

Celebrating Life

Scaling New Heights

ANNUAL REPORT 2022



2022 was an eventful year. Against all odds, we weathered the storm, constantly seeking new opportunities for growth. Moving ahead, we seek to continue raising the bar and Scale New Heights together as one.



OUR VISION

To be the provider of choice for integrated healthcare solutions across Asia.

OUR MISSION

We aim to create better lives for people through innovative, unique and sustainable integrated solutions – delivering exceptional healthcare services solutions of the highest quality.

CORE VALUES

INTEGRITY

We serve with the highest standards of ethical conduct.

COMMITMENT

We are committed to contributing our best to society and the organisation and achieving service excellence.

ACCOUNTABILITY

We take ownership and responsibility for our actions.

RESPECT

We treat our customers with respect and dignity. We learn from those more knowledgeable than us.

EMPATHY

We care for our patients, doctors, customers and staff. Of paramount importance is their well-being and we will always respond with compassion.

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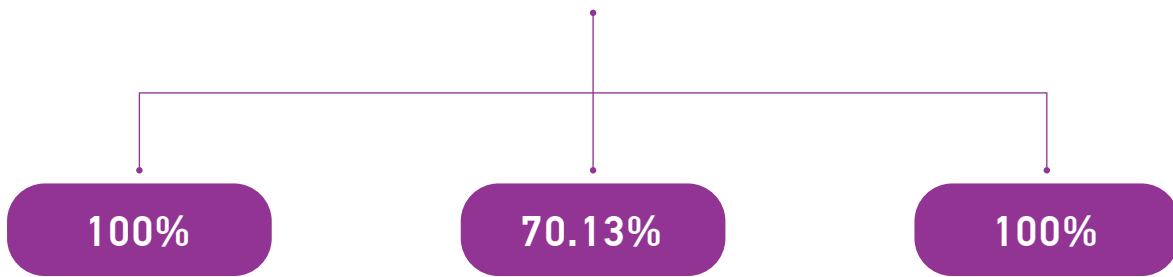
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OUR GROUP AT A GLANCE



THOMSON MEDICAL

Established in 1979, Thomson Medical Pte Ltd is one of the largest private provider of healthcare services for women and children in Singapore. It owns and operates the iconic Thomson Medical Centre and a network of specialist medical clinics and facilities providing outpatient women and children healthcare services and service offerings in diagnostic imaging, health screening, gynaecological oncology, dentistry, specialist dermatology, traditional Chinese medicine, musculoskeletal and sports medicine, and medical aesthetics.



TMC LIFE SCIENCES

TMC Life Sciences Berhad ("TMCLS") is a multi-disciplinary healthcare company listed on the Main Market of Bursa Malaysia Securities Berhad since 2005. Its flagship 205-bed hospital Thomson Hospital Kota Damansara ("THKD") is strategically located in the golden triangle of Petaling Jaya, and houses more than 100 consultant specialists. THKD handles over 18,000 admissions a year. TMCLS has embarked on a major expansion programme to add significant capacity and capabilities. THKD's newly completed expansion wing will increase hospital capacity and house a brand new Cancer & Theranostics Centre, Nuclear Medicine Centre, Eye Health Centre, Preventive Health and Family Medical Centre

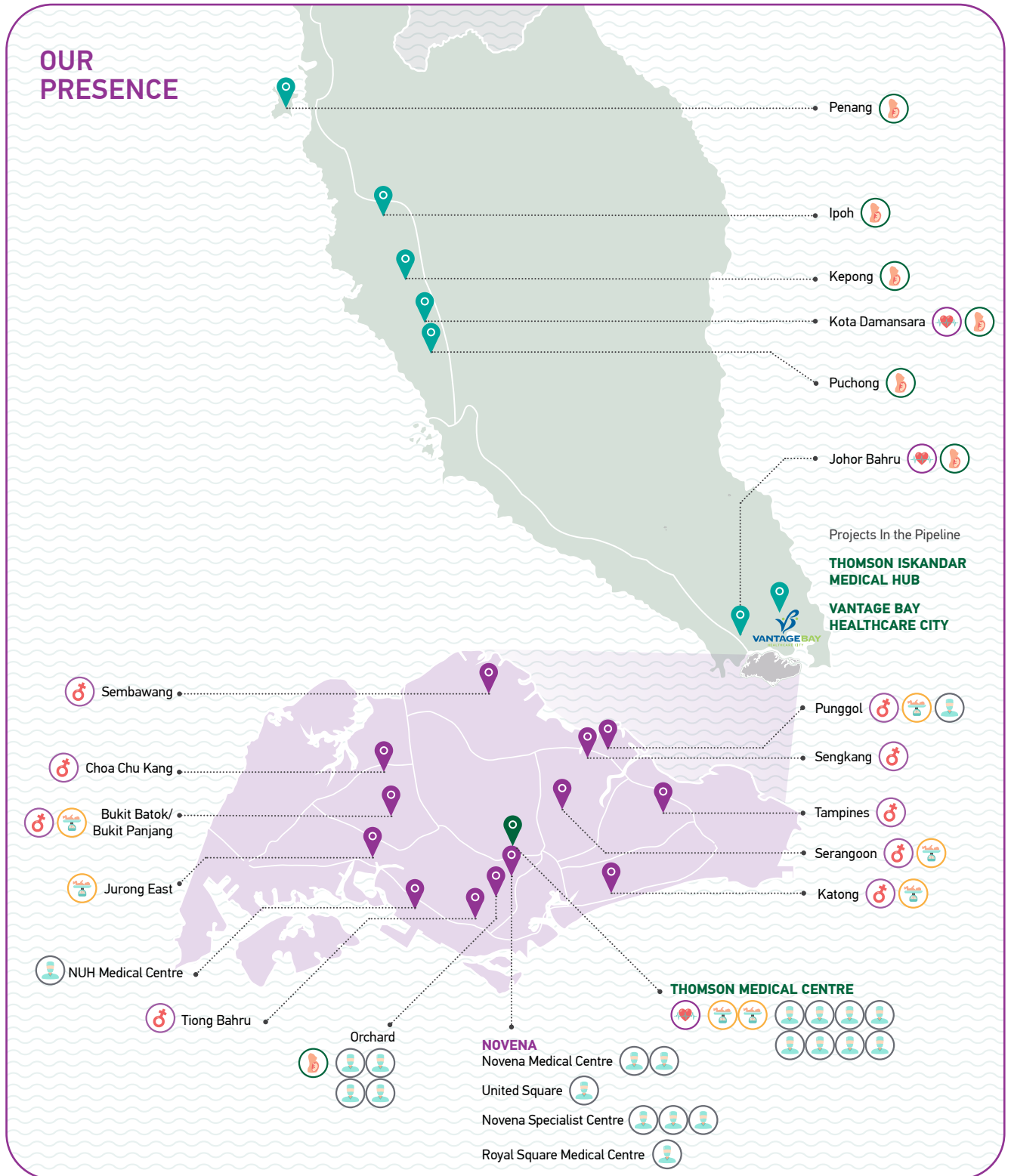


VANTAGE BAY HEALTHCARE CITY

Sited on freehold waterfront land in Johor Bahru's City Centre, Vantage Bay Healthcare City ("VBHC") is envisaged to be a purpose designed first-of-its-kind integrated medical, education and wellness hub. VBHC comprises a 500-bed tertiary hospital with an adjoining commercial tower that will be developed by TMCLS; a wellness hub providing therapeutic care and lifestyle related services, including age-friendly assisted-living residences; and an education and training hub. Upon completion, this will be the first fully integrated health sciences platform to be developed in the region.



OUR PRESENCE



LEGEND



Hospital



Women's Clinic



Paediatric Clinic



Fertility Centre



Other Clinics and Centres

Rising On Our Strengths

Harnessing the talents and resources of our people and partners, we continue to grow from strength to strength as we progressively transform into Asia's healthcare provider of choice.



REVENUE
FY2022

S\$333.7M
+38.8%

EBITDA
FY2022

S\$109.7M
+64.4%

**PROPOSED SPECIAL
DIVIDENDS**
FY2022

S\$30.4M



LETTER TO SHAREHOLDERS



"In view of the strong performance in FY2022, the Board has proposed a special dividend of 0.115 cents per share, a more than seven-fold increase from 0.015 cents per share last year."

DEAR SHAREHOLDERS

On behalf of the Board of Directors, I am pleased to present Thomson Medical Group's Annual Report for the financial year ended 30 June 2022.

Over the past year, the world has progressively adapted to living and operating in a new normal with the Covid-19 virus. Vaccines and self-testing kits have become widely available, and many countries around the world have opened their borders, signalling the beginning of a global economic recovery, notwithstanding the possibility of new Covid-19 variants emerging. Other major threats to economic growth have since emerged and these include rising geopolitical tensions and inflation.

STRONG 2022 PERFORMANCE

Operating through an uncertain business environment, the Group demonstrated tremendous resilience and commitment towards achieving our business goals and strategic priorities. This financial year, I am pleased to

report that the Group achieved a total revenue of \$333.7 million in FY2022, representing a strong increase of 38.8% compared to previous financial year. The increase was mainly driven by higher patient loads as a result of business recovery from the Covid-19 impact, along with the management of vaccination centres, Transitional Care Facilities and Covid-19 Treatment Facilities, as well as the opening of the new wing at Thomson Hospital Kota Damansara during the second half of the financial year. In tandem with the higher revenue, the Group EBITDA grew by 64.4% to \$109.7 million. The Group's profit for the year increased to \$58.6 million as compared with \$16.9 million in the previous financial year, a growth of 246.5%. FY2022 marks the first time that Group revenue has exceeded \$300 million, and Group EBITDA has exceeded \$100 million.

In view of the strong performance in FY2022, the Board has proposed a special dividend of 0.115 cents per share, a more than seven-fold increase from 0.015 cents per share last year.

Given the exceptional results and following a period of challenges posed by the Covid-19 pandemic, the Board wishes to reward and thank our shareholders for their steadfast support with this special dividend.

EMPLOYER OF CHOICE

Behind this year's stellar financial results, are the extraordinary people of Thomson Medical, who had worked tirelessly over the year towards providing quality patient care and strengthening operations. We believe that our employees are the Group's greatest asset, and as such we have been committed to supporting their growth and helping them achieve their career goals.

The Straits Times and Statista recently conducted the Singapore's Best Employers Survey 2022, recognising the most attractive local employers based on responses from over 17,000 employees, who scored companies across aspects including work environment, potential for development, salary, image, and diversity.



These results validate our efforts to supporting the growth and development of our employees as we continue to make Thomson Medical a great place to work in.

I am proud to share that Thomson Medical has come in 50th among the 200 highest-scoring employers and 2nd in the Healthcare & Social category! These results validate our efforts to supporting the growth and development of our employees as we continue to make Thomson Medical a great place to work in. Congratulations!

FOCUSING ON THE CUSTOMER

To continue making Thomson Medical the healthcare provider of choice, we strive to place patients as our highest priority, and we aim to deliver excellent service that is aligned with our brand promise and vision. To achieve this, Thomson Medical's Service Quality Committee has put together a Service Excellence Framework to ensure consistency in customer service delivery through service training initiatives, implementing daily roll call huddles at the frontline staff level to emphasise service standards, and involving

managers to monitor these initiatives to ensure high service standards 24-7.

The results of these initiatives are monitored through voluntary patient surveys on the level of satisfaction with their patient experience at inpatient and outpatient touchpoints. I am pleased to note that we have consistently managed to achieve our patient satisfaction goals throughout the year. Our Sustainability Report will provide further details about our patient satisfaction journey and achievements.

GROWTH IN MALAYSIA

Growth plans at Thomson Hospital Kota Damansara ("THKD") have begun to blossom and take flight. On 30 March 2022, THKD received the operating license from the Ministry of Health for the hospital's newly completed expansion wing, which will increase THKD's bed count from 205 to 535 beds. THKD has progressively opened its new wards in phases to meet healthcare demand.

Expanding THKD's tertiary services, the new expansion wing will also house a brand-new Cancer & Theranostics Centre, Nuclear Medicine Centre, Eye Health Centre, Preventive Health and Family Medical Centre. THKD will provide full suite of cancer treatment modalities: surgery, chemotherapy, and radiotherapy, which in turn will spearhead the capability of THKD to provide care for complex cancer conditions.

With the increasing incidence of cancer across Malaysia, THKD will be well poised to meet this demand.

BOARD UPDATES

At the Group's AGM on 22 October 2021, Mr Freddie Heng retired after serving the Group as a Non-Executive Non-Independent Director. On behalf of the Board, I would like to thank Freddie for his leadership, counsel, and contributions as a fellow board member, and invaluable service to the Group over the years.

Following through on the Group's regular review of its Board size and composition, on 1 January 2022, I would like to extend a warm welcome to three new Board members: Ms Christina Teo Tze Wei and Ms June Leong Lai Ling, both of whom will be Non-executive and Independent Directors, and Ms Wan Nadiah who will be an

LETTER TO SHAREHOLDERS

Executive Director. On the same day, the Group also appointed Mr Kiat Lim (Lim Wee Kiat) as CEO of Thomson X and he was redesignated from Non-Executive to Executive Director of the Group.

With these new appointments, the Board's membership will be expanded from seven to nine, with women comprising one third of the new Board. Ensuring that the Board has an appropriate balance of experience, competencies, and knowledge, 55% of the Board will be below the age of 50; while 56% will comprise Non-Executive Directors. The Board can be seen to be renewing itself as 67% or six members have served three years or less, 22% between six and eight years, and one, more than nine years.

The Group recently announced that Executive Director and Group Chief Executive Officer Dr Wong Chiang Yin will resign and step down on 30 September 2022 to pursue personal interests. During his tenure, Dr Wong steered the Group through an exceptionally turbulent period to emerge stronger on the other side of Covid-19.

Through his leadership, Thomson Medical has managed to grow its market share in obstetrics in Singapore and developed new services. He has also led the team with dedication and a physician's equanimity in supporting Singapore's fight against the Covid-19 virus. On behalf of the Board, I would like to sincerely thank Dr Wong for his leadership and invaluable contributions to the Group and wish him good health and success in all his future endeavours. The Board has identified a potential successor to Dr Wong and will make an announcement to all shareholders in due course.

At the same time, the Board has appointed Mr Kiat Lim, the incumbent Executive Director of the Group currently overseeing its digital arm, Thomson X, as Executive Vice-Chairman with effect from 1 September 2022. In his new role, Mr Kiat Lim is expected to accelerate regional growth through mergers and acquisitions, particularly for core hospital services in fast-growing economies in Southeast Asia. He will concurrently continue to spearhead digital transformation at TMG.



We have made significant strides in our sustainability journey this year. As a Group, we are dedicated to safeguarding the wellbeing of current and future generations.





As the pandemic phase of Covid-19 hopefully winds down, I am glad to see that the Group has weathered the storm together as one family and we should be proud of this achievement.

ADVANCING ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”)

We have made significant strides in our sustainability journey this year. As a Group, we are dedicated to safeguarding the wellbeing of current and future generations. Striving to become Singapore’s leading healthcare service provider, we work closely with all our stakeholders to deliver innovative healthcare solutions in support of a healthier tomorrow.

The Board and management recognise the importance of tackling material ESG issues head-on, and we are actively taking steps to establish robust policies and practices to ensure the sustainability of our healthcare operations. This is our responsibility to our patients, employees and shareholders, and we hope to make a positive contribution for our environment, local communities, and society at large.

This year, we have incorporated our Sustainability Report into the Annual Report and we will be closely following SGX’s roadmap for companies to provide climate-related and board diversity disclosures. In line with our pledge to make a meaningful contribution towards the United Nations Sustainable Development Goals, we have detailed the sustainability efforts and initiatives that were undertaken this year in the Sustainability Report section.

I am confident that the sustainability goals we have defined will steer us towards a brighter and healthier future.

APPRECIATION

On behalf of the Board, I would like to convey my sincere appreciation to the Group’s shareholders, patrons and business partners for their support and confidence in the Group’s vision and business strategy. I also wish to acknowledge the contributions of my fellow Board directors for their strategic and business counsel and look forward to working closely with the new Board members. With the quickly evolving healthcare landscape, I am confident that the diversity of the Board will bring about new insights, skillsets, and strategic vision to the Group to support our leadership teams. Above all, I wish to sincerely thank our doctors, nurses and staff for their tireless efforts and selfless contribution in providing the highest levels of care to our patients.

As the pandemic phase of Covid-19 hopefully winds down, I am glad to see that the Group has weathered the storm together as one family and we should be proud of this achievement. Moving ahead into the new year, we are well-poised to emerge from a position of strength and ready to capture growth opportunities in the healthcare space. As we move forward into exciting times, I am confident that we will continue to grow our businesses, improve our operational performance, and continue to deliver value to our patients, shareholders and all stakeholders who have placed their trust in us. I look forward to steering the Group into the year ahead, as we work together to Scale New Heights!

NG SER MIANG

Chairman, Non-Executive and Independent Director

YEAR IN REVIEW 2022



JULY 2021

THKD commissions Covid-19 vaccination centre

In response to managing the Covid-19 pandemic, THKD commissioned a Covid-19 vaccination centre - Pusat Pemberian Vaksin at the new expansion wing, delivering more than 100,000 vaccine doses to the public.

AUGUST 2021

Thomson Medical onboards paediatricians and paediatric services onto WhiteCoat telemedicine platform

Providing parents and their children convenient and on-demand access to paediatric care, Thomson Paediatric Centre's paediatricians were the first to be listed on WhiteCoat's paediatric care telemedicine platform.

NOVEMBER 2021

Thomson Medical sets up Covid-19 Treatment Facility ("CTF")

In continued support of the fight against Covid-19, Thomson Medical set up and managed a Covid-19 treatment facility at Sengkang Community Hospital to attend to stabilised Covid-19 patients that still require close medical care in a hospital setting.

DECEMBER 2021

Thomson X announces joint venture with WhiteCoat to launch women's and children's mobile application

To broaden accessibility to the Group's doctors and services, Thomson X and WhiteCoat announced plans to launch a mobile application to deliver a holistic omni-channel healthcare experience to meet the health and wellness needs of women and children.



**FEBRUARY 2022****Launch of new Thomson TCM clinic**

Thomson Chinese Medicine launched its fourth clinic at Novena Specialist Centre to bring patients more convenient access to tailored care and treatment from our TCM physicians.

MARCH 2022**THKD obtains operating license for new expansion wing from MOH Malaysia**

Thomson Hospital Kota Damansara obtains operating license from MOH Malaysia paving the way for clinical operations to begin at its new expansion wing.

APRIL 2022**Thomson Medical receives Singapore's Best Employers 2022 award**

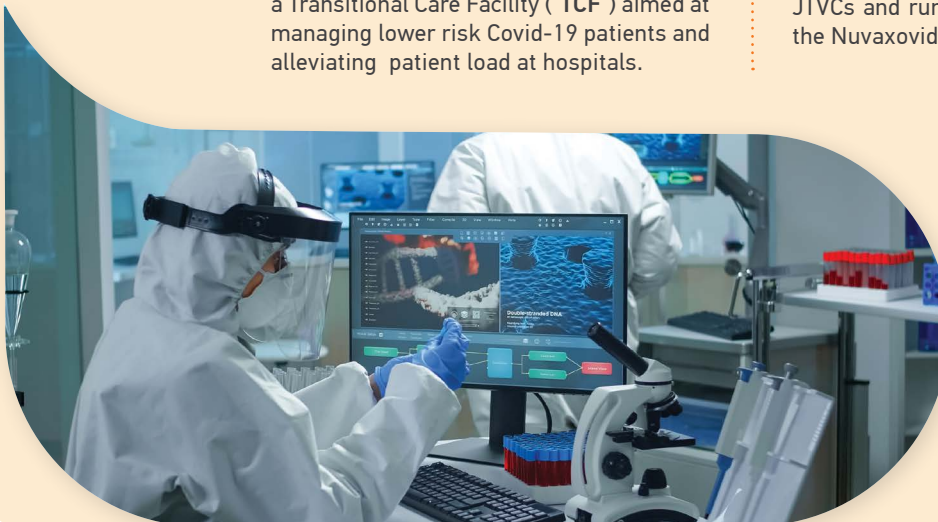
Thomson Medical was ranked 50th among the 200 highest-scoring employers and 2nd in the Healthcare & Social category, in the 2022 Singapore's Best Employers Survey by The Straits Times and Statista.

APRIL 2022**Thomson Medical converts CTF to Transitional Care Facility**

Reacting to the slowdown of the Omicron Covid-19 variant, Thomson Medical converted its Covid-19 treatment facility to a Transitional Care Facility ("TCF") aimed at managing lower risk Covid-19 patients and alleviating patient load at hospitals.

MAY 2022**Supporting vaccination operations at Joint Testing & Vaccination Centres ("JTVC")**

Thomson Medical was selected by MOH to support vaccination operations at two JTVCs and runs the only centre offering the Nuvaxovid Covid-19 vaccine.



BOARD OF DIRECTORS

MR NG SER MIANG, 73 Chairman, Non-Executive and Independent Director

Mr Ng was appointed Non-Executive Independent Chairman on 1 December 2015 and was last re-elected on 23 October 2020. He currently chairs the Nominating and Remuneration Committee.

Mr Ng holds directorships in various companies and was also Singapore's non-resident Ambassador to Norway and Hungary. He is the Chairman of Dunman High School Advisory Committee, Chairman of the Singapore Olympic Foundation and Fundacion Valencia Club de Futbol De La Comunidad Valenciana, and the Vice President of the International Olympic Committee Executive Board and chairs its Finance Commission and Group Staff Pension Fund Foundation Board. Mr Ng was also a Nominated Member of Parliament from 2002 to 2005.

Mr Ng received multiple honours and awards in recognition of his contributions to public service, including SG50 Outstanding Chinese Business Pioneers Award, the National Trades Union Congress Distinguished Service (Star) Award, Meritorious Service Medal by the Singapore Government, and the Commander's Cross – Order of Merit (Civil Division) from the Hungarian President.

Mr Ng holds a Bachelor of Business Administration (Honours) from the University of Singapore and is a Chartered Fellow at the Chartered Institute of Transport.

MR LIM WEE KIAT, 29 Executive Vice-Chairman

Mr Lim was appointed to the Board on 15 March 2019 and was last re-elected on 22 October 2021. He was appointed as Chief Executive Officer of Thomson X, a subsidiary of the Company and was re-designated from Non-Executive to Executive Director of the Company on 1 January 2022. On 1 September 2022, Mr Lim was appointed as Executive Vice-Chairman of the Group. He is responsible for the overall growth strategies for the Group and also oversees Thomson X, the Group's digital arm, to spearhead digital transformation for the Group.

After graduating from the University of New South Wales Australia with a Bachelor of Science in Psychology, Mr Lim started his career with Kestrel Capital Pte Ltd as Vice President (Investments). He was involved in various investments and corporate finance transactions, including a very substantial acquisition, and a distribution in-specie.

