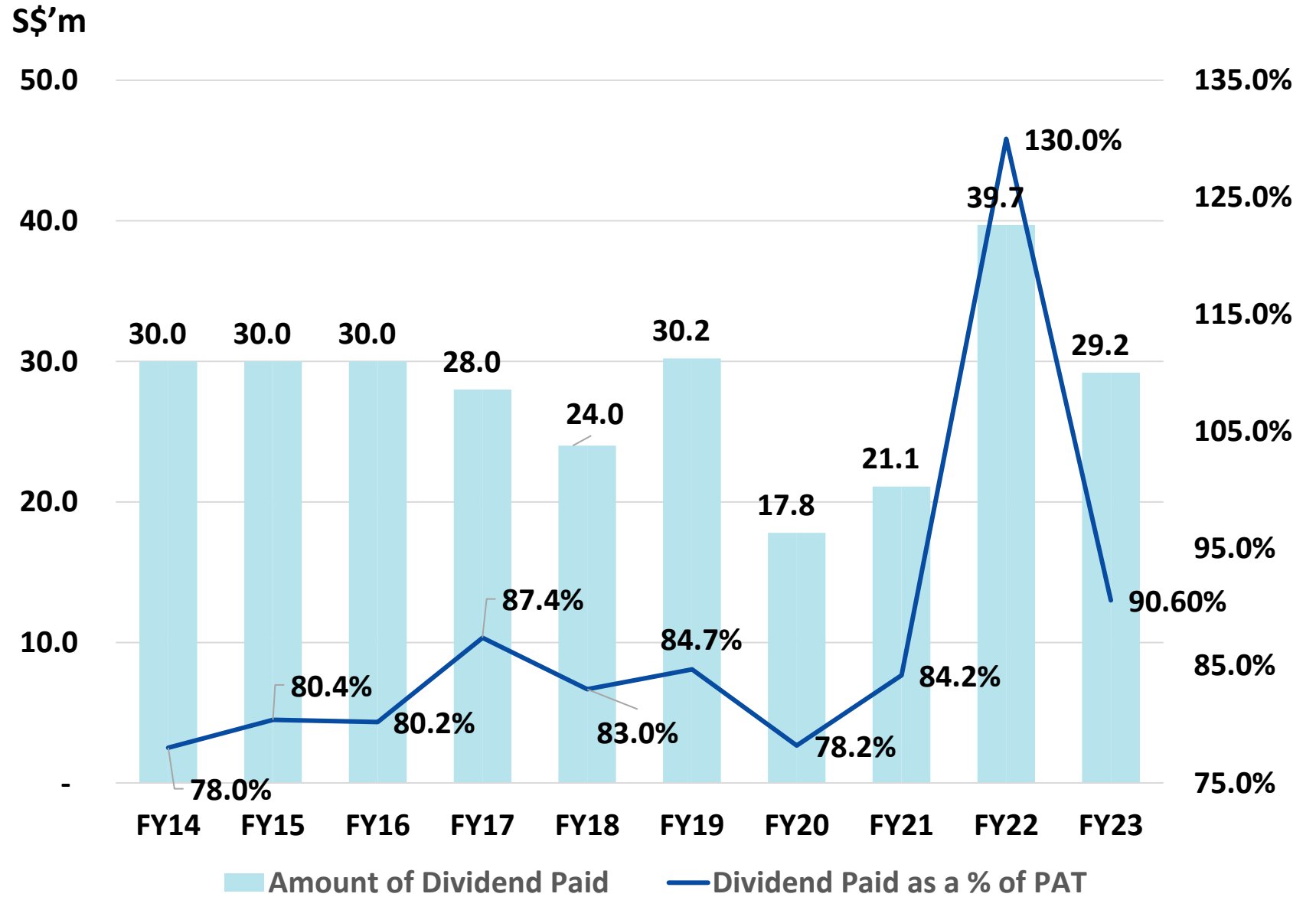
FY23 vs FY22: Increase of S\$2.63m (see below for breakdown)

(In S\$'m)