Mr Lim has an extensive network of business contacts and was involved in business development activities for the RSP Group where he brought in regional business opportunities. He was also involved in starting new companies together with like-minded entrepreneurs to invest in emerging sectors such as healthcare technology, technology platforms and Esports. Mr Lim holds directorship in various companies that he has co-founded or invested in.

DR WONG CHIANG YIN⁽¹⁾, 54 Executive Director and Group Chief Executive Officer

Dr Wong was appointed as Executive Director and Group Chief Executive Officer on 1 February 2020. He was last re-elected as director on 23 October 2020. He leads and manages the Group and works actively with the Board and Management to set strategic direction focused on growing the business.

Dr Wong is a medical doctor and a public health specialist with more than 20 years of healthcare management experience. He is currently an Independent Director of RHT Health Trust, a company listed on SGX. Previously he was the Executive Director and Group CEO of Cordlife Group Limited, President of Thomson International and Executive Director of TMC Life Sciences Berhad. He is a Council Member of the Singapore Medical Association and was its President from 2006 to 2009. He has held senior positions in the public sector, including Chief Operating Officer of Singapore General Hospital and Changi General Hospital. He is also an elected member of the Singapore Medical Council.

He was conferred The Public Service Star (Bintang Bakti Masyarakat, BBM) by the Singapore Government in 2022.

Dr Wong holds a Bachelor of Medicine and Bachelor of Surgery, as well as Master of Medicine (Public Health) from the National University of Singapore. He also holds a Master of Business Administration (Finance) from the University of Leicester. He is a Fellow of the Academy of Medicine, Singapore.

(1) Dr Wong has resigned from his position as Executive Director and Group Chief Executive Officer. The effective date of cessation is 30 September 2022.

MR WILSON SAM, 46

**Executive Director and
Group Chief Financial Officer**

Mr Sam was appointed to the Board on 15 March 2019 as Executive Director and Group Chief Financial Officer and was last re-elected on 22 October 2021. Mr Sam is responsible for providing leadership to the Group's financial and management reporting, corporate finance, treasury, investor relations and corporate and regulatory compliance of the Group. Mr Sam holds directorships in various companies and is currently a Non-Executive and Non-Independent Director of Secura Group Limited.

Mr Sam has 20 years of experience in finance, investments and advisory in Singapore. Prior to joining the Group, he was with Kestrel Capital Pte Ltd as Senior Vice President (Investments) where he was leading merger and acquisition activities, investment execution and management.

Mr Sam holds a Bachelor of Business Studies (Honours) with a major in financial analysis and a minor in accountancy from Nanyang Technological University. He is also a CFA charter holder, a CAIA charter holder and holds the FRM certification.

**MS WAN NADIAH BINTI WAN
MOHD ABDULLAH YAAKOB, 38**

**Executive Director and Group Chief
Executive Officer – TMC Life Sciences Berhad**

Ms Wan Nadiah was appointed to the Board on 1 January 2022. She is also the Group Chief Executive Officer of TMC Life Sciences (TMCLS) and was appointed Executive Director of TMCLS since February 2019. She is also the Chief Executive Officer of Thomson Hospital Kota Damansara and Group Chief Corporate Officer of TMCLS since June 2017. Since May 2021, she also serves as a Director of the Institute of Corporate Directors Malaysia.

Prior to joining TMCLS and Thomson Hospital Kota Damansara, Ms Wan Nadiah was the Chief Operating Officer at Sunway Medical Centre after being promoted from Director of Business Development and Corporate Communications in October 2016. She started her career at The Boston Consulting Group in 2007 as an Associate Consultant before joining Sunway Group as Manager, Strategy and Corporate Development in 2010.

Ms Wan Nadiah holds a Master of Science in Public Health (Nutrition) degree from the London School of Hygiene and Tropical Medicine, UK and an AB *cum Laude* in Biochemical Sciences from Harvard College, USA. She is a member of the Forum of Young Global Leaders Class of 2020 and currently serves as President of the Harvard Club of Malaysia.

BOARD OF DIRECTORS

MR ONG PANG LIANG, 63

Independent Director

Mr Ong was appointed to the Board on 1 January 2016 and was last re-elected on 23 October 2020. He currently chairs the Audit and Risk Committee and sits on the Nominating and Remuneration Committee.

Mr Ong has over 25 years of experience in banking and finance. His career in various international banks covered management responsibilities in capital markets, treasury operations and corporate banking. He spent 15 years in Bank of America where he was a Managing Director and held positions such as Head of Foreign Exchange in Singapore and General Manager of Shanghai Branch, People's Republic of China. Subsequent to his banking career, Mr Ong spent a number of years in the corporate business sector. He was Chief Financial Officer and Finance Director of companies listed on the Mainboard of the SGX-ST. Mr Ong is currently an Independent Director of Secura Group Limited, a company listed on the SGX-ST.

Mr Ong graduated from the National University of Singapore in 1983 with a Bachelor of Business Administration.

DR LAM LEE G, 63

Independent Director

Dr Lam was re-appointed to the Board on 2 May 2019. He was last re-elected as director on 23 October 2020. He currently sits on the Audit and Risk Committee.

Dr. Lam has extensive international experience in general management, strategy consulting, corporate governance, direct investment, investment banking and asset management. He started his career in Canada at Bell-Northern Research (the research and development arm of Nortel) and Bell Canada, and later he returned to Hong Kong to serve as a General Manager of Hongkong Telecom, Vice President and Managing Partner - Greater China of the international management consulting firm A.T. Kearney, President & CEO and Vice Chairman of the Board of Chia Tai Enterprises International Limited (now C.P. Lotus Corporation) of multinational conglomerate CP Group, Vice Chairman and COO of Investment Banking Division of BOC International Holdings (the international investment banking arm of the Bank of China group), Executive Director of Singapore Technologies Telemedia (a member of Temasek Holdings), Chairman - Hong Kong / Vietnam / Cambodia / Laos / Myanmar / Thailand and Senior Adviser - Asia, of Macquarie Capital, Non-Executive Chairman - Greater China and ASEAN Region and Chief Advisor - Asia, of Macquarie Infrastructure and Real Assets, and Senior Advisor, Macquarie Group Asia.

Dr Lam holds a Master of System Science and a Master of Business Administration from the University of Ottawa, a Master of Public Administration and a Doctor of Philosophy from the University of Hong Kong, and a Master of Laws from the University of Wolverhampton. Dr Lam is also a Solicitor of the High Court of Hong Kong, a Fellow of Certified Management Accountants (CMA) Australia, the Hong Kong Institute of Arbitrators, the Hong Kong Institute of Directors and the Institute of Corporate Directors Malaysia (ICDM), and an Honorary Fellow of Certified Public Accountants (CPA) Australia, the Hong Kong Institute of Facility Management, the University of Hong Kong School of Professional and Continuing Education and a Distinguished Fellow of the Hong Kong Innovation and Technology Development Alliance. Dr. Lam received the Director of the Year Award in 2013 and 2019, respectively, from the Hong Kong Institute of Directors (he was then a director of Hong Kong Education City and Chairman of Hong Kong Cyberport). In 2019, Dr. Lam was awarded by the Hong Kong Government a Bronze Bauhinia Star (BBS) for serving the public, and was appointed a Justice of the Peace (JP) in 2022 by the Hong Kong Government.

MS CHRISTINA TEO TZE WEI, 49 Independent Director

Ms Teo was appointed to the Board on 1 January 2022 and sits on the Nominating and Remuneration Committee.

Ms Teo has over 20 years of experience in private equity, leveraged buyouts, and mergers and acquisitions, having led numerous investments globally with notable deals including Jaya Holdings, Crystal Jade, 2XU, Seafolly, RM Williams, Guiseppe Zanotti and Cristiano Ronaldo's global image rights.

She is the co-founder and currently, the CEO of Singapore-based start-up UCARE.AI, an award-winning artificial intelligence ("AI")-powered technology enabler for health data and solutions with esteemed customers including Singapore's Ministry of Health, Great Eastern Life Assurance and Parkway Pantai. She brought UCARE.AI to its Series A financing phase, launched its AI-powered predictive hospital bill estimation system throughout Parkway Pantai's Singapore hospitals, and won a tender to deploy its Claims Analytics System for Singapore's Ministry of Health. She is currently an Independent Director of Secura Group Limited and is also appointed to the Data Protection Advisory Committee to advise the Personal Data Protection Commission on matters relating to the review and administration of the personal data protection framework.

Prior to co-founding UCARE.AI in 2016, she was the CEO of Catpital, Managing Director at L Capital Asia (LVMH), and held other senior investment positions at Affinity Equity Partners and Deutsche Bank's Strategic Investments Group.

Ms Teo graduated with a Master of Business Administration from Harvard Business School in 2002 and a Bachelor of Business Administration (Finance), Honours, from the National University of Singapore in 1995.

MS JUNE LEONG LAI LING, 48 Independent Director

Ms Leong was appointed to Board on 1 January 2022 and sits on the Audit and Risk Committee.

Ms Leong has over 20 years of experience in banking and finance. She is the of CEO of Alpha Goal International, a dedicated single-family office that invests in a variety of asset classes around the world. She has held senior positions at China International Capital Corporation in Singapore and Hong Kong, was Executive Director at Standard Chartered Bank Private Wealth Management, and Executive Director at Goldman Sachs. She is currently an Independent Director of TMC Life Sciences Berhad.

Ms Leong graduated with a Master of Business Administration from Peking University and a Bachelor of Science in Engineering with Management from King's College, London.

FURTHER INFORMATION ON BOARD OF DIRECTORS

MR NG SER MIANG, 73

Chairman, Non-Executive and Independent Director

Academic and Professional Qualifications:

- Bachelor, Business Administration (Honours), University of Singapore
- Chartered Fellow, The Chartered Institute of Transport, Singapore

Date of First Appointment as Director:

1 December 2015

Date of Last Re-Election as Director:

23 October 2020

Board Committee (s) served on:

- Nominating and Remuneration Committee (Chairman)

Current Directorships in Other Listed Companies:

Nil

Other Directorships / Principal Commitments:

Non-listed entity

- Magic Dragon Media Pte Ltd (Director)
- NCI Golf Pte Ltd (Director)
- OMS Distripark Pte Ltd (Director)
- Orchid Marine Services Private Limited (Director)
- Singapore Olympic Foundation (Chairman)
- TIBS International Pte Ltd (Chairman)
- Valencia Club de Futbol, S.A.D. (Director)

Principal commitments

- International Olympic Committee (IOC)
 - Vice President of IOC Executive Board
 - Chairman of IOC Finance Commission
 - Chairman of Human Resources
 - Chairman of IOC Group Staff Pension Fund Foundation Board

Member of:

- IOC's Executive Board
- Olympic Foundation's Board
- Olympic Foundation for Culture and Heritage's Board
- Pension Fund's Foundation for IOC Group's personnel
- IOC Television and Marketing Services SA's Board of Directors
- Olympic Channel Services SA's Board of Directors
- Games Management 2020 Steering Committee
- Coordination Commission Olympic Winter Games Beijing 2022
- Coordination Commission for the Games of the XXXIV Olympiad Los Angeles 2028

Past Directorships held over the preceding 3 years in other Listed Companies:

Nil

MR LIM WEE KIAT, 29

Executive Vice-Chairman

Academic and Professional Qualifications:

- Bachelor of Science in Psychology, University of New South Wales Australia

Date of First Appointment as Director:

15 March 2019

Date of Last Re-Election as Director:

22 October 2021

Board Committee (s) served on:

Nil

Current Directorships in Other Listed Companies:

Nil

Other Directorships / Principal Commitments:

- CO92 Foundation Limited (Director)
- Grvty Media Pte Ltd (Director)
- Hatch Health Pte Ltd (Director)
- Kestrel360 Pte Ltd (Director)
- Klouder Limited (Director)
- Mint Media Sports Pte. Ltd. (Director)
- RSP Architects Planners & Engineers (Pte) Ltd (Director)
- RSP Holdings Pte Ltd (Director)
- RSP TopCo Pte Ltd (Director)
- Sasteria (M) Pte Ltd (Director)
- Sasteria Pte Ltd (Director)
- SelectStart Pte Ltd (Director)
- Singapore Esports Association (Vice President and Board member)
- SL8 Pte Ltd (Director)
- Squire Mech Pte Ltd (Director)
- Thomson X Pte Ltd (Director)
- Towerhill Pte Ltd (Director)
- Valencia Club de Futbol, S.A.D. (Director)
- Zuju GamePlay Pte. Ltd. (Director)
- ZujuGP Pte. Ltd. (Director)

Past Directorships held over the preceding 3 years in Other Listed Companies:

Nil

DR WONG CHIANG YIN⁽¹⁾, 54

Executive Director and
Group Chief Executive Officer

Academic and Professional Qualifications:

- MBBS and Masters of Medicine (Public Health), National University of Singapore
- Masters of Business Administration (Finance), University of Leicester

Date of First Appointment as Director:

1 February 2020

Date of Last Re-Election as Director:

23 October 2020

Board Committee (s) served on:

Nil

Current Directorships in Other Listed Companies:

- RHT Health Trust

Other Directorships / Principal Commitments:

- Crisis Relief Alliance Limited (Director)
- Kwong Wai Shiu Hospital (Director)
- Outram Consultants Pte Ltd (Director)
- PCC Products Pte Ltd (Director)
- Renewable Metal Resources Pte Ltd (Director)
- Sasteria (M) Pte Ltd (Director)
- Sasteria Pte Ltd (Director)
- Skies VB Sdn Bhd (Director)
- Thomson Kids Pte Ltd (Director)
- Thomson Medical Pte Ltd (Director)
- Thomson Paediatric Centre Pte Ltd (Director)
- Thomson Wellth Company Pte Ltd (Director)
- Thomson Women's Clinic Holdings Pte Ltd (Director)
- Vantage Bay JB Sdn Bhd (Director)

Past Directorships held over the preceding 3 years in Other Listed Companies:

Nil

(1) Dr Wong has resigned from his position as Executive Director and Group Chief Executive Officer. The effective date of cessation is 30 September 2022.

MR WILSON SAM, 46

Executive Director and
Group Chief Financial Officer

Academic and Professional Qualifications:

- Bachelor of Business Studies (Honours), Nanyang Technological University
- Chartered Financial Analyst
- Chartered Alternative Investment Analyst Holder
- Financial Risk Management Certification

Date of First Appointment as Director:

15 March 2019

Date of Last Re-Election as Director:

22 October 2021

Board Committee (s) served on:

Nil

Current Directorships in Other Listed Companies:

- Secura Group Limited

Other Directorships / Principal Commitments:

- Adifore Finance Ltd (Director)
- Arnel Services S.A (Director)
- Grvty Media Pte Ltd (Director)
- Hatch Health Pte. Ltd. (Director)
- Klouder Limited (Director)
- Mint Media Sports Limited (Director)
- Mint Media Sports Pte Ltd (Director)
- PCC Products Pte Ltd (Director)
- PT Thomson Medical (Commissioner)
- Renewable Metal Resources Pte Ltd (Director)
- Sasteria (M) Pte Ltd (Director)
- Sasteria Pte Ltd (Director)
- Skies VB Sdn Bhd (Director)
- Smartparents Pte Ltd (Director)
- Thomson Kids Pte Ltd (Director)
- Thomson Medical Pte Ltd (Director)
- Thomson Paediatric Centre Pte Ltd (Director)
- Thomson Wellth Company Pte Ltd (Director)
- Thomson Women Cancer Centre Pte Ltd (Director)
- Thomson Women's Clinic Holdings Pte Ltd (Director)
- Thomson X Pte Ltd (Director)
- Vantage Bay JB Sdn. Bhd. (Director)
- Zuju Gameplay Pte. Ltd. (Director)
- ZujuGP Pte. Ltd. (Director)

Past Directorships held over the preceding 3 years in Other Listed Companies:

- TMC Life Sciences Berhad

MS WAN NADIAH BINTI WAN MOHD ABDULLAH YAAKOB, 38

Executive Director and Group Chief
Executive Officer – TMC Life Sciences Berhad

Academic and Professional Qualifications:

- MSc. Public Health (Nutrition) from The London School of Hygiene & Tropical Medicine
- AB *cum laude*, Biochemical Sciences from Harvard College
- Mandatory Accreditation Programme from The ICLIF Leadership and Governance Centre
- J&J Hospital Management Programme from Singapore Management University

Date of First Appointment as Director:

1 January 2022

Date of Last Re-Election as Director:

NA

Board Committee (s) served on:

Nil

Current Directorships in Other Listed Companies:

- TMC Life Sciences Berhad

Other Directorships / Principal Commitments:

- BB Waterfront Sdn. Bhd. (Director)
- Institute of Corporate Directors Malaysia (Independent Director)
- IVF Technologies Sdn. Bhd. (Director)
- Skies VB Sdn. Bhd. (Director)
- Thomson Hospital Sdn. Bhd. (Director and Chief Executive Officer)
- TMC Biotech Sdn. Bhd. (Director)
- TMC Care Sdn. Bhd. (Director)
- TMC Lifestyle Sdn. Bhd. (Director)
- TMC Properties Sdn. Bhd. (Director)
- Thomson TCM Sdn. Bhd. (Director)
- TMC Women's Specialist Holdings Sdn. Bhd. (Director)
- Vantage Bay JB Sdn. Bhd. (Director)

Past Directorships held over the preceding 3 years in Other Listed Companies:

Nil

FURTHER INFORMATION ON BOARD OF DIRECTORS

MR ONG PANG LIANG, 63

Independent Director

Academic and Professional Qualifications:

- Bachelor of Business Administration, University of Singapore

Date of First Appointment as Director:

1 January 2016

Date of Last Re-Election as Director:

23 October 2020

Board Committee (s) served on:

- Chairman of Audit and Risk Committee
- Member of Nominating and Remuneration Committee

Current Directorships in Other Listed

Companies:

- Secura Group Limited

Other Directorships / Principal

Commitments:

- Bluewater Investments Pte Ltd (Director)
- Valencia Club de Futbol, S.A.D. (Director)

Past Directorships held over the preceding 3 years in Other Listed Companies:

- Avarga Limited

DR LAM LEE G, 63

Independent Director

Academic and Professional Qualifications:

- Bachelor of Sciences and Mathematics, The University of Ottawa
- Master of Systems Science, The University of Ottawa
- Master of Business Administration, The University of Ottawa
- Postgraduate Diploma in Public Administration, Carleton University
- Master of Public Administration, The University of Hong Kong
- Doctor of Philosophy, The University of Hong Kong
- Bachelor of Laws (Honours), Manchester Metropolitan University
- Postgraduate Diploma in English and Hong Kong Law, Manchester Metropolitan University
- Master of Laws, The University of Wolverhampton
- Certificate in Professional Accountancy, The Chinese University of Hong Kong
- Postgraduate Certificate in Laws, City University of Hong Kong
- Solicitor, High Court of Hong Kong
- Honorary Fellow, CPA Australia Hong Kong
- Fellow, Hong Kong Institute of Directors
- Fellow, Hong Kong Institute of Arbitrators
- Fellow, CMA Australia
- Fellow, The Institute of Corporate Directors Malaysia (ICDM)
- Honorary Fellow, Hong Kong Institute of Facility Management
- Accredited Mediator, The Centre of Effective Dispute Resolution (CEDR)
- Honorary Fellow, The University of Hong Kong School of Professional and Continuing Education (HKU SPACE)
- Distinguished Fellow, The Hong Kong Innovation and Technology Development Alliance

Date of First Re-Appointment as Director:

2 May 2019

Date of Last Re-Election as Director:

23 October 2020

Board Committee (s) served on:

- Member of Audit and Risk Committee

Current Directorships in Other Listed

Companies:

- Alset International Limited
- Asia-Pacific Strategic Investments Limited
- AustChina Holdings Limited
- Beverly JCG Ltd.
- China LNG Group Limited
- CSI Properties Limited
- Elife Holdings Limited
- Greenland Hong Kong Holdings Limited
- Haitong Securities Company Limited
- Hang Pin Living Technology Company Limited
- Hong Kong Aerospace Technology Group Limited
- Huarong International Financial Holdings Limited
- Jade Road Investments Limited
- Kidsland International Holdings Limited
- Mei Ah Entertainment Group Limited
- Mingfa Group (International) Company Limited
- RENHENG Enterprise Holdings Limited
- Sunwah Kingsway Capital Holdings Limited
- TMC Life Sciences Berhad
- Vongroup Limited

Other Directorships / Principal

Commitments:

- Pacific Basin Economic Council Limited*
- United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) Sustainable Business Network (ESBN)*

*voluntary/pro-bono/community roles

Past Directorships held over the preceding 3 years in Other Listed Companies:

- Aurum Pacific (China) Group Limited
- China Shandong Hi-Speed Financial Group Limited
- Glorious Sun Enterprises Limited
- Green Leader Holdings Group Limited
- Hsin Chong Group Holdings Limited
- Huarong Investment Stock Corporation Limited
- National Arts Entertainment and Culture Group Limited
- Sunwah International Limited
- Tianda Pharmaceuticals Limited
- Top Global Limited

MS CHRISTINA TEO TZE WEI, 49 Independent Director

Academic and Professional Qualifications:

- Master of Business Administration, Harvard Business School
- Bachelor of Business Administration (Finance), Honours, National University of Singapore

Date of First Appointment as Director:

1 January 2022

Date of Last Re-Election as Director:

NA

Board Committee (s) served on:

- Member of Nominating and Remuneration Committee

Current Directorships in Other Listed Companies:

- Secura Group Limited

Other Directorships / Principal Commitments:

- uCare.io Pte Ltd (Executive Director)
- Project eLeonie (Sole Proprietor)

Past Directorships held over the preceding 3 years in Other Listed Companies:

Nil

MS JUNE LEONG LAI LING, 48 Independent Director

Academic and Professional Qualifications:

- Master of Business Administration from Peking University, Beijing
- BSc. in Engineering with Management from Kings College London, U.K.

Date of First Appointment as Director:

1 January 2022

Date of Last Re-Election as Director:

NA

Board Committee (s) served on:

- Member of Audit and Risk Committee

Current Directorships in Other Listed Companies:

- TMC Life Sciences Berhad

Other Directorships / Principal Commitments:

Nil

Past Directorships held over the preceding 3 years in Other Listed Companies:

Nil

KEY MANAGEMENT

DR DANIEL LEE HSIEN CHIEH

Chief Executive Officer - Thomson Medical Centre, Thomson Medical Pte Ltd

Dr Daniel Lee joined Thomson Medical as Senior Director, Operations in 2018 and was promoted to General Manager and Chief Operating Officer in 2020 overseeing all business operations of Thomson Medical Centre. In 2022, Dr Lee was appointed Chief Executive Officer.

Dr Lee began his professional career in Internal Medicine and has more than 18 years of experience in the healthcare sector. He is a Public Health specialist and a Fellow of the Academy of Medicine Singapore. Before joining Thomson Medical, Dr Lee was with Changi General Hospital (CGH) where he held various leadership positions in hospital operations and clinical services, directing Service Operations, Clinical Operations, Clinical Quality, and Clinical Planning & Development. He oversaw key public-private partnerships and was involved in the hospital's successful reaccreditation by the Joint Commission International (JCI) in 2017. Dr Lee was also part of the leadership team that pioneered the transformation journey from volume-based to value-based healthcare in CGH partnering with Geisinger Health System, USA.

From 2009 to 2010, Dr Lee served with the Health Regulation Group and Epidemiology & Disease Control Division at the Singapore Ministry of Health, where he was awarded the Permanent Secretary (Health) Award in 2010. He is an elected Council Member of the Singapore Medical Association (SMA) since 2012 and a Director of SMA Pte Ltd. He is also an elected Executive Committee Member of the Fulbright Association (Singapore) since 2011. Dr Lee sits in the Management Committee of the St Andrew's Community Hospital as well as the Council of the Advertising Standards Authority of Singapore (ASAS) and the ASAS Health & Wellness Sub-Committee.

Dr Lee is a Fulbright Scholar. He graduated in the Dean's List with a Bachelor of Medicine and Bachelor of Surgery (MBBS) from the National University of Singapore (NUS). He holds a Master of Public Health (MPH) from Harvard University and also a Graduate Diploma in Family Medicine from NUS.

MS CHAN WEI LING

Chief Executive Officer - Specialist Centres, Thomson Medical Pte Ltd

Ms Chan is the Chief Executive Officer, Specialist Centres of Thomson Medical Pte Ltd, overseeing Thomson Wellth and specialist clinics covering fertility, obstetrics & gynaecology, gynae-oncology, paediatrics, breast, health screening, dentistry, dermatology, aesthetics, sports medicine, TCM, specialised learning for kids and counselling. She is also in charge of the various Covid-19 projects that Thomson Medical operates for the Ministry of Health.

Prior to joining Thomson Medical, she was with Singapore's Ministry of Health (MOH) for 25 years, rotating through portfolios overseeing patient finance, hospital funding, corporate finance, human resource, and corporate services. Her last held appointment in MOH was Director of Human Resource, and Director of Corporate Services. In 2009, she was seconded to Jurong Health Services (JHS) as Director of Projects Office for two years, to be part of the JHS' leadership team to start up Ng Teng Fong General Hospital and Jurong Community Hospital.

In 2018, Ms Chan was awarded the Public Administration Medal (Bronze) by the President of Singapore.

Ms Chan is a Fulbright Scholar. She holds a Master in Health Services Administration from the University of Michigan, a Master of Science in Healthcare Management from the University of Wales, and a Bachelor of Science in Biology from the National University of Singapore.

MR TAN ZING YUEN

Chief Risk and Compliance Officer

Mr Tan is the Chief Risk and Compliance Officer (CRCO) of Thomson Medical Group. Mr Tan joined Thomson Medical in September 2009 as Chief Financial Officer and was redesignated to CRCO on 1 May 2021.

From 2006 to 2009, Mr Tan was the Group Financial Controller in the Mediacorp Group. From 2002 to 2006, Mr Tan was the Chief Financial Officer of Energy Market Company Pte Ltd. Prior to this, Mr Tan has held key financial positions in several public-listed companies namely, as Finance Director in Courts Singapore Limited and as Chief Financial Officer of Nippecraft Limited Group and Flairis Technology Corporation Limited Group. Mr Tan began his career in 1980 as an Audit Assistant with the then Price Waterhouse (now known as PricewaterhouseCoopers).

Mr Tan holds a Bachelor of Accountancy Degree from University of Singapore and is a Fellow Member of the Institute of Singapore Chartered Accountants.

MR WONG YU CHEE

Interim Group Chief Financial Officer and Group Chief Accounting Officer - TMC Life Sciences Berhad

Mr Wong has over 24 years' experience in finance, audit, accounting and tax compliance services in Malaysia and Shanghai. Mr Wong started his career in 1996 joining a local audit firm as auditor. He then joined Coopers & Lybrand in 1997, now known as PricewaterhouseCoopers (PwC). Mr Wong spent eight years in PwC specialised in assurance assignment of large multinational company, public listed companies in various industries, Initial Public Offering (IPO) and corporate exercise. Mr Wong joined GlaxoSmithKline then as Finance Manager before he left Malaysia joining Ernst & Young Shanghai in 2005. Mr Wong spent three years in Ernst & Young Shanghai focusing on statutory audit assignment, IPO assurance assignment, corporate exercise and United States audit assignment until he joined TMF Shanghai in 2008, leading the accounting and tax compliance services in TMF Shanghai for two years.

Mr Wong relocated back to Malaysia in 2010, as Director of Accounting & Tax Compliance Services in TMF Malaysia where he spent five years helping businesses on accounting and tax compliance including Goods and Services Tax advisory and compliance services in TMF Malaysia. Mr Wong then joined PCA Corporate Services Sdn Bhd in 2015 as Group Chief Operating Officer before joining TMCLS as Group Chief Financial Officer (GCFO) on 3 August 2015. Mr Wong was re-designated as Group Chief Accounting Officer on 16 February 2022 and was appointed as interim GCFO on 30 June 2022.

Mr Wong is a Fellow Member of Association of Chartered Certified Accountants (FCCA), member of Malaysian Institute of Accountants (MIA) Chartered Accountant (M) and Associate Member of Chartered Tax Institute of Malaysia (ACTIM).

MS KWAN YEE MAN

Chief Executive Officer - TMC Women's Specialist Holdings Sdn. Bhd., IVF Technologies Sdn. Bhd., Thomson TCM Sdn. Bhd., TMC Biotech Sdn. Bhd. and TMC Care Sdn. Bhd.

Ms. Kwan joined the team as the Chief Executive Officer of TMC Women's Specialist Holdings Sdn. Bhd., IVF Technologies Sdn. Bhd., Thomson TCM Sdn. Bhd., TMC Biotech Sdn. Bhd. and TMC Care Sdn. Bhd. in August 2019.

With 22 years of vast experience in the pharmaceutical and medical industries, Ms. Kwan has played crucial roles in corporate management, business development and expansion across Malaysia and globally.

Upon graduating in 1999, she began her career at Subang Jaya Medical Centre as a pharmacist. Then she moved on and held key positions at leading pharmaceutical companies in Malaysia, overseeing principal accounts for pharmaceutical and vaccine supply chains. Subsequently, in 2006, she ventured into the beauty and wellness business in Singapore, proving her entrepreneurial ability by successfully establishing and building the business and operations. In 2009, she took on an active and critical role as the Pharmacy Manager in Assunta Hospital.

In 2016, she was appointed as Business Development Director of an Information Technology ("IT") healthcare software company. Eventually, she was appointed as the Chief Operating Officer of an IT project management firm in 2018, where she was responsible for projects throughout Southeast Asia.

Ms. Kwan holds a degree in Pharmacy from Liverpool John Moores University in UK. She is also a member of Malaysian Pharmacy Board and a Licensed Pharmacist.

Accelerating Our Momentum

Spearheading the Group into its next phase of growth, we will continue to set our sights high, adapt to the new normal and embrace digital transformation, to create greater value for our stakeholders.





DIGITAL TRANSFORMATION

JOINT VENTURE

between Thomson X and WhiteCoat



FUTURE GROWTH

Vantage Bay
Healthcare City

9.23ha

of freehold
waterfront land, to
develop an integrated
healthcare city.

OPERATIONS REVIEW

FINANCIAL REVIEW

Financial Performance

Revenue for FY2022 grew by 38.8% or \$93.3 million from \$240.4 million in FY2021 to \$333.7 million. Revenue from Hospital and Specialised Services segments grew by 14.1% and 75.0% respectively. The growth was mainly due to higher overall patient loads and increase in average bill sizes as a result of business recovery from the Covid-19 impact. In Singapore, the revenue growth was further augmented by the additional income received from managing the vaccination centres and the management of Transitional Care Facilities (“TCFs”) and previously, Covid-19 treatment facilities (“CTFs”). While in Malaysia, revenue continues to improve due to higher patient loads and case intensity handled, as well as the opening of new expansion wing at Thomson Hospital Kota Damansara (“THKD”).

The Group's EBITDA grew by 64.4% from \$66.8 million to \$109.7 million in FY2022 due to higher revenue recorded during the year.

Other income was lower at \$9.8 million during FY2022. The decrease was mainly due to lower government grant received under the Jobs Support Scheme and property tax rebates granted by the Singapore Government.

Staff costs were higher by 44.1% compared to the last year, which mainly arises from the hiring ramp-up in Malaysia due to the opening of the new expansion wing at THKD, the additional resources incurred in Singapore to manage the vaccination centres and the TCFs and previously, CTFs, and general salary adjustments in a bid to maintain salary competitiveness for our staff. Other operating expenses were higher at \$70.5 million during FY2022. The increase was mainly due to the higher professional fees paid to doctors and commissioning costs incurred for the new expansion wings at THKD.

Net finance costs were lower by \$0.1 million due to lower interest rates during FY2022 compared to last year, which is partially offset by the recognition of interest on bank loan relating to the new expansion wing at THKD upon its commencement of use in 2H2022.

Income tax expense was higher mainly due to higher taxable profits, which is partially offset by the recognition of a non-cash deferred tax credit arises from the investment tax allowance in Malaysia.

As a result of the above, the Group recorded a net profit after tax of \$58.6 million in FY2022 compared to \$16.9 million last year.





Financial Position and Cash Flows

Total assets of the Group of \$1.36 billion as at 30 June 2022 were higher compared to \$1.29 billion as at 30 June 2021. The increase was mainly due to the increase in property and equipment of \$8.1 million, the increase in trade and other receivables as a result of higher revenue generated, and the higher net cash flow generated during the year.

Total liabilities of the Group of \$756.6 million as at 30 June 2022 were higher compared to \$719.7 million as at 30 June 2021. The increase was mainly due to the increase in trade and other payables as a result of higher operating expenses incurred, the higher income tax provision arises from the higher taxable profits, and the additional loans drawdown to fund the construction costs at THKD. The net current liabilities as at 30 June 2022 is mainly due to the reclassification of \$225 million 4.8% notes from non-current to current, which was due in July 2022 and had been fully redeemed on 18 July 2022.

Total equity of the Group was at \$608.3 million as at 30 June 2022 compared to \$566.0 million as at 30 June 2021. The increase was mainly due to net profit generated during the year, offset by the unrealised loss due to the translation reserve arising from the movement in foreign currency.

The Group recorded a net increase in cash and cash equivalents during FY2022 of \$39.9 million. The net increase was mainly due to the increase in net cash flows from operations of \$92.8 million and proceeds from interest-bearing loans and borrowings of \$23.5 million. The increase was partially offset by the cash flow used to purchase property and equipment amounting to \$27.8 million, payments of loan interests and lease liabilities amounting to \$28.6 million, repayment of interest-bearing loans and borrowings of \$13.3 million, and dividends paid to shareholders of the Company and non-controlling interests of subsidiaries of \$5.0 million.



OPERATIONS REVIEW

SINGAPORE OPERATIONS

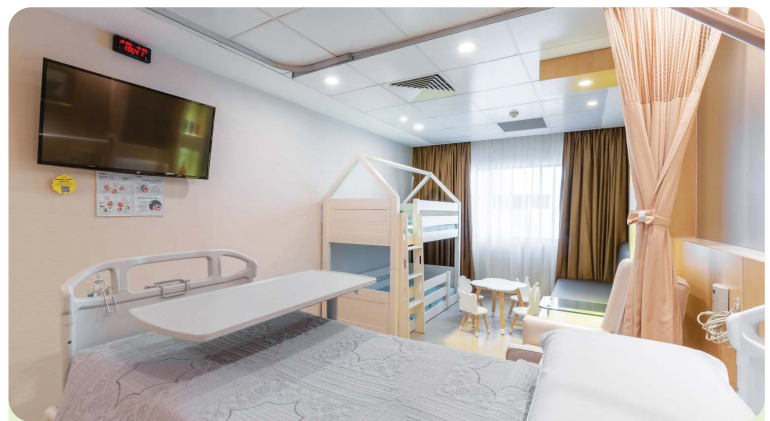
Enhancing the Thomson Experience for Mothers

To help give returning maternity patients or mothers delivering their second child a more relaxing stay, Thomson Medical has introduced our new Deluxe Family Room. Designed to allow returning mummies with a firstborn child to stay together with her spouse with added privacy and comfort, this first-of-its-kind room is equipped with expanded amenities such as a modular bunk bed and a play area so that the family can have a good time of family bonding, while mummy recovers in comfort post-delivery.

Further enhancing the patient experience at Thomson Medical Centre ("TMC"), all postnatal moms can now shop for mother & baby care products right from the convenience of their own room, with ordered items delivered on the same day. In addition, moms can also request for postnatal massage therapy, right from the comfort of their room after delivery.

Adding value to all mothers who deliver at TMC and giving them one less thing to worry about as they welcome their little one into the world, Thomson Medical has put together the "Stay Safe & Resilient

Essentials" gift pack for all 2022 mothers. Packed within a sustainable and environmentally friendly jute bag, the gift pack is filled to the brim with useful items such as adult and baby wipes, a nursing bra, lactation cookies, skincare for sensitive skin, discounts on playmats, electric breast pumps, and other essentials to help mothers conveniently start the journey into motherhood on the right foot.



Thomson Medical's new Deluxe Family Room provides a conducive environment for the whole family to recover and enjoy post-delivery.

STAY SAFE RESILIENT ESSENTIALS

As we move towards the new normal, safety and hygiene are critical for us all. We have put together the "Stay Safe & Resilient Essentials" bag for 2022 Thomson mummies to provide an ease of mind as you step into parenthood. Our priority is to keep you and your newborn safe.

STAY SAFE ESSENTIALS

- REUSABLE JUTE BAG
- HAND SANITISER HOLDER, FOOTWASH & SHWY SESSION
- 2 ADULT & 2 KIDS DISPOSABLE MASKS
- ALCOHOL WIPES, INSECT REPELLENT WIPES, ANTISEPTIC WIPES & FOOD CONTACT WIPES
- ESSENCE OF CHICKEN
- PROBIOTICS
- GIFT & INSURANCE COVERAGE

BABY ESSENTIALS

- ECO-FRIENDLY DIAPERS
- WET WIPES
- SKINCARE FOR SENSITIVE SKIN
- CHANGING MAT
- SENSORY BOOK
- WATER GEL
- FOOD GRADE LIQUID CLEANSER
- CLEANSING SET

MUM ESSENTIALS

- NURSING BRA
- BREAST PADS
- PHILIPS AVENT
- BREAST MILK STORAGE BAGS
- MILK BOTTLE, BREAST MILK STORAGE CUPS, BREAST PAD & GIFT VOUCHER
- COOKIES FOR NURSING MUMS
- GIFT VOUCHER & NUTMOUND BUTTER SPREAD

For enquiries: guestservices@thomsonmedical.com

Images are for illustration purposes only. T & C Apply



Keeping Our Patients and Staff Safe

With the continuing evolution and spread of Covid-19 subvariants, Singapore and the region continues to grapple with new waves of Covid-19 infections. To enhance the safety of all patients, doctors, and staff at TMC against the evolving backdrop of Covid-19, Thomson Medical introduced various updates to its facilities and services to manage the ongoing challenges of the pandemic.

Supporting Singapore's push towards ramping up vaccinations and providing holistic care for Thomson mummies, we offered complimentary vaccination services to medically eligible mothers at TMC. This service is in line with the recommendations from the Ministry of Health's Expert Committee on Covid-19 Vaccination.

To enhance the safety of our younger patients, we set up the Thomson Paediatric Centre container – an external facility next to the hospital – to better manage paediatric patients who exhibit Acute Respiratory Infection symptoms and other risk factors, thereby minimising Covid-19 transmission risks within TMC. Within the hospital, our Operating Theatre is now fitted with an anteroom to support safe and timely surgeries. Equipped with negative pressure capability, the anteroom will protect our doctors, staff, and patients in the event of surgeries involving infectious patients. TMC has also upgraded five rooms with negative pressure capability, equipping each level at the hospital with the capability to safely segregate admitted patients that are infectious.

Continued Investment in New Medical Equipment

In tandem with the growing needs of our patients, TMC continues to invest and acquire new medical equipment to support the hospital's expanded surgical capabilities.

To enable surgeons to deliver endoscopic surgery with greater precision, we acquired the Endoeye Rigid Videoscope. The device is engineered to deliver superior high-definition quality resolution images with a mere 5 mm tip diameter. With the added image clarity, surgeons will be able to deliver fine-tuned surgeries, helping patients to minimise pain and downtime. In addition, the videoscope's fine tip facilitates minimal scarring for most surgical procedures performed at TMC.

To enhance the efficiency of liposuction surgeries at TMC, we acquired MicroAire – a power-assisted liposuction device designed for small-or large-volume fat extraction, body contouring and fat harvesting. The device features smooth reciprocating cannulas that glide through tissue, reducing the amount of physical effort required during liposuction, and in turn reducing the patient's time spent in the operating theatre. With faster procedure times, surgeon's fatigue levels will be significantly reduced allowing them to deliver more precise outcomes thereby helping their patients reduce bruising and swelling post procedure.



Enhancing the safety of our little ones, the Thomson Paediatric Centre container can safely manage patients with acute respiratory infection symptoms, just outside the hospital.

OPERATIONS REVIEW

SINGAPORE OPERATIONS (CONT.)

New Services and Specialties

Keeping abreast of the evolving healthcare needs for women's and children's health, Thomson Medical continually implements new services, establishes new facilities, and expands our range of specialties to deliver the best care for all patients who come through our doors.

Critical Congenital Heart Disease ("CCHD") is a group of serious heart disorders present at birth and can cause serious health problems. About 200 out of every 100,000 babies have CCHD. Children with CCHD may be born with a wide range of problems with the heart's structure, preventing the heart from pumping blood normally to the lungs and the rest of the body. Addressing this serious threat, TMC implemented CCHD screening for all newborn babies at all our maternity wards from February 2022, using pulse oximeters to measure oxygen in the baby's blood. As babies with CCHD need treatment early in life, facilitating the early detection of possible CCHD will help our doctors perform timely diagnoses and interventions to save lives.

Continuing to expand Thomson Surgical Centre's ("TSC") comprehensive range of surgical specialties, the centre has onboarded a suite of new surgeons covering various areas such as vascular surgery, paediatric surgery, breast and thyroid surgery, and colorectal surgery over the course of the year to meet the surgical needs of our patients.

Thomson Kids Specialised Learning and Thomson Counselling are key components of Thomson Medical's ecosystem of synergistic services, where children's developmental health and well-being are taken care of holistically, supported by our child psychologist, speech and language therapist and special needs trained teachers. Helping preschool and lower primary school students who struggle with learning the Chinese language, Thomson Kids produced a 120-page book that uses 48 high-frequency Chinese characters to build a basic foundation in reading, and 12 comic stories with audio to develop children's reading and listening skills. Through the use of customised materials, curricula and teaching methods that break down complex learning into smaller, manageable parts, Thomson Kids has helped children learn better in tandem with the Ministry of Education's curriculum milestones. The book is available for purchase at Thomson Kids, Thomson Paediatric Centres and online at Thomsonbaby.com.



Thomson Kids helping children to make picking up the Chinese language, less of a struggle.

Expanding our network of specialist clinics, Thomson Chinese Medicine ("TCM") opened its fourth clinic at Novena Specialist Centre in February 2022. First established in 2009 support fertility patients undergoing IVF, TCM has come a long way evolving to become a multi-disciplinary practise, meeting the different healthcare needs of our patients. With more locations, our patients will be able to conveniently access tailored care and treatment which comprise fertility treatments, confinement care, menstrual wellness, pain management, children's health, and stroke rehabilitation.



Opening of Thomson Chinese Medicine's fourth clinic at Novena.

With the increasing incidence of cancer and the cost of cancer treatment rising at a much faster pace than other medical treatments, the importance of early cancer detection has never been more pertinent, as it accords more treatment options, increases survival rate, and improves overall quality of life. To address these concerns, Thomson Wellth introduced The Pink of Health Cancer Screening Package – specially tailored for women above the age of 30 which screens for common cancers in women, like breast, ovarian, cervical, colorectal, and thyroid cancers. A mammogram can also be added on for women above the age of 40 or with family history of breast conditions for women under 40, to complement the breast ultrasound for a more comprehensive review to help patients obtain a greater understanding and better management of their physical wellbeing.



Foray into HealthTech and Telemedicine

Since inception, the Group's digital arm, Thomson X ("TX"), has been actively forging partnerships with forward looking and credible technology partners for Thomson Medical's healthcare ecosystem. As the tech enabler of the Group, TX catalyses advancements in telemedicine, digital healthcare products, and treatment methods to enhance and engage Thomson Medical's patient base and increase revenue opportunities for the Group. Going forward, TX will continue to forge more strategic partnerships with like-minded digital partners with the aim of executing initiatives to broaden accessibility to the Group's doctors and services, delivering a holistic omni-channel healthcare experience to a wider patient base through telemedicine and other digital health technology offerings.

In December 2021, TX announced a joint venture, Hatch Health, with telehealth provider WhiteCoat to launch a mobile application that will offer seamless and personalised online-to-offline healthcare services to meet the health and wellness needs of women and children. Integrating WhiteCoat's cutting-edge technology and virtual healthcare capabilities with Thomson Medical Group's medical expertise and its network of hospitals and clinics, the one-stop app will be the first of its kind, focused on digitally enhancing the delivery of Thomson Medical's brand of obstetrics and gynaecology and paediatric healthcare services to its patients.

Giving parents and their children more options to access our paediatricians and paediatric services, Thomson Paediatric Centre also onboarded seven of our paediatricians onto WhiteCoat, to provide patients with with electronic health consultation and prescription delivery services. Thomson Paediatric Centre's paediatricians were the first to be listed on WhiteCoat's paediatric care telemedicine platform, offering on-demand online appointments so that patients urgently needing medical consultations can have access to immediate medical attention within the safety of their homes.



OPERATIONS REVIEW

SINGAPORE OPERATIONS (CONT.)

Supporting the Nation's Fight Against Covid-19

Over the past year, Thomson Medical continued to support the health authorities, our patients, and stakeholders in the fight against Covid-19. Besides providing access to the variety of available vaccinations and new Covid-19 tests, the Group also continued to support Singapore's multipronged defence efforts against the virus to ensure Singaporeans and the wider community can safely transition into a Covid-19 resilient nation.

Thomson Medical continued to support the national Covid-19 vaccination programme, operating three mRNA vaccination centres at community clubs, viz Senja-Cashew, Bishan and Potong Pasir. Our vaccination centre at Senja-Cashew was selected to double up as a paediatric vaccination centre for children aged 5 to 11 years old when MOH offered the Pfizer-BioNTech vaccine to children in this age group in December 2021. At the same time, our Bishan vaccination centre started serving as a dual vaccine centre, administering the Moderna vaccine, in addition to the Pfizer-BioNTech vaccine, providing the accessibility of both mRNA vaccines in a single location.