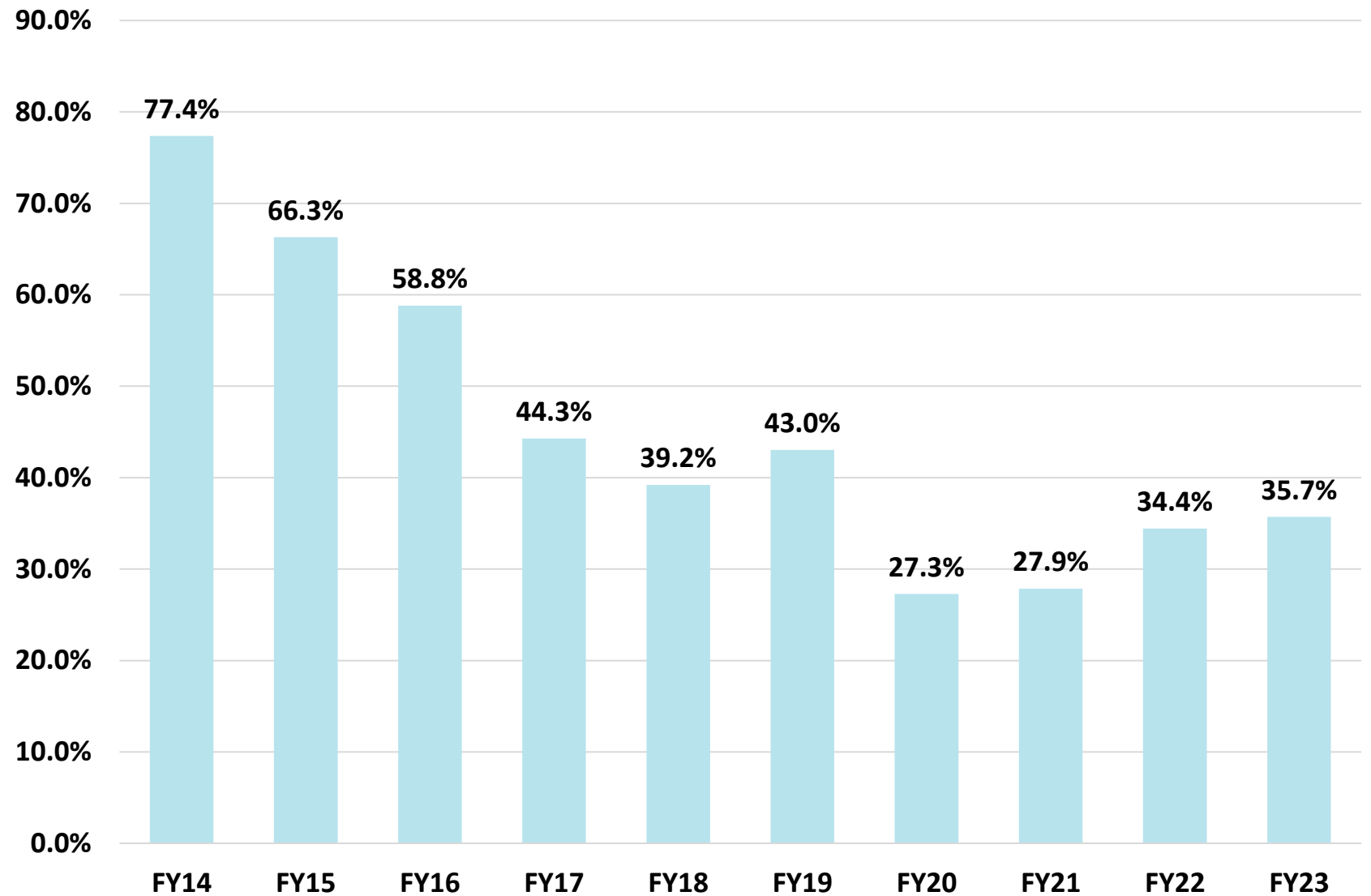


DIVIDENDS



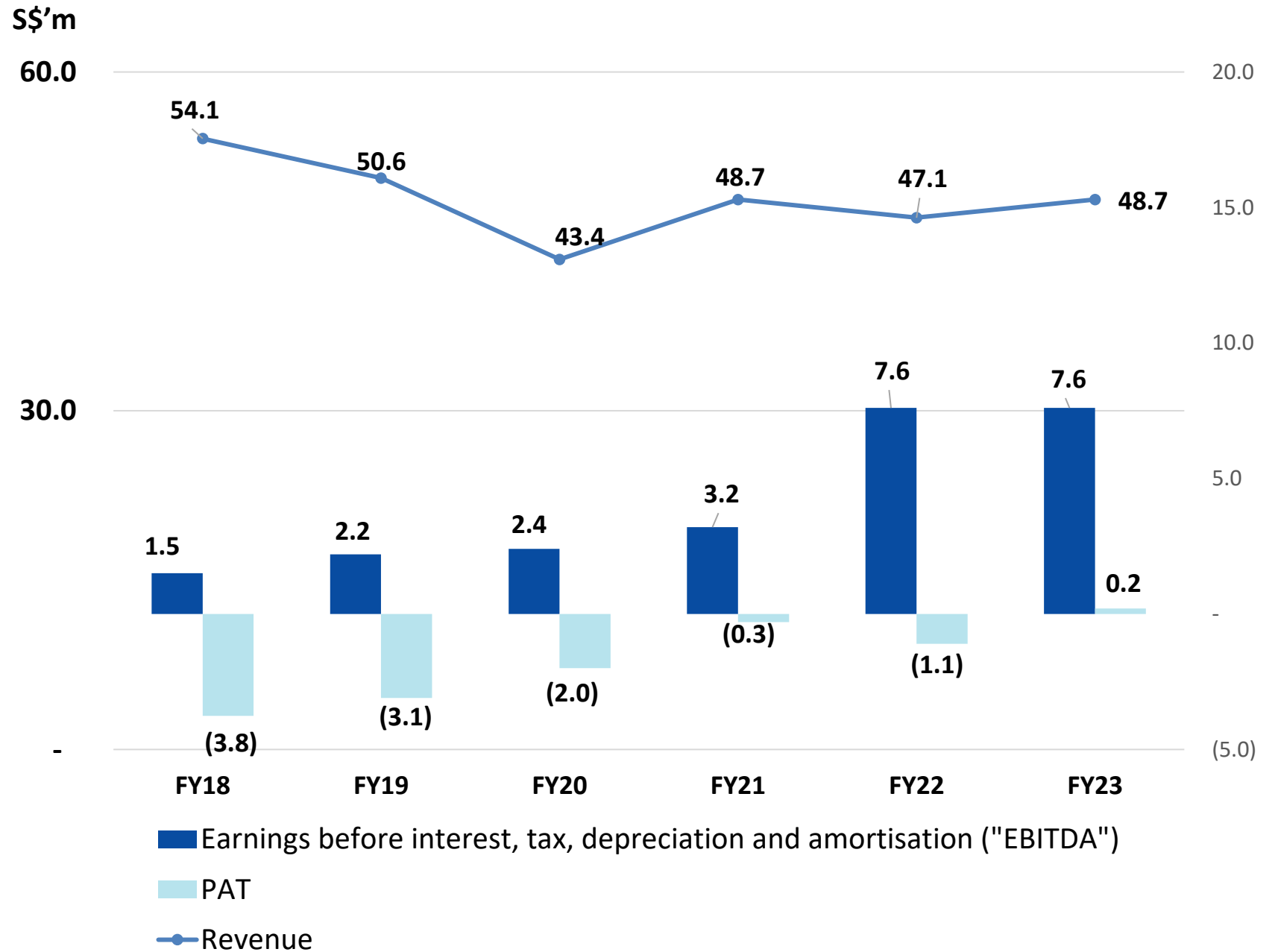


RETURN ON EQUITY





HONG KONG INTEGRATED ONCOLOGY CENTRE HOLDINGS LIMITED ("HKH")



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**Business /
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update and
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BUSINESS/ CORPORATE UPDATE AND OUTLOOK

2023

- In July 2023, the Company spun off BioCell Innovations Pte. Ltd. from CellVec, which aims to provide innovative therapies that are more affordable
- Part of our diversification strategy through which the Group hopes to gain access to the humanised CD 19-Chimeric Antigen Receptor (CAR) market



BUSINESS/ CORPORATE UPDATE AND OUTLOOK (CONT'D)

2024

Singapore

Oncology services

- We look forward to further resumption of connectivity between Singapore and the region to pre-COVID levels
- Given Singapore's strong demand for medical tourism and the foreign patient influx, we will continue to focus on the foreign patient segment to overcome continued headwinds in our local patients segment due to the Cancer Drug List ("CDL")

Cell and gene therapy business

- We have delivered lentiviral vectors that current good manufacturing practice ("cGMP")-compliant to biotech and research companies
- Having met the "New Investigational Drug" requirements, we hope to boost our order books and gain a more diverse range of clientele in 2024
- We also look forward to our new subsidiary, BioCell Innovations Pte. Ltd. to commence operations



BUSINESS/ CORPORATE UPDATE AND OUTLOOK (CONT'D)

2024

China/ Hong Kong

- We continue to believe in the potential of the China/ Hong Kong market given its size and the increasing demand for cancer treatments
- We will keep working on raising the profiles of our centres in order to compete better amidst the competition
- Key initiatives include:
 - Collaborations with healthcare partners and insurance companies;
 - Recruitment of quality medical personnel; and
 - Offering new and distinguishable services

2024



BUSINESS/ CORPORATE UPDATE AND OUTLOOK (CONT'D)

- We welcome the appointment of our new directors:
 - Mr Lam Kok Shang;
 - Mr Peter Sim Swee Yam; and
 - Dr Tan Khai Tong
- Our new directors are from different industries in accounting, legal and medical backgrounds, which will help to enrich our Board and guide the Company to new heights.