Supporting innovations to better deliver vaccinations to patients, Thomson Medical is proud to have supported Agency for Science, Technology and Research (A*STAR) in the development, trials, and deployment of the Automated Vaccine Inoculation Dispenser ("AVID") system at our vaccination centres at Senja-Cashew and Bishan. The AVID system was developed by A*STAR to automate the labour-intensive steps of the vaccination process, to replace the manual step of filling injection syringes with vaccine liquid. With the implementation of AVID, our nurses at our vaccination centres could better focused in administering the vaccination. The system also improves productivity at the vaccination centres and reduces the risk of cross-contamination and vaccine wastage.



Minister Chan Chun Sing and Senior Minister of State Janil Puthuchery visited Senja-Cashew vaccination centre to oversee the roll out of vaccination for children.



Thomson Medical staff operating the AVID system to help make the vaccination process seamless and efficient.



Thomson Medical continued to support the national Covid-19 vaccination programme, operating three mRNA vaccination centres at community clubs across Singapore.



Members of the public receiving the Nuvaxovid Covid-19 vaccine at the Bishan Park JTVC.



Team Thomson at the entrance of the Covid-19 treatment facility at Sengkang Community Hospital.

From end-May 2022, MOH initiated the move to step down the Vaccination Centres at community clubs, as most of Singapore's population had progressively been vaccinated. The move also allowed community clubs to resume their routine activities for the community. To consolidate healthcare resources and ensure that Covid-19 testing, and vaccination services remain accessible to the general public, MOH established Joint Testing & Vaccination Centres ("JTVC") in disused school compounds, designed with the ability to scale up operations if new Covid-19 variants emerge. Supporting this new phase of Singapore's Covid-19 operations, Thomson Medical was selected by MOH to support vaccination operations at two JTVCs, namely the former Bishan Park Secondary School, and the former Shuqun Secondary School. Our JTVC in Bishan Park is the only JTVC centre offering the Nuvaxovid Covid-19 vaccine. JTVCs can administer up to 4,500 vaccinations a day and conduct more than 2,000 tests covering both antigen rapid tests ("ART") and polymerase chain reaction ("PCR") tests, for individuals requiring pre-event testing, have acute respiratory infection or are issued stay-home notices.

Further augmenting national efforts in the fight against Covid-19, Thomson Medical responded to MOH's call to set up and manage a Covid-19 treatment facility at Sengkang Community Hospital in November 2021. A total of five wards comprising 164 beds were operationalised in phases to attend to Covid-19 patients who are stabilised but still require medical care in a hospital setting. Patients are largely frail and dependent elderly who may require more advanced interventions such as the administration of intravenous or subcutaneous monoclonal antibodies or antivirals. The co-location with Sengkang General Hospital allows for prompt response for patients who turn seriously ill requiring acute medical attention. With the Omicron wave slowing down in April 2022, the CTF wards have been converted to a Transitional Care Facility to take in long-staying patients from all public healthcare institutions, so that they can return to their business as usual ("BAU") activities.

OPERATIONS REVIEW

SINGAPORE OPERATIONS (CONT.)

Community Engagement

Despite the ongoing pandemic, Thomson Medical continued to engage in opportunities to support the community and bring greater value to our patients through a variety of programmes and partnerships.

With more than 40 years in caring for generations of mothers and their newborns, TMC continues to innovate our in-patient menus to ensure that best possible postpartum nutrition continues to be served to all mothers at Thomson Medical. As part of national efforts to spur demand for local produce, so as to enhance Singapore's food security Singapore Food Agency ("SFA") launched a pilot project at TMC in collaboration with the LoveSGMums Meal ("LSGM") team in the Citizens' Workgroup ("CWG") on increasing demand for local produce, celebrity chef Justin Foo and experts from TMC, to serve nutritional hospital in-patient meals made with local produce to postpartum mothers. In close consultation with Thomson Medical's dietician, lactation consultant and Traditional Chinese Medicine physician, celebrity chef Justin Foo planned and designed meals that features fresh produce such as barramundi, grouper, eggs, and vegetables sourced from local farms.

For the fifth consecutive year, Thomson Fertility Centre ("TFC") and Thomson Chinese Medicine have partnered ILC ("I Love Children"), the community group behind the annual Know Your Fertility Wellness Campaign, educating couples on fertility wellness. TFC sponsored 200 complimentary fertility health checks,

whereas TCM sponsored 50 TCM fertility consultations for couples to help them understand their body constitution and experience one acupuncture session. In addition, our team of experts from TFC and TCM spoke at the Fertility Wellness webinar on 19 November 2021. They were also joined by our psychologist from Thomson Counselling who shared more about how couples can support each other while trying to conceive. Outside of the webinar, our specialists also had the chance to share their knowledge over various media interviews and they even sportingly jumped on Tik Tok to engage viewers on this increasingly popular platform.

Further entrenching Thomson Medical's leadership in fertility treatment and establishing deeper relationships with the fertility community, we were honoured to host Professor Jose Remohi, Founder and Co-President of Instituto Valenciano de Infertilidad while he visited Singapore in March 2022. While here, Thomson Medical organised a Continuing Medical Education event where Professor Remohi delivered a medical talk on the "Importance of the Luteal Phase" to doctors in the region. He also took time to tour TFC and TMC where he had the chance to engage with our doctors and clinicians as we introduced him to our healthcare facilities.



Delicious and nutritious in-patient meals developed with local produce are now served to patients at Thomson Medical Centre.



Professor Remohi with Thomson Medical CEO, Specialist Centres, Ms Chan Wei Ling and Fertility Specialists at TFC.



AWARDS

Singapore's Best Employers 2022

Singapore's Best Employers 2022 is a large-scale and comprehensive study conducted by The Straits Times and Statista that assesses the attractiveness of organisations in Singapore based on an independent employee survey. Thomson Medical was ranked 50th among the 200 highest-scoring employers and 2nd in the Healthcare & Social category.

Nurses' Merit Award 2021 and 2022

Nurses' Merit Award is given by the Ministry of Health to nurses who have displayed noteworthy and exceptional performance for the past three years, participated in professional development, and contributed to raising the nursing profession. Nurse Clinician, Grace Au Kit Wan and Senior Nurse Manager, Azizah Bte Mohamed respectively clinched the award in 2021 and 2022.

Singapore Health Quality Service Award 2022

Singapore Health Quality Service Awards is Singapore's first dedicated platform to honour outstanding healthcare professionals who have delivered quality care and excellent service to patients. This year's Awards themed "Honouring Our Healthcare Heroes: Emerging Stronger", celebrates close to 9,000 healthcare professionals and partners from 41 public and private healthcare institutions, community hospitals as well as agencies from the Community Care sector for their indomitable spirit and perseverance despite the challenges they face, and their outstanding contributions to healthcare. This year, Thomson Medical was awarded 8 Star, 36 Gold and 44 Silver awards.

Thomson Prenatal Diagnostic Laboratory - SINGLAS certification

Thomson Pre-Natal Diagnostic Laboratory has received re-certification by the Singapore Accreditation Council under the Singapore Laboratory Accreditation Scheme (SAC-SINGLAS). Aimed at upgrading the standard of testing and calibration services in Singapore, the scheme assesses and recognises the technical competence and effective management processes of a professional service provider and its staff. Doctors and patients alike can be assured of the competence and high-quality standards of Thomson Pre-Natal Diagnostic Laboratory.

Parents World Best of the Best 2022

Best Private Hospital for Maternity Healthcare & Best Confinement Food Home Delivery Service

OPERATIONS REVIEW

MALAYSIA OPERATIONS

Operationalising Thomson Hospital Kota Damansara's ("THKD") expansion wing

On 5 July 2021, THKD received its Certificate of Completion and Compliance for its new expansion buildings, paving the journey to deliver accessible, quality healthcare to the community. Subsequently on 30 March 2022, THKD reached a highly anticipated milestone after receiving the operating license for its new buildings and the new oncology unit from the Ministry of Health. THKD progressively operationalised 299 hospital beds, including 14 ICU beds and 48 daycare beds, and gradually relocated several services such as the Health Screening and Preventive Health Centre, Rehabilitation department, Endoscopy Daycare Centre and Gastroenterology department to the new premises.

THKD's Oncology and Nuclear Medicine departments are also co-located within the new expansion building. The department is the first in the Asia Pacific region to commission the Mediso Anyscan Hybrid Imaging System - an all-in-one, SPECT/CT and PET/CT system capable of performing a myriad of nuclear medicine procedures. Together with other state-of-the-art medical devices such as the Elekta Versa HD, THKD will be well equipped to provide advanced cancer treatment modalities to its patients.

New Services and specialists

In April 2022, THKD launched the Severe Asthma Clinic – its fourth symptom-based clinic – to help patients with severe asthma and uncontrolled symptoms achieve a symptom-free life. Together with the Headache Clinic, Reflux Clinic and Palpitation Clinic, THKD will be able to effectively address patients concerns from a symptom-based approach. In the same month, THKD also launched its neurophysiology service, focused on providing dedicated support to its existing Neurology & Neurosurgery medical team. Concurrently, the THKD cardiac diagnostic centre will also be focused on serving its growing Cardiology & Cardiac Surgery practice

THKD achieved a milestone in February 2022 when the hospital performed its first organ donor surgery. Through the cross-functional collaboration of the OT, ICU and support teams, more than 30 THKD staff successfully collaborated to harvest organs from donors. The donated organs were then handed over to public hospital teams to facilitate transplant

procedures, giving identified recipients a second chance at life.

Supporting THKD's range of growing specialities, the hospital on-boarded eight new consultants covering various areas such as Oncology, Pathology, ENT Surgery, Paediatric Neurology, Infectious Disease, Endocrinology, Psychiatry, Obstetrics and Gynaecology, from July 2021 to June 2022.



A total of 35 health talks were held online between July 2021 to June 2022, engaging a healthy mix of general public and corporate businesses.

Medical Education and Outreach

During the Covid-19 pandemic and ensuing lockdowns, THKD pivoted to organising public talks and symposiums for healthcare providers in the digital space. A total of 35 health talks were held online between July 2021 to June 2022, engaging a healthy mix of general public and corporate businesses.

Over the year, THKD's Group Business Development and Marketing Communications ("BDMC") department planned and organised 14 – Malaysian Medical Association certified – medical webinars targeting doctors and healthcare professionals. Featuring various speakers from THKD's pool of consultants and allied health professionals, the webinars also served as an avenue for the Hospital to maintain good relationships with external general practitioners ("GP"). Further deepening relationships with GP, THKD organised its first hybrid GP symposium in March 2022. A total of 35 GPs were hosted at THKD's new premises for the first time, while 20 other GPs participated virtually.

When Covid-19 restrictions were lifted in April 2022, THKD proactively responded to requests for on-site health screening. In the first half of 2022, BDMC successfully organised five health screening events, helping patients safeguard their health through early detection of diseases or underlying conditions.

Response to Covid-19

Since the Delta variant of Covid-19 arrived in Malaysia in July 2021, THKD readily stepped forward to ease the burden of the Malaysian public healthcare system by decanting critical non Covid-19 patients from government hospitals. A total of 99 patients from five government hospitals were managed at THKD.

Further playing its part in battling the Covid-19 pandemic, THKD commissioned its Covid-19 vaccination centre – Pusat Pemberian Vaksin (“PPV”) in July 2021 at its new building. At the start of operations, PPV managed a patient load of about 100 Covid-19 vaccinations a day. From October 2021 to November 2021, the Covid-19 vaccination centre also delivered 1,000 vaccine doses a day to children and teenagers under Malaysia’s National Immunisation Programme. When PPV ceased operations in May 2022, THKD successfully delivered a total of 116,193 Covid-19 vaccine doses to members of the public – a significant contribution to Malaysia’s efforts to immunise its population against the virus.

In addition to running the PPV, THKD also took the initiative to assist members of the public who had difficulty accessing the vaccination centre by bringing vaccination services to them. On 15 March 2022, THKD setup on-site vaccination services to vaccinate 28 children at Buku Jalanan Chow Kit, an NGO working to provide equal education opportunities to all children in the Chow Kit catchment area.

Providing support to assess and monitor Covid-19 patients in isolation at home, THKD launched a Covid Assessment Centre (“CAC”) in August 2021 at its new building. By April 2022, the CAC team had provided care to about 500 patients. To deliver holistic Covid-19 care services to its patients, THKD developed a Covid-19 Rehab package to care for patients (a) recovering from Covid-19, (b) receiving Covid-19 inpatient treatment and (c) undergoing long Covid-19 care.

Throughout the pandemic, THKD placed heightened emphasis on infection control for the safety of its patients and staff. Air purifiers and filters were installed in key areas such as outpatient clinics and staff pantries to augment ventilation. In addition, all staff were continually reminded to adhere to SOPs such as ensuring good hygiene both at work and at home, getting tested if there were symptoms, wearing masks and face shields, not to crowd at enclosed spaces and to get vaccinated.

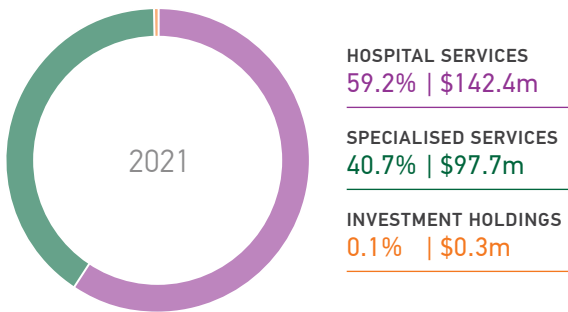
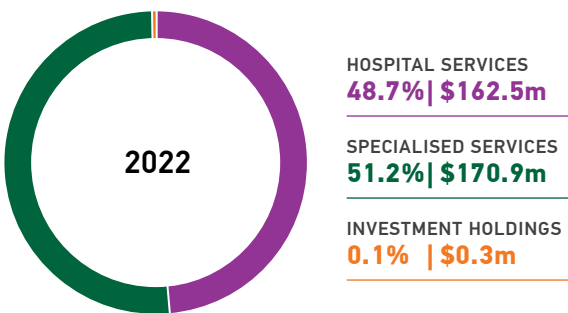
For their contributions and leadership towards The Greater Klang Valley Special Task Force that tackled the surge in Covid-19 cases in Malaysia, THKD Chief Executive Officer, Ms Wan Nadiah and Consultant Emergency Physician, Dr Mohamed Al-Hadi, were awarded the Anugerah Jasamu Dikenang 2021 award on 29 September 2021.



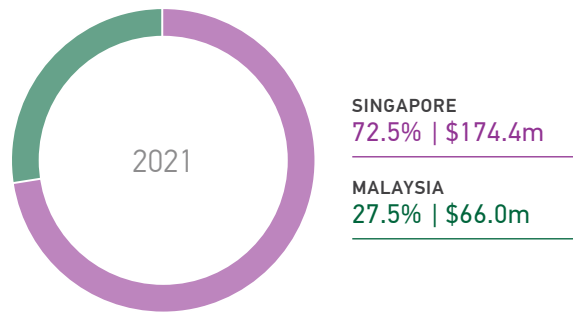
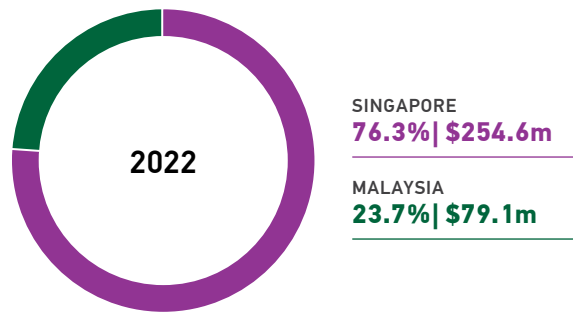
FINANCIAL HIGHLIGHTS

REVENUE CONTRIBUTED BY SEGMENTS

Business Segments



Geographical Segments



TOTAL ASSETS

\$1,364.9m
+6.2%



NET ASSETS VALUE PER SHARE

2.30¢
+7.5%



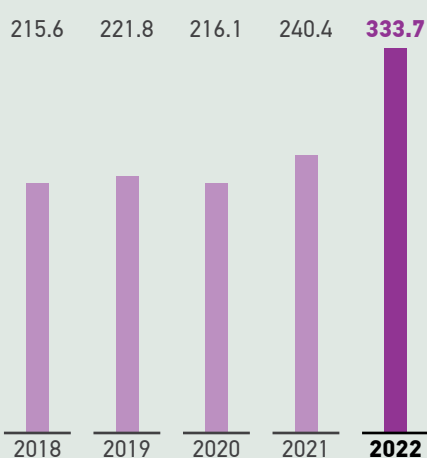
EQUITY ATTRIBUTABLE TO OWNERS

\$531.7m
+8.6%

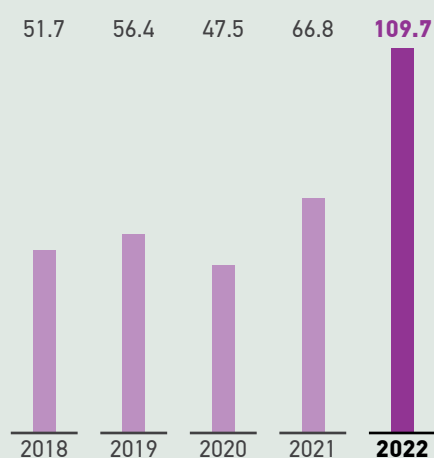


FINANCIAL SUMMARY

Revenue (\$million)



EBITDA (\$million)



\$million	2018 (Audited)	2019 (Unaudited)	2020 (Unaudited)	2021 (Audited)	2022 (Audited)
FINANCIAL PERFORMANCE					
Revenue	215.6	221.8	216.1	240.4	333.7
EBITDA ^(a)	51.7	56.4	47.5	66.8	109.7
Operating profit ^(a)	40.2	42.0	29.3	48.8	91.8
(Loss)/Profit before tax	22.0	19.0	(87.5)	26.2	69.3
(Loss)/Profit after tax	14.7	11.9	(98.0)	16.9	58.6
PATMI	10.8	8.0	(99.4)	14.2	53.8
FINANCIAL POSITION					
Cash and bank balances	121.7	121.3	160.0	122.7	161.6
Debt and borrowings	578.3	571.6	649.3	619.4	629.1
Total assets	1,489.1	1,312.3 ^(b)	1,294.3	1,285.8	1,364.9
Net assets	784.1	653.4 ^(b)	552.9	566.0	608.3
Shareholders' equity	714.0	578.3 ^(b)	477.9	489.8	531.7

(a) Adjusted for non-cash impairment and one-off transactions and non-recurring costs.

(b) On 31 January 2019, the Group completed the distribution in-specie by way of capital reduction of its Real Estate Business.

(c) 2018 refers to financial year covering the period from 1 January to 31 December.

2019 to 2022 refer to financial years covering the period from 1 July to June 30.

Growing a New Tomorrow

Growth in an increasingly complex world requires balancing the needs of our patients, employees and shareholders in an inclusive and sustainable manner as we forge ahead.





NUMBER OF BEDS

Singapore

187

Malaysia

535



SPECIALIST CENTRES

Singapore

39 Clinics and centres

Malaysia

6 Fertility centres

SUSTAINABILITY REPORT



Sustainability is a top priority for the Group as an operator of hospitals and speciality clinics.

SUSTAINABILITY CONTENTS

ABOUT THE REPORT

This is the fourth annual sustainability report by Thomson Medical Group Limited (“**TMG**”). The Group’s healthcare business includes Thomson Medical Pte Ltd (“**TMPL**”) and TMC Life Sciences Berhad (“**TMCLS**”). The Vantage Bay Healthcare City (“**VBHC**”), envisioned to be a first-of-its-kind integrated medical, education and wellness hub, is currently still at its planning stage. Please refer to Our Group at a Glance on pages 2 – 3 for more information on TMG’s business activities.

The Group has published a separate sustainability report covering our Malaysia-based operations on TMCLS’s corporate website, at <https://www.tmclife.com/annual-report/>. As a result, this report covers information on our environmental, social, and governance (“**ESG**”) performance for our Singapore-based operations, specifically that of TMPL, for the financial year ended 30 June 2022 (“**FY2022**”).

We have chosen to prepare this report in accordance with the Global Reporting Initiative (“**GRI**”) Standards – Core Option, considering that it is an internationally recognised and widely adopted reporting framework which is well-suited to our business model.

In addition, TMPL has incorporated the United Nations Sustainable Development Goals (“**UNSDGs**”), where applicable, as a supporting framework to guide our sustainability strategy, thus demonstrating our commitment to forging a better and more sustainable future for our global community.

This report has also been prepared in compliance with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B, with reference to the guidelines set out in SGX-ST’s Practice Note 7.6 Sustainability Reporting Guide. We plan to incorporate climate impact reporting as per the recommendations of the Task Force on Climate-related Financial Disclosures (“**TCFD**”) from our next report onwards, in line with the phased approach recommended by SGX-ST.

TMPL has relied on internal data monitoring and verification to ensure the accuracy of the performance data disclosed herein. As we move forward in our sustainability journey, we will consider seeking external assurance for future sustainability reports.

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58 Workplace Health and Safety	

We welcome feedback on this report and on any matters related to our sustainability performance. Please share your ideas and insights with us at ir@thomsonmedical.com.

SUSTAINABILITY REPORT

BOARD STATEMENT

DEAR STAKEHOLDERS,

The Board of Directors (the “**Board**”) is pleased to present TMG’s fourth annual Sustainability Report, in which we document the progress the Group has made in its sustainability journey in FY2022.

At TMG, sustainability lies at the core of all we do, and we are committed to delivering quality healthcare to our customers, furthering the development of our people, and contributing to the environmental and social well-being of local communities. Contributing to the sustainability agenda is essential – for the health of people, society, and the planet. To this end, TMPL and TMCLS have both aligned their sustainability practices in support of four UNSDGs assessed to be most relevant to the Group.

The Board recognises the importance of integrating sustainability into TMG’s business strategy. We work closely with the Sustainability Steering Committee (“**SSC**”) and Sustainability Task Force (“**STF**”) to identify and manage ESG factors material to our business, implement organisation-wide sustainability initiatives that are aligned with our core values, and report our sustainability performance and targets to our stakeholders. We are satisfied that what we have

determined to be material sustainability issues for the Group are also what our stakeholders care about.

The ongoing COVID-19 pandemic has shown us all the importance of resilient and robust healthcare systems. Even with the emergence of new COVID-19 variants and resultant spikes in COVID-19 cases in FY2022, the Group has remained steadfast in our commitment to support the local government in their efforts to reduce the spread of the virus. In support of Singapore’s fight against the COVID-19 pandemic, we operationalised three Vaccination Centres and deployed our healthcare workers to serve at Community Care Facilities.

Throughout the year, our dedicated frontline nurses, doctors and support staff have worked together to provide quality care and service for our patients, their families and the communities we serve. Guided by our in-house Service Excellence Framework, Thomson Medical Centre (“**TMC**”) won a record number of awards (8 Star, 36 Gold, and 44 Silver) at the Singapore Health Quality Service Awards 2022. This is Singapore’s first dedicated platform to honour outstanding healthcare professionals in the areas of quality care and patient experience.



As a Group, we readily adopt the latest innovations in patient care and service delivery to provide our patients with access to safe, effective, and high-quality healthcare services. As we embark on our digital transformation journey, Thomson X ("TX"), TMG's digital arm, has entered into a joint venture with Singapore's leading telehealth provider WhiteCoat to launch a mobile application offering seamless and personalised online-to-offline healthcare services to meet the health and wellness needs of women and children. Once launched, the Group's brand of obstetrics and gynaecology and paediatric healthcare services will be more accessible to the public.

Over the years, TMC has always prioritised the provision of nutritious meals for all post-partum mothers in our wards. This year, we were delighted to support the LoveSGMums meal, a pilot initiative jointly run by the Singapore Food Agency ("SFA") and its Citizens' Workgroup on Increasing Demand for Local Produce. By providing delicious and healthy in-hospital meals made with locally-sourced fresh ingredients to all post-natal mothers, we hope to encourage them to choose local produce for their babies and families in the long run.

With sustainability as a key focus, TMG seeks to achieve the highest standards of Quality, Environmental, Health and Safety in our business operations. To these ends, our Workplace Health and Safety Committee have regular meetings to

identify opportunities for improvement in existing practices and to implement new initiatives that lead us closer towards our objective of creating a healthy, happy and safe work environment for all.

TMG strives to be a good corporate citizen by promoting ethical, transparent and inclusive practices, protecting the environment and contributing to local communities. By conscientiously managing our energy and water usage and implementing new initiatives to reduce wastage, the Group has met all our targets in delivering environmentally sustainable outcomes for the planet. In recognition of our consistent efforts to engage in exemplary business practices, the Group has successfully obtained certifications from the International Organisation for Standardisation ("ISO") for Quality Management (ISO 9001), Environmental Management (ISO 14001) and Occupational Health and Safety (ISO 45001).





On behalf of the Group, the Board would like to take this opportunity to express our gratitude and sincere appreciation to all our stakeholders for their continuous trust and support over the years. As the Group continues to grow from strength to strength, we are confident that TMPL will continue to play a leading role in building a healthy future for all.

Sincerely,
The Board of Directors

SUSTAINABILITY REPORT

YEAR IN REVIEW

PATIENT SATISFACTION

-  **16:1** Compliments to complaint ratio
-  **91%** Choice hospital again
-  **90%** will recommend TMC to friends
-  **88%** Customer satisfaction rate


CUSTOMER HEALTH AND SAFETY

-  **ZERO** non-compliance incidents concerning health and safety impacts
- WORKPLACE HEALTH AND SAFETY**
-  **ZERO** Workplace fatalities High-consequence work-related injuries

OUR EMPLOYEES

-  **46** Training hours for nurses on average
-  **6** Average Training Hours for non-nursing Staff

COMPLIANCE TO LAWS AND REGULATIONS

-  **ZERO** Incidents of non-compliance with laws and regulations
Compliants concerning breach of customer privacy and data loss

ISO CERTIFICATIONS

-  **ISO 9001 - Quality Management**
-  **ISO 14001 - Environmental Management**
-  **ISO 45001 - Occupational Health and Safety Management**

ECONOMIC PERFORMANCE

Please refer to the financial contents section of the annual report for more information

OUR SUSTAINABILITY APPROACH

At TMG, we aspire to build a healthier world for this generation and beyond.

Sustainability serves as the cornerstone of our organisation, and we strive to create long-term value for our stakeholders by taking a holistic approach to integrating ESG concerns into our business.

SUSTAINABILITY GOVERNANCE

Building a sustainable business requires a collective, coordinated effort across all levels of the organisation, from business leaders to individual employees.

In consultation with the Board, the Group’s Sustainability Steering Committee (“SSC”), comprising senior management and representatives from various departments, continuously look for ways to sustainably enhance our operational competitiveness. The Sustainability Task Force (“STF”), formed by representatives across functions, proceeds to execute organisation-wide sustainability programmes and monitor our ESG performance.

This year, we have also engaged a third-party service provider, Nexia TS Risk Advisory Pte Ltd, to conduct sustainability training for key management personnel to update them on upcoming regulatory changes in sustainability reporting and to familiarise them with the TCFD framework in preparation for climate impact reporting in the coming years.



- Overseeing the Group’s overall sustainability direction, validates identified material ESG factors and approves this report.
- Manages and monitors TMPL’s sustainability performance.
- Assesses the relevance of each material ESG factor, determines the topic Boundary and the scope of this report.
- Overseeing the development and execution of TMPL’s sustainability strategy.
- Implements organisation-wide sustainability policies and practices.
- Measures progress on performance targets.



Sustainability serves as the cornerstone of our organisation, and we strive to create long-term value for our stakeholders by taking a holistic approach to integrating ESG concerns into our business.

SUSTAINABILITY REPORT




OUR SUSTAINABILITY APPROACH

STAKEHOLDER ENGAGEMENT





A key element of our approach to sustainability is engaging and collaborating with our many stakeholders. The invaluable feedback we receive from our stakeholders helps shape our sustainability strategy and guide its implementation.

Maintaining and strengthening positive stakeholder relationships is vital for TMPL’s ongoing success. To build stakeholder trust, we regularly engage our key stakeholders to understand their needs, concerns, and expectations.

Our stakeholders have been identified and prioritised for engagement based on their level of influence and interest in TMPL’s business activities. The table below summarises the key engagements that took place over the course of the year for each identified stakeholder group, including formal and informal engagements that occur as part of our daily work:

Stakeholders Group	Engagement Platforms	Frequency	Key Focus Areas
CUSTOMERS <i>(including patients and family members of patients)</i> 	<ul style="list-style-type: none"> • Customer satisfaction survey • Customer hotline, ward rounds and hospital tours • Corporate website, social media and digital platforms 	Daily	<ul style="list-style-type: none"> • Quality patient care and good customer service • Customer privacy • Prompt response for enquiries and feedback • Clean and safe environment • Transparency of pricing of services
EMPLOYEES 	<ul style="list-style-type: none"> • Employee meetings • Town hall engagement • Senior Leaders’ walk rounds • Performance appraisals • Intranet and newsletters 	Throughout the year	<ul style="list-style-type: none"> • Learning and career development opportunities • Equal opportunities, fair compensation and benefits • Employee well-being, occupational health and safety
DOCTORS 	<ul style="list-style-type: none"> • Phone calls, e-mails and meetings • Seminars and webinars • Clinic visits • Doctors’ newsletters 	Throughout the year	<ul style="list-style-type: none"> • Clinical and service quality • Continuing medical education • Seamless support and prompt service recovery • Promotion and awareness of services



Stakeholders Group	Engagement Platforms	Frequency	Key Focus Areas
<p>SHAREHOLDERS</p> 	<ul style="list-style-type: none"> • Release of financial results, press releases and other required disclosures on SGXNet and TMG’s corporate website • Annual Report • Annual General Meeting • Extraordinary General Meeting 	<p>Throughout the year</p>	<ul style="list-style-type: none"> • Business strategy, performance and outlook • Good corporate governance, transparency and ethical conduct • Compliance with relevant laws and regulations
<p>GOVERNMENT AND REGULATORS</p> 	<ul style="list-style-type: none"> • Reports on various performance indicators • Ongoing consultations with the relevant authorities 	<p>Throughout the year</p>	<ul style="list-style-type: none"> • Timely and accurate regulatory disclosures • Compliance with relevant laws and regulations
<p>SUPPLIERS AND CONTRACTORS</p> 	<ul style="list-style-type: none"> • Tenders, request for quotations and proposals • Site visits and meetings • E-mails 	<p>Throughout the year</p>	<ul style="list-style-type: none"> • Fair tender process • Competitive pricing • Good quality goods and services • Occupational health and safety • Compliance with laws and regulations
<p>LOCAL COMMUNITIES</p> 	<ul style="list-style-type: none"> • Public education programmes and support for local non-profit organisations 	<p>Throughout the year</p>	<ul style="list-style-type: none"> • Contribution to and engagement with the local community



SUSTAINABILITY REPORT

OUR SUSTAINABILITY APPROACH

SUSTAINABILITY CONTEXT

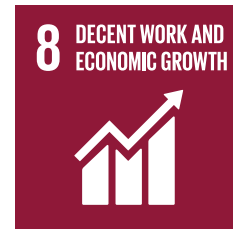
The 2030 Agenda for Sustainable Development, and the 17 UNSDGs that lie at its core, is a shared blueprint for peace and prosperity for people and the planet. It also sets the context for our ESG ambitions and resulting actions, and TMG has identified commitments and targets under UNSDGs 3, 8, 13 and 16 that are particularly relevant for our organisation.

We regard the UNSDGs as important reference points in identifying and determining ESG factors material to our business and our stakeholders, and we continuously refine our sustainability approach in alignment with the UNSDGs to shape our business towards achieving these goals.





With our focus on healthcare, our primary priority is to support good health and well-being in the community. We aim to do so by enabling island-wide access to a wide range of healthcare services and products, delivering innovative and high-quality services that improve patient outcomes, and supporting local communities.



THE GLOBAL GOALS
For Sustainable Development



The tables below outline the alignment of TMPL's policies and initiatives with our prioritised UNSDGs: Goal 3 (Good Health and Well-being), Goal 8 (Decent Work and Economic Growth), Goal 13 (Climate Action), and Goal 16 (Peace, Justice and Strong Institutions).

UNSDGs	UNSDG Targets	Our Contributions
 <p>GOAL 3 Ensure healthy lifestyle and promote well-being for all at all ages</p>	<p>3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all</p>	<p>At TMG, we are involved in the business of providing specialised care to women and children in Singapore.</p> <p>We are guided by our in-house Service Excellence Framework and Quality and Patient Safety Program in the work that we do, and we strive to deliver the best clinical and service outcomes to enhance the well-being of our patients and their families.</p>
 <p>GOAL 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all</p>	<p>8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors</p> <p>8.8: Protect labor rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment</p>	<p>We are committed to retaining our employees and creating a healthy, safe, and resilient workplace. We believe in continuous learning and improvement, and employees are provided with various training and development programmes depending on their roles.</p> <p>On top of complying with the Workplace Safety Act, we have adopted standards such as the ISO 45001 Occupational Health and Safety Management, ISO 9001 Quality Management and ISO 14001 Environmental Management within the organisation.</p>
 <p>GOAL 13 Take urgent action to combat climate change and its impact</p>	<p>13.2: Integrate climate change measures into national policies, strategies and planning</p>	<p>At the organisational level, we are mindful for the need to reduce our reliance on fossil fuels.</p> <p>Across the Group, we have attained the ISO 14001 Environmental Management System certification. Our main hospital building at TMC has also been certified as a Green Mark building.</p> <p>We constantly strive to achieve improved levels of resource efficiency every year, thus reducing our carbon footprint. The Group is also committed to the responsible management of waste generated from our operations.</p>
 <p>GOAL 16 Promote peace and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<p>16.6: Develop effective, accountable and transparent institutions at all levels</p>	<p>We have established robust internal corporate governance policies and processes to ensure compliance to the rule of law.</p> <p>In 2022, we have strengthened the data integrity of our systems by partnering with NetSfere to implement a secure messaging platform for internal communication and collaboration.</p>

SUSTAINABILITY REPORT














OUR SUSTAINABILITY APPROACH

MATERIALITY ASSESSMENT

Guided by the GRI Materiality Principles, TMPL undertakes a three-step materiality determination process to identify, prioritise and validate ESG factors that are material to our business and stakeholders.

In contextualising TMPL’s key activities within a wider sustainability context, we reference the global challenges posed by the UNSDGs as well as sector-specific challenges specific to the private healthcare industry. Drawing on the insights from internal and external stakeholder groups, we proceed to prioritise our most material ESG factors for disclosure in this report. The final list of material ESG factors has been approved by the Board.

Annually, TMPL conducts an internal review of our material ESG factors to assess their continued relevance. In FY2022, we have refined how we define our priorities and broadened the scope of the five material factors identified in the previous year, as follows:

Material ESG Factors		
 Patient Satisfaction GRI 103	 Customer Health and Safety GRI 416	 Workplace Health and Safety GRI 403
OUR EMPLOYEES		
 Employment GRI 401	 Training and Education GRI 404	 Diversity and Equal Opportunity GRI 405
ENVIRONMENTAL MANAGEMENT		
 Energy Conservation GRI 302	 Water Consumption GRI 303	 Waste Management and Compliance GRI 306
COMPLIANCE WITH LAWS AND REGULATION		 Local Communities GRI 103
 Anti-Corruption GRI 205	 Data Privacy GRI 418	
 Economic Performance GRI 201	Please refer to the financial contents section of the annual report for more information	

PATIENT SATISFACTION

MANAGEMENT APPROACH

Over the years, TMPL has consistently delivered quality care and services to our patients with the Thomson Touch. Even as we continue to grow and expand, we strive to provide our patients and their family with a memorable experience in our facilities and to become their trusted healthcare partner throughout their life journeys. We readily adopt the latest innovations in patient care and service delivery to optimise patient experience. On top of providing a comprehensive range of health care services, we go the extra mile by providing personalised treatment options for our customers.

Developed by the Service Quality Committee ("SQC"), the Service Excellence Framework ("SEF") provides the overarching structure for our management approach on patient satisfaction. Following the patient experience driver model, we are able to take a deeper look at the processes, products and personnel that impact patient experience. In general, patient experience embodies the Institute of Medicine's six domains of healthcare quality, i.e., patient safety, patient-centredness, effectiveness, timeliness, efficiency and equity.

The SQC is in charge of executing our customer service strategy, ensuring the consistency of service standards on-site and off-site, and developing service improvement initiatives. The SQC continually pilots new projects throughout the year to deliver outcomes that matter most to the patients, optimize experience and sustain their loyalty.

At TMPL, we believe it is important to create joy in work. We can do this by building a culture of praise and appreciation among our service staff and bringing out the best in every employee. Hence, the Employees and Partners' Reward and Recognition Programme was developed to recognise and reward exemplary staff and teams who have demonstrated our Brand Promise and Core Values in their work. In publicly appreciating the efforts of these staff members, we seek to continuously encourage teamwork and camaraderie in the workplace and thus, enhance TMPL's culture of positive service.



SUSTAINABILITY REPORT

PATIENT SATISFACTION

POLICIES AND INITIATIVES

Service Delivery Training

To maintain our high standards of service delivery, we conduct our signature Thomson Touch Service Training program for our employees on a bimonthly basis, six times a year. Firmly built on TMPL's culture of service excellence and service innovation, this programme seeks to cultivate a service-oriented mindset among our employees via regular training sessions, daily service huddles and roll calls.



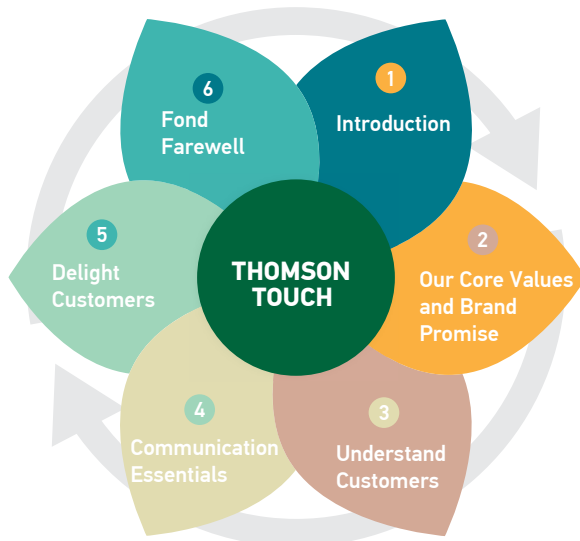
Thomson Medical employees at another successful Thomson Touch Service Training.

Expanded Service Offerings

TMC is Singapore's first private hospital to have an in-house Obstetrics Assessment Unit to help expectant mums with gestational diabetes better understand and manage their condition. Participants of our Holistic Personalized Program for Gestational Diabetes will be equipped with practical skills in areas to do with diabetic nutrition in pregnancy, glucose monitoring, and lifestyle management, reducing the risk of diabetes-related obstetric complications.

In FY2022, TMC introduced several other new products and services to improve our quality of care and enhance patient experience, as follows:

- To facilitate the early detection of Critical Congenital Heart Disease ("CCHD") in newborn babies, we now conduct CCHD screenings at all our maternity wards.
- Under our Hyperemesis Day Stay package, expectant mothers experiencing serious bouts of morning sickness can be offered IV medication and hydrating infusions to aid in their recovery.
- In the Thomson Deluxe Family Room, returning mothers with a first-born child are allowed to recover in comfort as their family members enjoy the amenities available in this first-of-its-kind room, which includes a modular bunk bed and a play area.



Thomson Deluxe Family Room provides a conducive environment for the whole family to recover and enjoy post-delivery.

Our specialist clinics have also worked on expanding their product and service offerings over the past year.

- To ensure healthy vision development in children, Cordlife Singapore has launched a paediatric eye screening service – Eyescreen™ – for children as early as six months to six years old, for patients at Thomson Medical Centre. This photoscreening technology is a safe, simple and non-invasive way of screening children’s eyes for more than 10 vision conditions.
- At Thomson Wellth Clinic, we have developed the Pink of Health Screening Package to detect risk factors to common conditions faced by women above the age of 30, such as breast and colorectal cancer. Early cancer detection is important, as it accords more treatment options, increases survival rate, and improves quality of life.
- Meanwhile, Thomson Kids Specialised Learning has recently published an audio comic book to help preschool and lower primary school students with learning difficulties form a strong foundation in the Chinese language.
- Thomson Chinese Medicine (“TCM”) has recently opened its fourth clinic at Novena Specialist Centre, allowing patients more easy access to our services.



Thomson Kids' Chinese book is chock-full of content to help little learners grasp the language confidently.

Patient Health and Wellness Initiatives

Pregnancy is an important milestone for all parents. To help expectant mothers focus on the delivery process, TMC prepares a gift pack for all mummies who deliver at our hospital. This year, our Thomson mummies can look forward to receiving a sustainable and environmentally friendly jute bag packed with useful mum and baby products.

Over the years, TMC has always emphasised delivering optimal nutrition for all post-natal mothers to provide them with the best start to their journey into parenthood. We work with our dieticians, lactation consultants and Traditional Chinese Medicine physicians and chefs to curate our inpatient meals to provide recuperating mothers with the necessary nourishment to regain their strength and energy.

In FY2022, TMC was the pilot hospital to roll out an initiative to increase demand for local produce. Together with Chef Justin Foo, Ruan Lim, SFA and its Citizens' Workgroup participants, we designed meals with local produce that are delicious, nutritious, and suitable for new mothers.



Chef Justin Foo introducing mouthwatering meals to Minister for Sustainability and the Environment, Grace Fu & TMG Group CEO at the launch of the Pilot initiative.

SUSTAINABILITY REPORT

PATIENT SATISFACTION

PERFORMANCE RESULTS AND TARGETS

Maintaining open feedback channels with our customers is paramount to building brand loyalty, achieving timely service recovery, and assessing patient satisfaction levels. After each visit, we seek real-time feedback from our customers via an online Patient Experience Questionnaire, where we ask them to rate on a Likert scale:


- How satisfied are you with the services we have provided?
- How likely are you to return to TMC on your next hospital visit?
- How likely are you to recommend TMC to your friends and relatives?

As an additional key performance indicator (“KPI”), we also monitor the compliments to complaint ratio, a compilation of solicited and unsolicited feedback we receive for both Inpatient and Outpatient services, to assess our service delivery performance.

We use these KPIs to evaluate our performance in managing patient experience and improving patient satisfaction levels over the years. As presented in the table below, we achieved our targets for all KPIs during the reporting period.

There was a slight decrease in overall patient satisfaction levels in FY2022, and much of the negative feedback we received were related to longer wait times for screening, testing, admission and discharge processes and stricter visitor management practices for outpatient services during the COVID-19 peak period from August to December 2021. Communicating real-time policy changes in COVID-19 safe management measures to our patients and their visitors was not an easy feat for our staff. However, we noted a promising improvement in customer satisfaction levels for outpatient services, from 58.3% in the first half of FY2022 to 82% in the second half of FY2022. As for inpatient services, our customer satisfaction rate was consistently maintained at 92% throughout the year.

In FY2022, TMC won a record number of 8 Star, 36 Gold, and 44 Silver awards at the Singapore Health Quality Service Awards (“SHQSA”). This achievement is a testament to the hard work and outstanding performance of our nurses in consistently delivering our brand of service and providing patients and their families with a seamless experience. More details can be found at <https://www.singhealth.com.sg/SHQSA>.

ESG Factor	Metrics	FY2021	FY2022	Target
 Patient Satisfaction	Compliments to complaint ratio	24:1	16:1	20:1
	Customer satisfaction rate	99%	88%	> 85%
	Choice hospital again	98%	91%	> 85%
	Recommend TMC to friends and relatives	98%	90%	> 85%

CUSTOMER HEALTH AND SAFETY

MANAGEMENT APPROACH

As the operator of the only private hospital providing comprehensive, specialised care for women and children in Singapore, TMPL strives to achieve business, operational and service excellence on all fronts. We are committed to the highest standards of quality in our products, services and treatments, and we continuously seek to ensure the best clinical outcomes for our patients and mitigate all health and safety risks.

In line with our Quality and Patient Safety Framework, a Quality Assurance Structure was established to ensure a coordinated, integrated approach to manage patient safety, quality assurance and improvement activities.

There are a total of 10 Clinical Sub-Committees designated to manage different aspects of clinical quality, with oversight from TMPL’s Medical Advisory Board.

Clinical Sub-Committees



In addition, we have 7 Hospital Quality Committees under the purview of the Chief Executive Officer, with support from the management team.

Hospital Quality Committees



When formulating policies and procedures to safeguard customer health and safety, we reference the ISO 9001 standards on Quality Management Systems as well as all other relevant regulatory standards and voluntary guidelines.

To ensure the safety of our products and services, we have put in place strict policies and procedures for the procurement of medical equipment and pharmaceutical products. We seek to ensure that our medications are always available while minimising pharmaceutical waste by using a proper inventory system, procuring drugs at optimal quantity and costs, and maintaining a list of reliable suppliers who met our vendor evaluation criteria.

All drugs purchased must be approved by the Health Sciences Authority, Singapore (“HSA”). In TMPL we maintain a list of approved drugs (the “Drug Formulary”) to be used in the hospital. An annual review of the Drug Formulary is performed by the Pharmacy and Therapeutics Committee to ensure all matters related to the use of medications in the hospital, including the development and maintenance of the formulary is safe and effective. All vendors supplying our pharmaceuticals are subject to stringent vendor evaluation in accordance with our Standard Operating Procedures (“SOP”). The vendors must be reliable, reputable, with valid business and other relevant licenses. All medications are stored as per manufacturer recommendations, with consideration given to temperature requirements.

SUSTAINABILITY REPORT

CUSTOMER HEALTH AND SAFETY

MANAGEMENT APPROACH (CONT.)

Our Biomedical Engineering Department oversees the procurement of all medical equipment used in the hospital. We have a strict SOP in place to review the procurement of medical equipment which include selection, commissioning, inspection, testing and maintenance of equipment used. All medical equipment and systems used in the patient care must be approved by the relevant authorities to ensure they are operational, safe and properly configured and maintained.