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QUESTIONS FROM SHAREHOLDERS

1

Question:

Why did the Board choose to declare a lower final dividend for FY2023 (1.3 cents per share) compared to FY2022 (1.5 cents per share), even though the earnings were better than last year?

Answer:

Other than the actual financial performance, the actual dividends that our Board may recommend or declare in respect of any particular financial year or period will also be subject to other factors including, inter alia, the Company's level of cash holdings and retained earnings as well as its future fund needs.

Since listing, actual dividends that were paid by the Company had been kept within the net profits attributable to shareholders for that financial year with the exception of FY2022. This will provide the Company with investment and operational flexibility which I will explain in more details in Question 2.



QUESTIONS FROM SHAREHOLDERS (CONT'D)

2

Question:

What is the reason the Management is retaining so much cash on the Balance Sheet?

Answer:

Having a strong cash position allows the Company to capitalise on merger and acquisition opportunities on a timely basis, without having to go through fundraising exercises that often take time.

Also, it provides liquidity in the event of unexpected business exigencies thus mitigating potential disruptions to our business operations. Lastly, it also allows the Company to make dividend distributions to shareholders, such as those in FY2022, which would otherwise not be possible in the absence of a strong cash balance.

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SUMMARY

1

The Group's revenue in FY23 increased by 9.4% primarily due to an increase in revenue from oncology services resulting from higher patient visits and treatments.

2

The Group's share of loss from our joint ventures in China decreased in FY23. The Group even registered a positive share of results in relation to our Hong Kong associate in FY23.

An impairment loss of \$2.0 million was recorded in FY23 as compared to \$0.6 million recorded in FY22.

3

The Group's PAT in FY23 increased by 1.2% on the back of higher revenue from our oncology services, partially offset by higher operating expenses and impairment losses.



SUMMARY (CONT'D)

4

The Company has proposed a final dividend of **S\$0.013** per share.

Together with the interim dividend of **S\$0.009** per share that was paid in August 2023, this will constitute 90.6% of the net profits attributable to owners of the Company in FY23.

5

In Singapore, with connectivity expected to be back at pre-COVID levels in 2024, our oncology business is well-positioned to capitalise on the foreign patient influx despite some headwinds in the local patient segment due to the Cancer Drug List.

For our cell and gene therapy, we hope to boost our order books and gain a more diverse range of clientele in 2024. We look forward to our new subsidiary, BioCell Innovations Pte. Ltd. commencing operations.



SUMMARY (CONT'D)

6

Given the potential of the China/ Hong Kong market, we will keep our focus on this geographical segment and work towards raising the profiles of our centres to compete better amidst the competition.

7

A big welcome to our 3 new directors following the reconstitution of the Board as we look forward to working with the new Board to bring the Company to greater heights



Thank you



Resolutions



RESOLUTIONS

1

Adoption of Directors' Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2023, together with the Auditor's Report thereon

2

Approval of final one-tier tax-exempt dividend of 1.3 Singapore cent per ordinary share in respect of the financial year ended 31 December 2023

3

Approval of Directors' fees of S\$510,000 for the financial year ending 31 December 2024 to be paid quarterly in arrears

4

Re-election of Dr Ang Peng Tiam as a Director of the Company pursuant to Regulation 91 of the Company's Constitution



RESOLUTIONS (CONT'D)

5

Re-election of Mr Sitoh Yih Pin as a Director of the Company pursuant to Regulation 91 of the Company's Constitution

6

Re-election of Prof Leong Ching Ching as a Director of the Company pursuant to Regulation 91 of the Company's Constitution

7

Re-election of Mr Lam Kok Shang as a Director of the Company pursuant to Regulation 97 of the Company's Constitution

8

Re-election of Dr Tan Khai Tong as a Director of the Company pursuant to Regulation 97 of the Company's Constitution



RESOLUTIONS (CONT'D)

9

Re-election of Mr Peter Sim Swee Yam as a Director of the Company pursuant to Regulation 97 of the Company's Constitution

10

Re-appointment of Messrs Ernst & Young LLP as Auditor of the Company and to authorise the Directors of the Company to fix their remuneration

11

Authority to allot and issue shares



Polling Results



Thank you