In line with our mission to deliver exceptional healthcare services solutions of the highest quality, TMPL strives to meet the International Patient Safety Goals (“IPSG”), developed by the Joint Commission International to promote specific evidence- and expert-based improvements in patient safety. Adapted to our organisational context, these goals include identifying babies correctly, improving the safety of high-alert medication, ensuring safe surgery, reducing healthcare associated infections by promoting good hand hygiene, and reducing risk of patient harm resulting from falls.

POLICIES AND INITIATIVES

Infection Prevention and Control Programme

Infection prevention and control can be challenging in the healthcare setting especially during emerging pandemics, as was the case with COVID-19. Notwithstanding these emergences, the healthcare institutions endeavour to keep hospital associated infections at bay by aligning our practices with the National Infection Prevention and Control Standards.

To ensure that all our staff are equipped with working knowledge on infection control and epidemiology, we conduct training sessions on Infection Prevention and Control on an annual basis. As part of our infection prevention and control program, hospital-wide audits are conducted based on the National Infection Prevention Control Standards.

To further enhance the safety of our younger patients, we have set up the Thomson Paediatric Centre container – an external facility next to the hospital – to better manage paediatric patients who exhibit acute respiratory infection symptoms and other risk factors, thereby minimising COVID-19 transmission risks. TMC has also fitted one of our operating theatres with an anteroom, equipped with negative pressure capability, to protect our doctors, staff and patients in the event of emergency surgeries involving infectious patients.

In line with the Fourth IPSG goal, we have adopted and implemented the evidence-based hand hygiene guidelines from the World Health Organisation. In line with these guidelines, our nurses and doctors are expected to adhere to the Five Moments of Hand Hygiene. To ensure compliance, monthly hand hygiene audits are conducted by our Infection Control Liaison Officer, with 11,514 hand hygiene observations completed in FY2022.

TMPL adapted these IPSG

-  **Identifying patients correctly**
-  **Improving the safety of high-alert medication**
-  **Ensuring safe surgery**
-  **Reducing healthcare associated infections by promoting good hand hygiene**
-  **Reducing risk of patient harm resulting from falls**






It is also important that we reduce the risk of infections associated with food services by maintaining high standards of food hygiene. At TMC, our kitchen operations and management are outsourced to an established catering operator that is ISO 9001:2015 and ISO 22000:2018 certified. Weekly inspections are performed to evaluate whether the hygienic conditions of the kitchen where food is prepared meet Singapore Food Agency’s Food Hygiene Standards. Our dietician conducted a total of 48 food hygiene audits in FY2022.

The food hygiene audit covers the general conditions of the kitchen, storage of food, functionality of refrigerators and cold room, diet presentation and quality, cleaning standards and employee hygiene. Results from the food hygiene audit and patients’ feedback are reviewed during monthly Food Committee Meetings and all identified opportunities for improvement are promptly addressed.

PERFORMANCE RESULTS AND TARGETS

As compared to the previous year, we have achieved incremental improvements in our compliance rate for hand and food hygiene audits. In addition, we have had zero cases of non-compliance with regulations and voluntary codes concerning the health and safety impacts of our products and services.

ESG Factor	Metrics	FY2021	FY2022	Target
 Customer Health and Safety (GRI 416)	Compliance rate of monthly hand hygiene audits	91%	97%	90%
	Compliance rate of monthly food hygiene audits	84%	87%	85%
	Incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of our products and services	0	0	0

SUSTAINABILITY REPORT

WORKPLACE HEALTH AND SAFETY

MANAGEMENT APPROACH

As a healthcare organisation, the well-being of our employees is of paramount importance to us. After all, our nurses, doctors and employees are the backbone of what keeps Thomson Medical one of the leading healthcare providers in Singapore. We aim to provide our employees with a healthy and safe work environment that is conducive for their well-being.

We recognise that our employees might be exposed to a wide array of health and safety risks in the workplace. To better manage these risks, we have developed a workplace health and safety framework, encompassing the following aspects: Policy, Planning, Implementation and Operation, Checking and Corrective Actions, Management Review and Continual Improvement. Incorporated within the framework are the regulatory requirements of the Workplace Safety and Health Act and ISO 45001 standards on Occupational Health and Safety (“OH&S”).

Our Workplace Safety and Health Committee (“WSHC”) meets monthly to:

- Establish written safety protocols that apply to all employees and stakeholders, including contractors, vendors and partners that work on-site at the hospital.
- Ensure compliance with legal requirements through audits and inspections.
- Review environmental, health and safety incidents, identify opportunities for improvement, and conduct training to equip staff with Workplace Safety and Health related knowledge and skills.

The WSHC also reviews existing procedures and processes to minimise and mitigate potential hazards and risks, conducts periodic facility inspections and indoor air quality assessments as per regulatory requirements.

The Infection Control Manager (“ICM”) oversees matters pertaining to the management of “sharps”, needle stick injuries, exposure to body fluids, hospital associated infections among others. The ICM conducts root cause analysis of these incidents and implements control measures to mitigate potential risks and future occurrences.

Our key management approach for OH&S can be summarised as follows:

- To monitor, review and maintain safe systems of work, policies and procedures by complying with all relevant health, safety, environmental legislations;
- To prevent work-related incidents by providing adequate resources, programmes, education and training to our staff and service partners;
- To mitigate foreseeable unsafe conditions and behaviours in the workplace;
- To continually engage all relevant stakeholders and staff; and
- To regularly measure, evaluate and review objectives, targets and performance of our policies and initiatives.

POLICIES AND INITIATIVES

Incident Reporting

TMPL places great importance on the safety of all individuals utilising our facilities and operating within our premises. To uphold safety standards in our hospital, we have established a robust Hospital Occurrence Reporting System that allows us to recognise, report, investigate and respond to the occurrence of near-miss and serious incidents in a timely fashion. Root cause analysis for each incident is conducted and corrective actions recommended to prevent future occurrence. We brief our employees on our incident reporting process during regular departmental meetings and on-the-job trainings.

Risk Management Champions

We conduct regular health and safety awareness programmes, trainings and campaigns for our employees to ensure they are kept up to date with the latest procedures and newest developments. We review and update department-specific risk registers annually. In addition, regular on-the-job training on the handling of sharps, body fluid spill management and drills are conducted for all new nurses and refresher programme provided for existing nurses.

Our goal is for every employee to be a Risk Management Champion who can detect and assess safety hazards and health risks in the workplace, take steps to ensure a safe and secure workplace and reduce risks at source. In FY2022, we enrolled our front-line managers for the bizSAFE Level 2 course to equip them with the necessary knowledge and skills to be Risk Champions and develop the "Risk Lens" to detect and mitigate risks in the workplace in a timely fashion.

Employee Wellness Initiatives

At TMC, we strive to keep our employees happy and engaged. Cultivating health and wellness in our employees is one of the key elements in the "Joy in Work" framework by the Institute for Healthcare Improvement.

With the easing of the Covid-19 Safe Management Measures, the Recreation Club has resumed its operations and its members are busy planning employee engagement activities like festive celebrations, monthly team-bonding activities, sight-seeing trips and even a Staff Bazaar, to be executed in the coming months.

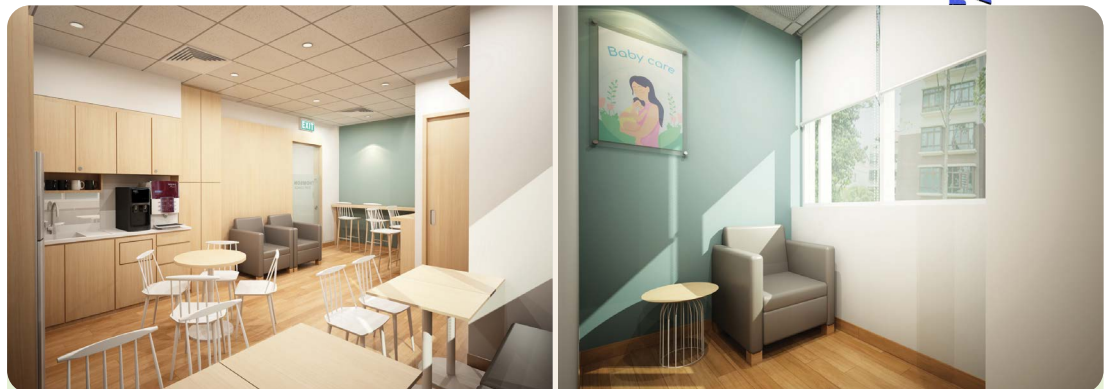
The design and development of a Staff Lounge is underway at TMC. We believe that creating a space for our employees to converse and interact during

their break time will help enhance their physical and emotional well-being while also boosting staff morale and cohesiveness.

To motivate our employees to eat right, stay active and manage their health at work, we organised the following seminars and workshops:

- Ergonomics Awareness Training on 15 November 2021
- How Stress Affects the Brain on 22 February 2022
- How to Prevent Heart Attack on 6 July 2021
- How to Prevent Osteoporosis on 12 July 2021

Various initiatives have been introduced to prevent workplace accidents for example through trips and falls. We encourage our employees to apply the 6S methodology to declutter and organise their workspace, thereby ensuring easy access to equipment and supplies and have a clutter-free work environment.




Thomson Medical's new Staff Lounge will introduce more collaborative spaces for staff to unwind and interact fostering cohesion among colleagues.

SUSTAINABILITY REPORT

WORKPLACE HEALTH AND SAFETY

PERFORMANCE RESULTS AND TARGETS

We are pleased to announce that there were no high consequence work-related injuries and fatalities resulting from work-related injuries. However, the overall rate of work-related injuries has increased from the 12-month average rate of 4.40 in FY2021 to 8.33 in FY2022.

ESG Factor	Metrics	FY2021	FY2022
Occupational Health and Safety (GRI 403)	 Number of recordable work-related injuries	6	13
	Number of high-consequence work-related injuries	0	0
	Number of needlestick injuries	3	1

In FY2022, there were 13 work-related injuries resulting from falling and ergonomic hazards and 1 accidental needlestick injury. For the latter, meetings with the Nursing Quality Assurance Committee and the Workplace Safety and Health Committee have been convened, and corrective actions taken as per our Sharp Injury Protocol.

To prevent falls in common areas, we have applied demarcation markings to our staircases, conducted an ergonomics workshop to educate our staff on proper lifting postures that can help minimise back injuries, and placed posters in staff areas to remind them of the importance of occupational health and safety.

We target to ensure that safety protocol is emphasised to all employees through training and other reminders to minimise the overall rate of work-related injuries, and we strive to maintain our record of having zero high-consequence work-related injuries or fatalities in the workplace.

OUR RESPONSE TO COVID-19 PANDEMIC

As the COVID-19 virus continues to evolve, infection control is at the forefront of what we do. This is key to ensuring the safety of our patients and their families, not to mention our employees and other stakeholders.

We have in place an Emergency Preparedness Plan for Disease Outbreak providing our employees with guidance on the operational measures that need to be undertaken to prevent infectious disease transmission in the hospital. We have also established a COVID-19 Advisory Committee comprising specialists in Infectious Diseases, Obstetrics and Gynaecology, Paediatric Medicine and members of our Senior Management and Medical Advisory Board to understand how we might be able to further enhance our emergency preparedness response and related clinical policies.

Since the onset of the COVID-19 pandemic, we have made available the following training and awareness programmes to our staff:

- Guidance on the use of PPE, including N95 mask fitting and usage training.
- Protocol for providing COVID-19 test services to our patients.
- Updates on the pandemic and safety measures to be adhered to in our facilities, in compliance with the Ministry of Health's ("MOH") regulations and directives.
- Employee health surveillance system via our 24-hour walk-in clinic where employees who report sick are assessed and treated by resident physicians.
- COVID-19 swab and Polymerase Chain Reaction ("PCR") tests for all employees who display acute respiratory infection symptoms.

As of 30 June 2022, all our employees have been vaccinated.

OUR EMPLOYEES

MANAGEMENT APPROACH

At TMPL, we strive to create a happy, inclusive and empowering work environment where employees can thrive. This entails embracing fair employment practices, providing our employees with opportunities for professional growth, and facilitating good work-life balance among our employees.

As an equal opportunity employer, we seek to attract and recruit skilled and motivated individuals to join our team on the basis of their qualifications and merits alone. We are committed to building a diverse workforce that reflects and embraces the different backgrounds, cultures and experiences of the communities in which we operate.

As a Group, we strongly believe in investing in our employees' personal and professional development to help them reach their full potential. To achieve this, an annual training and development needs analysis is proposed to be conducted for our staff to identify their competency level and training needs.

POLICIES AND INITIATIVES

Training and Development Programs for Nursing Staff

Our Human Resource Department and Nursing Administration Department oversee all training-related matters for our nursing staff. This is essential as our patient-centric and compassionate nurses are the backbone of our organisation, and they form a significant portion of our staff strength. To ensure an optimised healthcare experience for our patients, it is vital for us to provide our nurses with adequate training opportunities throughout their careers.

In TMPL, we place great emphasis on coaching and mentorship. Our Preceptor Training Program is designed to equip experienced nurses with the skills and knowledge to induct and precept newly recruited nurses. Preceptors play a pivotal role in supporting the transition of newly hired staff into practice settings. As nurses progress along their careers, they will also be inducted into our leadership pipeline.

We make use of an integrated e-learning platform to provide for the training needs of our nurses. On this platform, nurses can access and read up on a wide range of topics, including but not limited to blood transfusion, medication calculations, pharmacology on high alert medications and management of drug allergy on the go.

In support of our nurses' own professional and personal aspirations, we offer tertiary education scholarships for Advanced Diploma courses and other professional development courses, such as: Basic Cardiac Life Support instructor course, neonatal resuscitation course, basic counselling course, wound care course and electrocardiogram course for nurses in the intensive care unit. Our nurses are also rotated between departments to broaden their competencies in different specialities.



Regular training and development programmes for our nurses ensure that we deliver the best care to our patients.

SUSTAINABILITY REPORT

OUR EMPLOYEES

POLICIES AND INITIATIVES (CONT.)

Training and Development Programmes for Non-Nursing Staff

TMPL provides general, competency-based and specialty trainings for our non-nursing staff, according to their roles. For example, our front office service staff are provided with service trainings, while our support staff in operations and finance undergo technical skills upgrades or attend relevant seminars and conferences.

A few of the internal training and development programmes conducted over the reporting period are as follows:

Training Programmes	Participants
COMPANY-WIDE TRAINING PROGRAMS	
Corporate Orientation	All new employees
Goal Setting Briefing	All Managers and HODs
Annual Performance Appraisal Briefing	All Managers and HODs
Fire Safety Table Top Exercise	Relevant Department Representatives
CONTROL AND COMPLIANCE	
Enterprise Risk Management Training	Senior Management, HODs and Executives
Fundamentals of PDPA	All Senior Management, HODs, Executives, Nurses, Medical Records Staff, HR, and all staff handling personal data
Understand Governance, Risk Management and Compliance	Finance Staffs
Business Continuity Overview Briefing	Senior Management, HODs and Executives
Group Compliance Training	All Managers/ Asst Managers and HODs
Data Protection for Hybrid Cloud Environments	Senior Management, HODs and Executives
QUALITY TRAINING PROGRAM	
Patient Experience and Innovation Summit	Service Leaders
Compliance with Workplace Safety and Health Policies	All employees
SERVICE TRAINING PROGRAMS	
Thomson Touch	All new employees
MANAGEMENT INFORMATION BRIEFING	
Cybersecurity for Managers: A Playbook	Senior Management, HODs and Executives
Training on Microsoft Teams	Administrative employees



Chief Nursing Officer, Paulin Koh (2nd from left) presents an award to Nurses Merit Award 2022 winner at Thomson Medical's Nurses Day Celebrations.



Appreciating our educators at Thomson Kids on Teacher's Day!

Employee Benefits

We provide our full-time employees with a comprehensive benefits package that includes medical and dental consultations and/or treatment reimbursement, insurance coverage and hospitalisation benefits. To help our employees better manage their personal health, we offer a complimentary basic health screening and seasonal influenza vaccinations to our employees every year.

In line with guidelines from the Ministry of Social and Family Development, our employees are also eligible to receive family leaves such as maternity leave, paternity leave and childcare leave.

Employee Appreciation Day

We appreciate our employees for their hard work, perseverance and dedication in providing the best quality of care to our patients and their families. To honour their contributions, we have organised a series of celebratory events over the past year, as follows:

- In celebration of Nurses' Day, we prepared gifts for all nurses and organised a video conference event with speeches from Thomson Medical senior management and Guest-of-Honour Ms Paulin Koh, Chief Nursing Officer. At our vaccination centres, appreciative residents around the neighbourhood delivered lovingly created handmade cards, baked homemade muffins, and bouquets of flowers to our nurses, in thanks of their efforts to protect Singaporeans against the COVID-19 virus.
- To celebrate TMPL's fruitful partnership with our doctors, we have also organised a Christmas Brunch and Chinese New Year Lou Hei to keep up the festive mood while making sure to comply with prevailing Safe Management Measures.
- On Teacher's Day, the lovely teachers at Thomson Kids were gifted pretty bouquets and yummy brownies, as a small gesture to thank them for their hard work and their dedication to helping children with learning difficulties maximise their learning potential.

SUSTAINABILITY REPORT

OUR EMPLOYEES

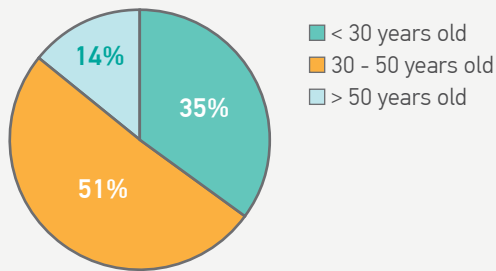
PERFORMANCE RESULTS AND TARGETS

GRI 401-1: Employment

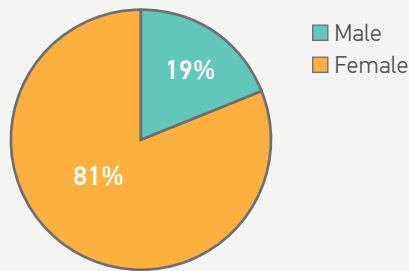
As of 30 June 2022, TMPL engaged a total of 699 employees, marking a slight decrease from the 723 employees we hired a year before. This decrease can be attributed to the ongoing manpower crunch within the healthcare sector that has only been amplified by the Covid-19 pandemic.

A breakdown of newly joined employees in FY2022, by age group and by gender, is as follows:

By Age Group

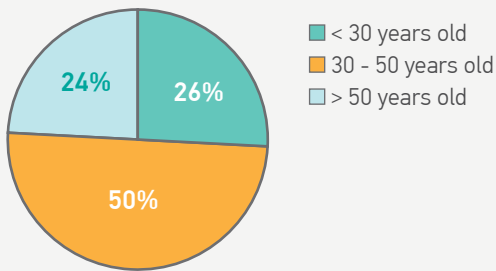


By Gender

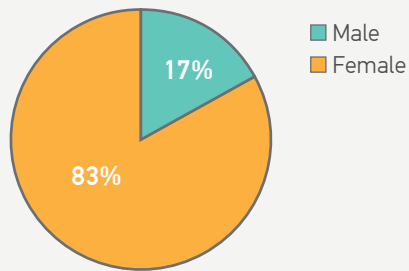


A breakdown of employees who left the organisation in FY2022, by age group and by gender, is as follows:


By Age Group



By Gender



Over the years, we have managed to maintain fairly consistent rates of new employee hires and employee turnover, as shown in the table below. Our long-serving employees contribute to the quality of the services that TMPL provide.

ESG Factor	Performance Metrics	FY2020	FY2021	FY2022
 Employment (GRI 401)	Average monthly new hire rate	1.3%	1.3%	1.6%
	Average monthly employee turnover rate	1.6%	1.5%	2.1%

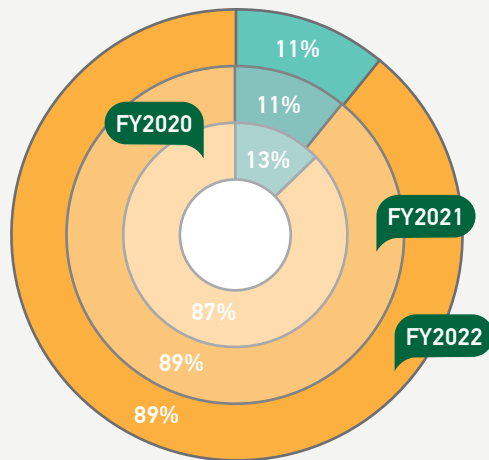
GRI 405-1: Diversity and Equal Opportunity

A diverse workforce helps us better serve patients and families from all walks of life. At TMPL, we strongly believe that bringing together diverse perspectives and skillsets will lead to better outcomes for our customers, our people and our communities.

Since FY2020, there has been no significant change in the gender distribution of our employees, with females comprising 87% of the workforce in FY2022. It is common for female employees to make up a larger proportion of the workforce in the healthcare industry, and this is especially so when the nature of our business focuses on women's and children's healthcare.

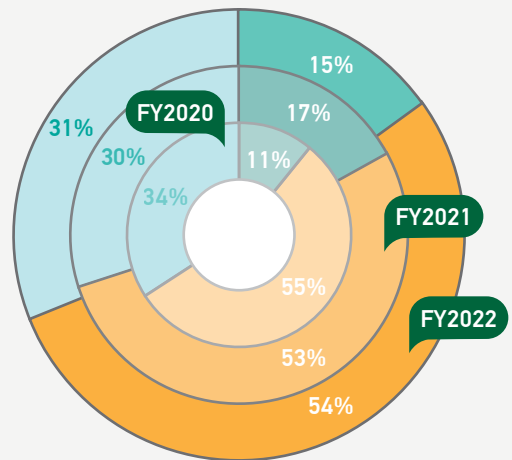
Employee Distribution by Gender

■ Male ■ Female



Employee Distribution by Age Group

■ < 30 years old ■ 30 - 50 years old ■ > 50 years old



Across the Group, we strive to embrace diversity and inclusion at all levels. Following a review of our Board size and composition, we are pleased to announce the addition of three new female directors, with broad experience in the investment and healthcare sectors, to the Board this year. Our Board is now the most diverse it has ever been, with one-third of the Board comprising of women, 55% being below the age of 50, 56% comprising Non-Executive Directors and 67% serving three years or fewer. We seek to continue diversifying our board composition in the years to come, thus ensuring that the Board has an appropriate balance of experience, competencies, and knowledge.

For more details on our board diversity policy and nomination processes, please refer to the Corporate Governance Report section of the Annual Report.

SUSTAINABILITY REPORT


OUR EMPLOYEES

PERFORMANCE RESULTS AND TARGETS (CONT.)

GRI 404-1: Training and Education

The Group considers encouraging our employees to engage in continuous learning and improvement to be critical to enhancing our long-term growth.

For our nursing and non-nursing staff alike, there has been an increase in average training hours, and we have met all the targets we set for FY2022.

ESG Factor	Performance Metrics	FY2021	FY2022	Target
 Training and Education (GRI 404)	Average training hours per year for nursing employees	31	46	40 hours of training at minimum
	Average training hours per year for non-nursing employees	2	6	To complete key training programmes annually

In support of our employees’ professional growth, TMPL will continue to strive towards providing equal opportunities for training and education to our employees.

AVERAGE TRAINING HOURS BY EMPLOYEE CATEGORY			
	Executives	Middle Management	Senior Management
Nursing Staff	39.3 hours	97.4 hours	-
Non-Nursing Staff	2.4 hours	6.1 hours	4.5 hours



ENVIRONMENTAL MANAGEMENT

MANAGEMENT APPROACH

We are committed to delivering environmentally sustainable outcomes and reducing our environmental footprint, formulating our internal policies in alignment with ISO 14001 Environmental Management standards and in compliance with local regulatory requirements from the Health Sciences Authority (“HSA”) and National Environmental Agency (“NEA”).

As a healthcare organisation, we consume significant amounts of energy and water for facilities management and the operation of energy-intensive medical equipment. Our hospital buildings are large and outfitted with high-energy air-conditioning and mechanical ventilation (“ACMV”) systems that help to maintain adequate ventilation and regulate temperatures throughout the whole building, which are a major contributor to our environmental footprint. While it is essential that our medical facilities are 24/7

operationally ready to serve patients in need, we seek to balance the costs of running our operations against the need to conserve resources where possible for greater environmental sustainability.

Over the course of our operations, considerable amounts of general and hazardous waste is produced. Biohazardous waste produced by our medical facilities include contaminated sharps, routine clinical waste, infectious waste, pathological waste and cytotoxic waste – these require special handling and disposal to prevent cross-contamination risks and safeguard public health.

Our approach to environmental management focuses on enabling the efficient usage of resources, ensuring the responsible management of waste materials, and encouraging the adoption of eco-friendly practices in the workplace.



SUSTAINABILITY REPORT

ENVIRONMENTAL MANAGEMENT

POLICIES AND INITIATIVES

Conserving Energy and Water

Having a stable supply of electricity and clean water is crucial for the functioning of our medical facilities and it is important that we consume these resources responsibly in our business operations.

TMPL continues to hold the Green Mark certification awarded by the Building and Construction Authority of Singapore. As a Green Mark certified building, we are continually assessed for energy and water efficiency, sustainable operations and management, indoor environment quality and other green features. While this certification serves as testament of our excellent environmental performance, we persist in driving eco-efficiency programmes within our medical facilities.

In FY2022, we have successfully replaced all our lighting fixtures with energy-efficient LED lighting while using variable speed drives for all motors. Across our facilities, we have continued to use low-pressure water systems and water-efficient water fittings including taps, dual flush low-capacity flushing cisterns, urinals, and flush valves.

In the upcoming year, we have plans to upgrade our air-conditioning units and install an additional cooling tower for contingency use, which should improve the efficiency and performance of our infrastructural systems. We will also be embarking on a project to upgrade our water reticulation and piping network to further boost our water efficiency.

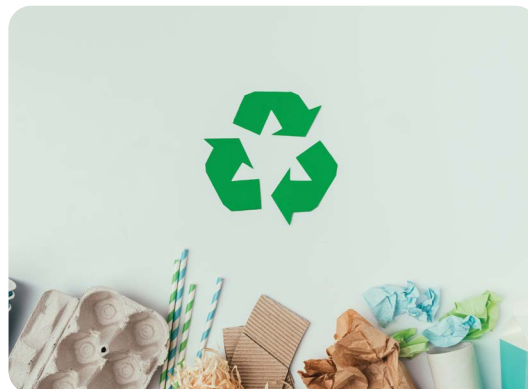


Responsible Waste Management

Owing to the highly regulated nature of waste-related activities, we have drawn up clear internal policies and trained our staff on procedures relating to waste segregation and containment, sanitisation and sterilisation, and the safe handling of hazardous waste. For instance, biohazardous and cytotoxic waste are to be segregated from general waste using colour-coded disposal bags. Used syringes with attached needles are to be discarded as a unit in a designated and properly labelled plastic sharps container, and securely closed and safely disposed once full.

We engage separate biohazard and general waste collectors, licensed by the National Environmental Agency, to handle and dispose of our generated waste. The appointed collector operates a fleet of enclosed trucks to collect and transport the waste to designated waste incinerators. All incinerated waste is disposed of in a sanitary landfill.

Next year, we plan to run an environmental awareness campaign to increase recycling rates within our facilities. On top of the recycling bins we have positioned around our premises, we plan to designate more collection points for employees and visitors to deposit recyclables such as waste paper and expended toner cartridges.








PERFORMANCE RESULTS AND TARGETS

In FY2022, we were able to achieve incremental improvements in the following indices, relating to TMPL's energy consumption, water consumption, and waste generation activities.

Given the growing urgency of the climate crisis, pursuing a low-carbon business strategy has become a priority for many businesses. We seek to mitigate our impact on the environment by limiting any future increase in these KPIs to not more than 5% from baseline figures in FY2020, while ensuring the required level of clinical care and patient safety.

During this reporting period, there were no incidents of non-compliance with relevant regulations issued by HSA and NEA. We target to continue having zero non-compliance incidents concerning these regulations next year.

ESG Factors	Metrics	FY2021	FY2022	Targets
 Energy (GRI 302)	Energy Consumption Index (kWh/patient-day ¹)	87.33	86.54	< 90.35
 Water and Effluents (GRI 303)	Water Consumption Index (m ³ /patient-day)	0.76	0.70	< 0.89
 Waste (GRI 306)	Biohazardous Waste Index (l/patient-day)	7.19	6.96	< 8.24
	General Waste Index (kg/patient-day)	7.54	5.78	< 7.91

¹ the care of one patient during a day of service, excluding the day of discharge



SUSTAINABILITY REPORT

COMPLIANCE WITH LAWS AND REGULATIONS

MANAGEMENT APPROACH

TMPL's reputation as a trusted life-long family health partner is built upon our firm commitment to the highest standards of corporate governance and ethical business conduct. We consider trust, transparency and service quality to be an utmost priority in all aspects of our business. To these ends, TMPL seeks to foster an ethical business culture and to achieve regulatory compliance excellence in all that we do.

Our shared Core Values (I.C.A.R.E) underpin all our activities and serve as a moral compass that guides us in our interactions with our employees, customers, vendors and other stakeholders.

A robust system of compliance monitoring is critical to ensure that we adhere to laws and regulations that govern our operations. Our compliance management systems are set up in alignment with local regulatory requirements and international standards such as but not limited to Health Sciences Authority's regulations, ISO 9001: Quality Management Systems, ISO 14001: Environmental Management Systems and ISO 45001: Occupational Health and Safety standards and National Infection Prevention and Control Standards.

We have also subscribed to an electronic legal flash weekly update on the latest regulations, with quarterly customised reports, from a third-party service provider. These reports are shared with all the heads of departments before being uploaded on the intranet. In this way, we are able to keep up with regulatory changes and optimise our organisational compliance.

Supported by the Audit and Risk Committee, Compliance Team and the Medical Advisory Board, the Board of Directors is responsible for the management and reporting of compliance matters and improvement initiatives, thus ensuring that our policies, procedures, and practices comply with latest ISO Standards, Workplace Health and Safety Act, Licensing Regulations and other laws and regulation requirements.

To further strengthen the Group's corporate governance and compliance functions, our Chief Risk and Compliance Officer ("CRCO") oversees and leads the compliance activities and initiatives of the Group. This underscores the importance that TMG places on driving a culture of compliance and integrity. Our CRCO supports the Group's corporate governance by reporting to the Group Chief Executive Officer and the Audit and Risk Committee of our Board of Directors on a regular basis and more frequently as needed.



POLICIES AND INITIATIVES

Anti-Corruption

To help us better manage the risks our organisation faces, prevent improprieties, promote accountability and improve operational efficiencies, we have put in place a series of internal policies, standards, and procedures that all employees have to abide by.

Code of Conduct and Ethics

To ensure that there is clear and aligned understanding of the standards of ethical conduct and responsible business practice that are expected of all employees, we have developed a Code of Conduct and Ethic to provide guidelines and spell out unacceptable behaviours. We believe that setting the appropriate tone-from-the-top helps ensure proper accountability within the Group.

At TMG, we have zero tolerance for improprieties including abuse of position, bribery and corruption. Our Directors and all employees declare their personal or business interests which may directly or indirectly conflict, or appear to conflict, with the interests of TMG on an annual basis, or when a potential conflict of interest arise.

To embed the desired organisational culture in our employees, our employees undergo regular trainings and receive periodic updates on changes to the codes of conduct, our conflict-of-interest policy and business ethics issues.

Whistleblowing Policy

To create and maintain a healthy corporate culture, we have put in place whistleblowing channels for employees and stakeholders to raise, in confidence and without fear of reprisal, possible improprieties or misconducts in all matters relating to our operation and conduct of business. To protect the whistleblower from unlawful retaliation and discrimination, the whistleblower's identity and concerns raised are kept confidential unless required by law to be revealed to the appropriate parties.

All instances of whistleblowing are reported to the Whistleblowing Committee, comprising key Senior Management of the Group, and the Audit and Risk Committee, or to the Chairman of the Board, if a member of the Whistleblowing Committee is being reported on. All cases will be investigated independently by an investigative committee to be convened as directed by the Whistleblowing Committee.

Our whistleblowing policy is made available in full on our intranet and employee handbook for employees' internal reference, and on our corporate website for our stakeholders' reference.



SUSTAINABILITY REPORT

COMPLIANCE WITH LAWS AND REGULATIONS



POLICIES AND INITIATIVES (CONT.)

Personal Data Privacy and Confidentiality

As TMG continues along our digital transformation journey to enhance service delivery and organisational performance, our data needs and volume increases accordingly. We recognise the critical need to respond to the ever-changing technology landscape and continually develop robust cybersecurity and data privacy programmes to protect our infrastructure, systems, and data from cybercrimes. To approach our security programme holistically, we have comprehensive policies and processes over:

Personal Data Protection

Safeguarding the privacy and security of personal data and medical information is of paramount importance to the Group, and it is our responsibility to ensure that all information collected from our stakeholders, including patients’ medical data, through the course of our business activities, are protected from misuse or compromise.

On top of abiding by personal data protection principles under the Personal Data Protection Act 2012 (“PDPA”) we also subscribe to other laws and regulations that govern our business conduct, like the Private Hospitals and Medical Clinics Act, the Singapore Medical Council Ethical Code and Ethical Guidelines and the Infectious Diseases Act.

The Personal Data Protection Commission (“PDPC”) has completed its investigation into the data breach in TMPL previously reported in FY2021. PDPC has issued TMPL its decision and given directives for the Group to strengthen its processes and security measures to protect personal data the entities in the Group collect, use and disclose. No financial penalty was imposed on TMPL. There were no substantiated complaints received concerning leaks, thefts or losses of customer data nor any security breaches in FY2022 and we will strive to achieve zero material security and data protection breaches for the Group in FY2023.

Cybersecurity

To protect our digital infrastructure and assets, the Group takes a comprehensive and systematic approach to managing cyber-security risks, regularly reviewing



our IT security policies and conducting periodic audits on our IT infrastructure and systems.

In FY2022, TMPL partnered with NetSfere, an award-winning, secure mobile messaging platform to implement its enterprise-grade secure messaging platform for internal communication and collaboration. This provides our healthcare workers with access to a highly secure and compliant mobile messaging platform that allows for instantaneous communication, improved collaboration, and efficiency at all levels.

We ensure that our employees comply with and are updated on the Group’s cybersecurity and data privacy policies, by:

- Conducting policy briefings and training sessions for all employees.
- Periodically carrying out cybersecurity assessments and email phishing tests.
- Including compliance as a major component of operational KPIs, organising regular learning sessions and quarterly reviews to assess areas of improvement.
- Alerting employees on possible cybersecurity threats through classroom sessions, audio-video presentations, email and intranet updates.
- Establishing SOPs to handle potential data breaches and to take rectifying actions.

PERFORMANCE RESULTS AND TARGETS

ESG Factors	FY2022 Performance	FY2023 Targets
 Anti-Corruption (GRI 205)	No confirmed incidents of corruption or other unethical behaviour	To maintain our track record of zero reported incidents
 Customer Privacy (GRI 418)	No substantiated complaints received concerning leaks, thefts or losses of customer data, nor any security breaches	To have zero security and data protection breaches



LOCAL COMMUNITIES

The Group continually seeks to give back to the community, and we are deeply committed to fostering a strong spirit of care and concern for local communities. This is a key motivation behind the work we do on improving health outcomes and providing better access to healthcare, in support of the UNSDGs.

Beyond our core expertise in obstetrics and gynaecology and paediatrics, our social media platforms regularly feature our in-house experts raising awareness on various medical conditions, ranging from gum disease to colorectal cancer, and sharing about the services we offer to help patients recover from these conditions. We recently started the #LetterstoMoms movement to uplift, assure and encourage moms through their journey of motherhood, at <https://www.letterstomoms.com/>.

Building on our expertise in providing healthcare services for women and children, we have partnered with multiple organisations that are equally committed to improving the lives of women and children to hold various events for the community.

I LOVE CHILDREN CAMPAIGN

For the fifth consecutive year, Thomson Fertility Centre (“TFC”) and TCM have partnered I Love Children (“ILC”), a voluntary welfare organisation that organises the annual Know Your Fertility Wellness Campaign to educate couples on fertility wellness.

In FY2022, TFC sponsored 200 complimentary fertility health checks while TCM sponsored 50 traditional Chinese medicine fertility consultations for couples to help them understand their body constitution and experience an acupuncture session.

Our team of experts from TFC and TCM also spoke at the Fertility Wellness webinar on 19 November 2021. They were joined by a psychologist from Thomson Counselling who shared about how couples can support each other while trying to conceive.



Thomson Medical's experts share their views at the ILC Fertility Wellness webinar.

SUSTAINABILITY REPORT

LOCAL COMMUNITIES

PREGNANCY AND PARENTING SEMINARS

We continue to regularly engage parents, parents-to-be and other audiences through virtual seminars, where our doctors and specialists speak on topics ranging from pregnancy, parenting, and paediatrics to fertility and general surgical specialities.

In March 2022, we hosted the founder and Co-President of the Instituto Valenciano de Infertilidad, Professor Jose Remohi, and showed him around our facilities. We also supported him in the delivery of a medical talk on the "Importance of the Luteal Phase" for doctors in the region.



Public education to prepare parents and parents-to-be for the arrival of their newborn is a key engagement pillar for a successful pregnancy.



Thomson Medical Centre CEO, Dr Daniel Lee introducing Professor Remohi to the hospital's facilities.



GRI CONTENT INDEX

GRI STANDARDS		PAGE REFERENCES AND REMARKS
General Disclosures		
102-1	Name of the organisation	Our Group at a Glance, Pages 2 – 3 of the Annual Report.
102-2	Activities, brands, products, and services	
102-3	Location of headquarters	
102-4	Location of operations	
102-5	Ownership and legal form	
102-6	Markets served	
102-7	Scale of the organisation	
102-8	Information on employees and other workers	61 - 63
102-9	Supply chain	The organisation's supply chain consists of sourcing, evaluating, purchasing, storage and distribution of pharmaceutical supplies, drugs, medical devices, equipment and personal products, as well as clinical services such as laboratory and radiology services. Products under the house brand are produced and packaged locally to support local suppliers.
102-10	Significant changes to the organisation and its supply chain	No significant changes
102-11	Precautionary principle of approach	We do not explicitly refer to the precautionary approach or principle in our risk management framework.
102-12	External initiatives	UNSDG and IPSG
102-13	Membership of associations	TMPL is a member of: <ul style="list-style-type: none"> • Sale of Infant Foods Ethics Committee Singapore • Reproductive Technology Accreditation Committee • Singapore National Employer Federation
102-14	Statement from senior decision maker	42 - 43
102-16	Values, principles, standards, and norms of behaviour	Page 1 of the Annual Report.
102-18	Governance structure	45
102-40	List of stakeholder groups	46 – 47
102-41	Collective bargaining agreements	Not applicable
102-42	Identifying and selecting stakeholders	46 – 47
102-43	Approach to stakeholder engagement	46 – 47
102-44	Key topics and concerns raised	46 – 47
102-45	Entities included in the consolidated financial statements	Notes to Financial Statements, Pages 152 – 155 of the Annual Report
102-46	Defining report content and topic boundaries	41

SUSTAINABILITY REPORT

GRI CONTENT INDEX

GRI STANDARDS		PAGE REFERENCES AND REMARKS
102-47	List of material topics	50
102-48	Restatements of information	Not applicable
102-49	Changes in reporting	Not applicable
102-50	Reporting period	FY2022
102-51	Date of most recent report	29 November 2021
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	41
102-54	Claims of reporting in accordance with the GRI Standards	41
102-55	GRI content index	75 – 77
102-56	External assurance	No external assurance has been sought for this report. We will review the need for an external assurance in the future.
Material Topics		
103-1	Explanation of the material topic and its boundaries	50
Economic Performance		
103-2	The management approach and its components	Financial Contents, Pages 100 – 175 of the Annual Report
103-3	Evaluation of the management approach	
201-1	Direct economic value generated and distributed	
201-4	Financial assistance received from government	
Patient Satisfaction		
103-2	The management approach and its components	51 - 53
103-3	Evaluation of the management approach	54
Customer Health and Safety		
103-2	The management approach and its components	55 – 57
103-3	Evaluation of the management approach	57
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	57
Workplace Health and Safety		
103-2	The management approach and its components	58 – 59
103-3	Evaluation of the management approach	60
403-1	Occupational health and safety management system	58 – 59

GRI STANDARDS		PAGE REFERENCES AND REMARKS
403-2	Hazard identification, risk assessment, and incident investigation	58 – 59
403-3	Occupational health services	58 – 59
403-4	Worker participation, consultation, and communication on occupational health and safety	58 – 59
403-5	Worker training on occupational health and safety	58 – 59
403-6	Promotion of worker health	58 – 59
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	58 – 59
403-9	Work-related injuries	60
Our Employees		
103-2	The management approach and its components	61 – 63
103-3	Evaluation of the management approach	64 – 66
401-1	New employee hires and employee turnover	64
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	63
404-1	Average hours of training per year per employee	66
405-1	Diversity of governance bodies and employees	65
Environmental Management		
103-2	The management approach and its components	67 – 68
103-3	Evaluation of the management approach	69
302-3	Energy intensity	69
303-5	Water consumption	69
306-3	Waste generated	69
307-1	Non-compliance with environmental laws and regulations	69
Compliance with Laws and Regulations		
103-2	The management approach and its components	70 – 72
103-3	Evaluation of the management approach	72
205-3	Confirmed incidents of corruption and actions taken	72
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	72

CORPORATE GOVERNANCE REPORT

The Directors and Management of Thomson Medical Group Limited (“**TMG**”) are committed to achieving and maintaining high standards of corporate governance, to promote corporate transparency and to enhance shareholder value. It firmly believes that good corporate governance is essential to the sustainability of the Group’s business and performance.

This corporate governance report outlines the main corporate governance policies, processes and practices adopted by TMG during the financial year ended 30 June 2022 (“**FY2022**”) with specific reference to each of the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”). To the extent where any provisions have not been fully complied with, appropriate explanations have been provided in the relevant sections.

A: BOARD MATTERS

PRINCIPLE 1: THE BOARD’S CONDUCT OF ITS AFFAIRS

The primary role of the Board is to oversee the affairs of the Company, provide leadership and set the overall business direction of the Group. The Board constantly seeks to protect long-term shareholder value and enhance the returns to the Company.

The Board’s principal duties and responsibilities (besides statutory responsibilities) are to:

- (a) Provide entrepreneurial leadership, and set strategic objectives, which should include appropriate focus on value creation, innovation and sustainability;
- (b) Ensure necessary resources are in place for the Group to meet its strategic objectives;
- (c) Establish and maintain a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders’ interests and the Group’s assets;
- (d) Monitor and review the performance of the management;
- (e) Identify the key stakeholder groups and recognise that their perceptions affect the Group’s reputation;
- (f) Set the Group’s value and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and duly met; and
- (g) Consider sustainability issues such as environmental and social factors as part of its strategic formulation.

The Group has in place a Code of Conduct and Ethics (including Conflicts of Interest), which sets the appropriate tone-from-the-top, the desired organisational culture, and ensures proper accountability within the Company. Directors are expected to objectively discharge their fiduciary duties and responsibilities in the interest of the Company and avoid situations in which their own personal or business interests directly or indirectly conflict, or appear to conflict, with the interests of TMG. Where a Director has a conflict of interest, or it appears that he or she might have a conflict of interest, in relation to any matter, he or she should immediately declare his or her interest at a meeting of the Directors or send a notice to the Company containing details of his or her interest and the conflict, and recuse himself or herself from participating in any discussion and decision on the matter. Directors are updated on the latest relevant statutory and legal requirements from time to time to enable them to discharge their responsibilities effectively and be familiar with current corporate governance best practices to ensure proper accountability within the Company.

Matters Requiring Board Approval

The Company has in place the Financial Authority Limit Policy (“**FAL**”) which was approved by the Board as the mechanism through which the Board or its delegate approves transactions and financial commitments within the Company and its subsidiaries. It is the responsibility of the management to ensure that transactions presented to the Board for approval have satisfied all other Group policies and procedures. The FAL covers the authorisation limits of the Group’s activities such as investment activities, financing and debt management and capital and operating expenditure.

Matters requiring the Board's decision and approval include:

- (a) Major funding proposals, investments, acquisitions and divestments including the Group's commitment in terms of major capital and other resources;
- (b) The annual budgets and financial plans of the Group;
- (c) Interim and full year results announcements;
- (d) Approval of the annual audited financial statements;
- (e) Internal controls and risk management strategies and execution;
- (f) Appointment of directors and key management staff, including review of their performance and remuneration packages; and
- (g) Any matter which the Board considers significant enough to require the Board's direct attention or would be critical to the proper functioning of the Company or its business.

Delegation of Duties by the Board

To assist the Board in the execution of its duties, the Board has delegated specific authority to the following Board Committees, which function within the respective terms of reference approved by the Board.

- (a) Audit and Risk Committee ("**ARC**"); and
- (b) Nominating and Remuneration Committee ("**NRC**")

Each Board Committee reviews the matters that fall within the ambit of its own Terms of Reference and reports its decisions to the Board, which endorses and accepts ultimate responsibility on such matters.

Details of these Board Committees are set out further below in this report.

Key Features of Board Processes

The Board conducts regular scheduled meetings on a quarterly basis. Ad-hoc meetings are convened, if requested by the Board or if warranted by circumstances deemed appropriate by the Board. All Board and Board Committee meetings are planned and scheduled well in advance, in consultation with the Directors. In between scheduled meetings, matters that require the Board's approval, are circulated to all Directors for their consideration and decision. As provided for in the Company's Constitution, Directors may also participate in Board meetings by tele-conferencing and/or video-conferencing. Five Board meetings were held during the financial year ended 30 June 2022.

As part of good corporate governance, all Directors are invited to attend meetings held by the ARC and the NRC. All written resolutions passed and minutes of meetings held by these various Board Committees are circulated to the Board for information and review, including all appropriate recommendations for approval by the Board.

Apart from board meetings, important or urgent matters concerning the Group are also presented for the Board's information or decision by way of written resolutions, electronic mail or telephone conferencing.

A Director who is unable to attend any meeting in person may participate via tele-conference. While the Board considers directors' attendance at Board meetings to be important, it is not the only criterion to measure their contributions. The Board also takes into account the contributions by Board members in other forms including level of discussion at board meetings, provision of guidance and advice on various matters relating to the Group. The Board also considers the other directorships and principal commitments held by the Directors to ensure that they have not compromised the time and attention devoted to the discharge of their duties to the Company.

CORPORATE GOVERNANCE REPORT

Attendance at Board and Board Committee Meetings

The table below sets out the attendance at meetings convened during the financial year under review.

Name of director	Nature of appointment	Board	ARC	NRC
Ng Ser Miang	Chairman, Independent, Non-Executive	5/5	4/5*	2/2
Dr Wong Chiang Yin ⁽¹⁾	Executive, Group CEO	5/5	5/5*	2/2*
Wilson Sam	Executive, Group CFO	5/5	5/5*	2/2*
Lim Wee Kiat ⁽²⁾	Executive, CEO of Thomson X Pte Ltd	5/5	5/5*	2/2#
Wan Nadiah Binti Wan Mohd Abdullah Yaakob ⁽³⁾	Executive, Group CEO of TMC Life Sciences Berhad	3/3	2/3*	1/1*
Heng Kim Chuan Freddie ⁽⁴⁾	Non-Executive	1/1	1/1	NA
Ong Pang Liang	Independent, Non-Executive	5/5	5/5	2/2
Dr Lam Lee G	Independent, Non-Executive	5/5	5/5	NA
Christina Teo Tze Wei ⁽⁵⁾	Independent, Non-Executive	3/3	3/3*	1/1
June Leong Lai Ling ⁽⁶⁾	Independent, Non-Executive	3/3	3/3	1/1*

(1) Resigned as Executive Director and Group Chief Executive Officer and the date of his cessation is 30 September 2022.

(2) Re-designated from Non-Executive to Executive Director and ceased as NRC member on 1 January 2022. Appointed Executive Vice-Chairman on 1 September 2022.

(3) Appointed on 1 January 2022 as Executive Director

(4) Retired on 22 October 2021

(5) Appointed on 1 January 2022 as Director and NRC member

(6) Appointed on 1 January 2022 as Director and ARC member

* attendance was by invitation for non-ARC and non-NRC member

attendance for one meeting as NRC member and one meeting as invitee

Board Orientation and Training

All newly appointed Directors receive a formal letter from the Company setting out the roles and responsibilities of a Director of the Company and a set of guidance notes which explain the duties and obligations of a director under the Singapore Companies Act, the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the Securities & Futures Act. Arrangements are made for new Directors who have no prior experience as a director of an issuer listed on the SGX-ST to undergo mandatory training in his or her roles and responsibilities as prescribed by SGX-ST. Newly appointed Directors are also briefed by Management on the business, operations and financial performance of the Group, including corporate governance practices such as disclosure of interests in securities, prohibitions on dealings in the Company's securities and restrictions on disclosure of price and trade sensitive information.

The Company encourages Directors to attend relevant training programme conducted by the Singapore Institute of Directors ("**SID**") and those courses which SID offers in partnership with the Accounting and Corporate Regulatory Authority, Singapore Exchange Limited and the Institute of Singapore Chartered Accountants. Directors are also encouraged to attend relevant courses offered by other institutes. The Company is responsible for arranging and funding the training of directors. The directors are provided with continuing education in areas such as directors' duties and responsibilities, corporate and risk governance, changes in SFRS(I), changes in the Companies Act, continuing listing obligations and industry-related matters, so as to update and refresh them on matters that may affect or enhance their performance as board or board committee members. Directors may at any time request for further explanation, briefing or informal discussion on any aspects related to the Group's operations.

The details of seminars, conferences and training programmes attended by some of the director(s) in FY2022 include: -

- Board risk committee organised by SID
- Audit committee seminar 2022 organised by SID
- Listed entity director programme organised by SID
- Overview of sustainability reporting conducted by a professional firm

Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob and Ms June Leong Lai Ling who are first-time directors had attended the four core modules of the Listed Entity Director programme conducted by the SID.

The Board is briefed on the strategic and business development of the Group at each quarterly board meeting by the Group CEO ("GCEO"). The Board is also briefed on changes to the accounting standards and regulatory updates by the external auditor, Management and the Company Secretary. The Company also organises on-site visits to the Group's key operating facilities overseas for Directors from time to time so as to enable them to have a better understanding of the Group's businesses.

Access to Complete, Adequate and Timely Information

The Board receives complete and adequate reports and discussion papers one week before scheduled Board meetings and on an on-going basis. Amongst other reports, the Board is also provided with reports from the internal and external auditors. These reports include key findings arising from interim and completed financial, operations and information technology audits for review and evaluation. The Board also receives regular updates on the industry and technological developments.

Such reports enable Directors to keep abreast of key issues and developments in the industry, as well as challenges and opportunities for the Group.

In addition to members of the Board being briefed by the GCEO at every Board meeting, the CEO of each business divisions are required to attend meetings to provide updates on the Group's business and operations. This allows the Board to develop a good understanding of the progress of the Group's business as well as the issues and challenges facing the Group, and also promotes active engagement with the key executives of the Group.

The Board has separate and independent access to the senior management and the Company Secretary at all times. Directors and Board Committees may, where necessary, seek independent professional advice, paid for by the Company.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

Board Size and Board Composition

The Board, through regular reviews by the NRC, seeks to ensure an appropriate balance of experience, competencies and knowledge among the Directors to provide effective entrepreneurial leadership to the Company.

Board Composition

As at the date of this report, the Board comprises nine Directors of which five are Independent and Non-Executive Directors and four are Executive Directors. The Independent Directors make up more than one-third of the Board. The Non-Executive Directors make up majority of the Board. Each Director has been appointed on the strength of his/her calibre and experience. The Board and NRC are of the view, given the nature and scope of the Group's operations, the current size of the Board is conducive for effective discussion and decision-making.

CORPORATE GOVERNANCE REPORT

As at the date of this report, the composition of the Board and Board Committees are set out below: -

Name of Director	Board	ARC	NRC
Independent and Non-Executive Directors			
Ng Ser Miang	Chairman	-	Chairman
Ong Pang Liang	Member	Chairman	Member
Dr Lam Lee G	Member	Member	-
Christina Teo Tze Wei	Member	-	Member
June Leong Lai Ling	Member	Member	-
Executive Directors			
Lim Wee Kiat ⁽¹⁾	Vice-Chairman	-	-
Dr Wong Chiang Yin ⁽²⁾	Member	-	-
Wilson Sam	Member	-	-
Wan Nadiah Binti Wan Mohd Abdullah Yaakob	Member	-	-

(1) Re-designated from Non-Executive to Executive Director and ceased as NRC member on 1 January 2022. Appointed Executive Vice-Chairman on 1 September 2022.

(2) Resigned as Executive Director and Group Chief Executive Officer and the date of his cessation is 30 September 2022.

The current Board consists of high calibre members with a wealth of knowledge, expertise and experience. The Board has contributed valuable direction and insight, drawing from their vast experiences in matters relating to business/management, accounting/finance, industry knowledge, strategic planning, and general corporate matters.

Non-Executive Directors make up a majority of the Board. With their knowledge and competency in their respective fields, Non-Executive Directors have provided constructive advice and good governance guidance for the Board to discharge its principal functions effectively. During the year, some Independent Directors discussed company matters without key management being present and provided feedback to the Board Chairman after such discussions.

Board Diversity

The Board is committed to building an open, inclusive and collaborative culture and recognise the benefits of having a Board and Board Committees with diverse backgrounds and experience. The Company has in place a Board Diversity Policy which advocates meritocracy and endorses the principle of having a board with the appropriate and right balance of skills, knowledge, age, experience and diversity of perspectives which can contribute effectively to the strategy and growth of the Company.

Under the Board Diversity Policy, the NRC will, in reviewing the Board composition, rotation and retirement of Directors and succession planning, consider aspects such as professional qualifications, industry and geographic knowledge, skills, length of service and the needs of the Company. In particular, the NRC considers gender to be an important aspect of diversity and strive to ensure that there is adequate gender mix on the Board. All Board appointments will be based on merit of candidates and will be considered against objective criteria and having due regard for the benefits of diversity on the Board, the needs and the Company's core value.

The current make-up of the Board reflects the Board's commitment to the relevant diversity in gender, age, skills and knowledge. The NRC will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval.

The current Board composition reflects the Company's commitment to Board diversity, especially in terms of female representation and age range. In particular, since the publication of our last Corporate Governance Report on 27 August 2021, three female directors namely Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob, Ms Christina Teo Tze Wei and Ms June Leong Lai Ling have been appointed. These appointments increased female representation to one-third of the Board. Apart from gender representation, the Board has also adopted a policy of regular renewal with 67% or six members serving three years or fewer, 22% or two members between six and eight years and one more than nine years.

Board Independence

The NRC reviews annually whether a Director or potential candidate for the Board is considered an independent director in accordance with the criterion for independence under the Code and the Listing Rules of SGX-ST.

The Code has defined an “independent” director as one who is independent in conduct, character and judgement and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director’s independent business judgment with a view to the best interests of the Company. Under the Listing Rules of SGX-ST, an independent director is not one who is or has been employed by the Company or any of its related corporations for the current or any of the past three financial years; or not one who has an immediate family member who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the NRC.

Each Independent Director is required to declare on an annual basis whether he/she considers himself/herself to be independent and whether he/she has any relationships which would interfere, or be reasonably perceived to interfere with the exercise of his/her independent business judgement. All Independent Directors have confirmed their independence as defined in the Code and the Listing Rules of SGX-ST. All Directors are also required to disclose their interests to the Board whenever there is a change in their interests. Taking into account the views of the NRC, the Board also assesses whether each Independent Director is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the Director’s judgement.

All the Independent Directors, save for Dr Lam Lee G, have served as Director for less than nine years. As mandated by the SGX-ST Listing Rules, the continuing appointment of Dr Lam as Independent Director, who has served for more than nine years, has been approved by shareholders in separate resolutions by (a) all shareholders and (b) shareholders, excluding the Directors and CEO of the Company and their associates at the AGM held on 22 October 2021. In accordance with the SGX-Listing Rules, Dr Lam will remain an Independent Director for three years from the conclusion of the AGM.

The NRC has reviewed the independence of Mr Ng Ser Miang, Mr Ong Pang Liang, Dr Lam Lee G, Ms Christina Teo Tze Wei and Ms June Leong Lai Ling and is satisfied that there are no relationships which would deem any of them not to be independent. Mr Ng, Mr Ong and Ms Teo each abstained from the deliberations of the NRC on their independence. The Board has accepted the report of the NRC. Each of the Independent Directors has abstained from the Board’s deliberation and acceptance of their respective independence.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman and GCEO of the Company are separate persons and are not related. The Chairman is a non-executive and independent Director and also chairs the NRC. He sets the agenda for Board meetings, ensures that adequate time is available for discussion of all agenda items, in particular, strategic issues, and that complete, adequate and timely information is made available to the Board. He encourages constructive relations within the Board and between the Board and management, facilitates the effective contribution of non-executive Directors, and ensures effective communications with shareholders. He takes a lead role in promoting high standards of corporate governance, with the full support of the Directors, the Company Secretary and senior management.

The GCEO bears executive responsibility for the Group’s business and implements the Board’s decisions. The roles of the Chairman and the GCEO are kept separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

Dr Wong Chiang Yin has resigned as GCEO and the date of his cessation is 30 September 2022. The Board has identified a potential successor to Dr Wong and will be making an announcement at an appropriate time. The GCEO is supported by a strong senior management team that will continue to execute the business plans laid out and oversee the operations of the Group.

The Company does not have any lead Independent Director given the majority independence of the Board and that the Chairman is independent. Further, matters affecting the Chairman such as succession and remuneration are deliberated by the NRC, where the majority of the members (including the Chairman) were independent Directors, and where the Chairman was conflicted, he would recuse himself and abstain from voting.

CORPORATE GOVERNANCE REPORT

PRINCIPLE 4: BOARD MEMBERSHIP

The Board had merged the Nominating Committee and Remuneration Committee into a new Committee, known as Nominating and Remuneration Committee (“NRC”) in April 2019, which aimed to improve its efficiency and effectiveness in discharging its duties. The scope and responsibilities of NRC are set out in the Term of Reference approved by the Board.

The NRC currently consists of three Independent Directors and the composition of the NRC is as follows:

Ng Ser Miang	Chairman	(Chairman, Non-Executive and Independent Director)
Ong Pang Liang	Member	(Independent Director)
Christina Teo Tze Wei	Member	(Independent Director)

The Board reviews the composition of the Board and Board Committee periodically, taking into account the need for progressive renewal of the Board and each Directors’ competencies, commitment, contribution and performance.

To ensure that the governance and business needs of the Group are adequately addressed, the NRC regularly reviews the capabilities of the Directors collectively by taking into account their skills, experience, diversity, and company and industry knowledge.

The NRC met twice during the financial year ended 30 June 2022. The NRC’s role is set out in its written terms of reference. The scope and responsibilities for matters relating to nomination are set out in the Term of Reference approved by the Board, which include the following:

- (a) To identify candidates for nomination and make recommendations to the Board on all board appointments;
- (b) To re-nominate directors, having regard to the director’s contribution and performance (e.g. attendance, preparedness, participation and candour) including, if applicable, as an independent director;
- (c) To determine annually whether a director is independent;
- (d) To develop and recommend to the Board as a process for evaluation of the performance of the Board, Board Committee and directors;
- (e) To assess the effectiveness of the Board, the Board Committees and the contribution by each individual director to the effectiveness of the Board;
- (f) To review and recommend to the Board the succession plans for directors, in particular, the Chairman and the GCEO;
- (g) To review and recommend the training and professional development programmes for the Board; and
- (h) To review the succession plans and the development programme for key executive.

The NRC regularly reviews the balance and mix of expertise, skills and attributes of the Directors in order to meet the business and governance needs of the Group.

Process for Selection and Appointment of New Directors

The Board considers the importance of putting the right people with the right range of skills, knowledge and experience together for effective governance of the Group’s business. The NRC assists the Board in ensuring that the Board comprise individuals whose background, skills, experience and personal characteristics enhance the effectiveness of the current Board and meet its future needs.

All new appointments, selection and re-nomination of Directors are reviewed and proposed by the NRC. The NRC has access to external search consultants and resources to identify potential candidates. Board members may also make recommendations to the NRC. Shortlisted candidates are met by the Board Chairman prior to approval at Board level. Some of the criteria considered by the NRC to identify and evaluate potential Directors include the following:

- The candidate should possess knowledge and experience in areas of value to the Group, including but not limited to accounting or finance, business or management, industry knowledge, strategic planning, customer-based experience or knowledge, environment and sustainability, legal or digital and geographical exposure;

- The candidate should have the aptitude or experience to understand fully the fiduciary duties of a Director and the governance processes of a publicly listed company;
- Independence of mind;
- Capability and how he/she could meet the needs of the Company and simultaneously complement the skillset of other Board members;
- Experience and track record;
- Ability to commit time and effort to discharging his/her responsibilities as a Director;
- Reputation and integrity; and
- The NRC also have regard to the importance of diversity when considering the richness of the Board as a whole.

Directors' Time Commitment and Multiple Board Representations

Where a Director has multiple Board representations, the NRC will evaluate whether or not the Director is able to and has been adequately carrying out his or her duties as a Director of the Company. The Board is of the view that a limit on the number of listed company directorships that an individual may hold should be considered on a case-by-case basis, as a person's available time and attention may be affected by many different factors such as whether they are in full-time employment and their other responsibilities. A Director with multiple directorships is expected to ensure that sufficient attention is given to the affairs of the Group.

The NRC takes into account, among other things, in its annual review of each Director's ability to commit time to the affairs of the Company, the attendance records of the Directors at meetings of the Board and Board Committee, the competing time commitments faced by any such individual with multiple board memberships as well as their principal commitments.

The NRC is satisfied that for the financial year ended 30 June 2022, despite their other listed company board representations and other principal commitments, each of the Directors was able to give sufficient time and attention to the affairs of the Company, and was able to adequately carry out his/her duties as a Director of the Company.

Succession Planning

The NRC regards succession planning as an important part of corporate governance and has an internal process of succession planning for the Chairman, Directors, the GCEO and senior management, to ensure the progressive and orderly renewal of the Board and key executives.

Rotation and Re-election of Directors

In accordance with the Constitution of the Company and in compliance with Listing Rule 720(5), one-third of the Directors who have been longest in office since their last re-election, are required to retire by rotation at least once every three years. These Directors are eligible for re-election, subject to approval by the shareholders at the annual general meeting ("AGM"). New Directors will hold office only until the next AGM following their appointments and they will be eligible for re-election. Such Directors are not taken into account in determining the number of Directors who are to retire by rotation.

The NRC has, in its deliberations on the re-appointment of existing Directors, taken into consideration the relevant Director's contribution and performance. The assessment parameters include attendance record and degree of participation at meetings of the Board and Board Committees as well as the quality of participation and contributions.

CORPORATE GOVERNANCE REPORT

The Board has accepted the NRC's recommendations to seek approval from shareholders at the forthcoming AGM:

- (a) To re-elect Mr Ng Ser Miang and Mr Ong Pang Liang who will be retiring by rotation under Article 105(2) of the Constitution of the Company and are eligible for re-election. Mr Ng and Mr Ong have consented to re-election; and
- (b) To re-elect Ms June Leong Lai Ling, Ms Christina Teo Tze Wei and Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob, newly appointed Directors who will be retiring pursuant to Article 106 of the Constitution of the Company and are eligible for re-election. Each of them has consented to re-election.

Mr Ng, Mr Ong and Ms Teo have abstained from the NRC's deliberations and decision on their respective re-elections. Each of the Directors nominated for re-election abstained from the Board's deliberation and acceptance of their respective re-elections.

PRINCIPLE 5: BOARD PERFORMANCE

The Board, with the assistance of the NRC, has approved the objective performance criteria and implemented a process for assessing the effectiveness of the Board as a whole and its Board Committee and individual Directors.

Evaluation of Board and Board Committees' Performance

The Board evaluation process involves having Directors complete a questionnaire seeking their views on various aspects of the performance of the Board and Board Committees. Performance criteria for Board performance included Board size and composition, independence, expertise, succession planning and progressiveness in Board refreshment, strategy, preparedness for corporate crisis, risk management and control and team dynamics. Performance criteria for Board Committees' performance included composition, expertise, performance of its functions and effective support to the Board.

Evaluation of Individual Directors' Performance

The Company also conducted a peer and self-evaluation to assess the performance of individual Directors. Performance criteria include factors such as the Director's attendance, preparedness, candour, participation and contribution at Board meetings, industry and business knowledge, functional expertise, and commitment and dedication. The results from the questionnaires and the feedback obtained from the Directors were collated by the Company Secretary and shared with the Board Chairman and the NRC members, and subsequently with the entire Board.

Based on the feedback received from the Directors, the performance of the Board and Board Committees have been satisfactory, and each individual Director has discharged its duties adequately and contributed to the performance of the Board.

The Company does not use any external professional facilitator for the assessments of the Board, Board Committees and individual Directors, and will consider the use of such facilitator as and when appropriate.

B: REMUNERATION MATTERS

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Matters concerning remuneration and compensation packages for senior management and the Executive Directors are determined and reviewed by the NRC, after giving due regard to the financial and commercial health, and business needs of the Group. The NRC consists of three Independent Directors. No Director is involved in deciding his or her own remuneration.

The Company has consolidated the functions of both the nominating and remuneration committees under the umbrella of the NRC as a single Board Committee. The scope and responsibilities for matters relating to remuneration are set out in the Term of Reference approved by the Board, which include the following: -

- (a) review and recommend to the Board of Directors a framework of remuneration for the Board, GCEO and key management personnel;
- (b) review and recommend to the Board the specific remuneration packages for each director, the GCEO and key management personnel;

- (c) review all aspects of remunerations, including but not limited to directors' fees, salaries, allowances, bonuses, share-based incentives and awards, and benefits in kind;
- (d) review and administer the share and other incentive scheme(s) adopted by the Company and to decide on the allocation to eligible participants under the said scheme(s); and
- (e) review the Company's obligations arising in the event of termination of the executive directors' and key executives' contracts of service, where required, so as to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The NRC has access to expert advice from independent consultants on remuneration policies as and when necessary. The NRC shall ensure that remuneration consultants, if engaged, shall be free from any relationships with the Company which might affect their objectivity and independence. The expenses of such professional services shall be borne by the Company. For the financial period under review, there was no engagement of remuneration consultant.

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The NRC reviews and recommends to the Board the remuneration framework for the Directors, GCEO and key management personnel taking into account the long-term interests and risk policies of the Group. The remuneration packages for Directors are structured to promote good stewardship of the Company and to retain and motivate the Executive Directors and key management personnel to contribute to the management of the Group to achieve long term success of the Group.

Directors' Remuneration

The NRC reviews the framework for Non-Executive Directors' remuneration taking into consideration the demands and responsibilities of the Non-Executive Directors, prevailing market conditions and referencing directors' fees against comparable benchmarks, while bearing in mind the overall performance of the Group. Each Non-Executive Director's remuneration comprises a basic fee as a Board member and an additional fee as a member of each of the Board Committees. The Chairman of each Board Committee is also paid a higher fee compared with the members of the respective committees in view of the greater responsibility carried by that office.

The NRC is of the view that the fee structure of the Non-Executive Directors is appropriate to their level of contribution and does not compromise their objectivity and independence. The total fees payable to Directors are subject to approval by the shareholders at the AGM.

The remuneration policy for the Executive Directors consists of two key components, that is, fixed cash and annual variable. The fixed component includes salary, provident fund contributions and other allowances. The variable component comprises a performance-based bonus which is payable on the achievement of individual and corporate performance targets and takes into account the risk policies. Executive Directors are not paid directors' fees. The remuneration policy has been endorsed by the NRC and the Board.

Key Management Personnel

The remuneration structure for the Company's top key management personnel comprises both fixed and variable components. The fixed component is in the form of a base salary, provident fund contributions and other allowances. The variable component is determined annually based on achievement of specific key performance indicators ("KPIs") which are clearly set out for each management personnel each financial year and such KPIs comprise both quantitative and qualitative factors.

PRINCIPLE 8: DISCLOSURE OF REMUNERATION

Directors' Remuneration

Whilst the Code recommends that the Company fully discloses the remuneration of each individual Director and the GCEO on a named basis, the Company has, given the confidentiality and commercial sensitivity of remuneration matters and the highly competitive environment in the industry, opted not to disclose the total remuneration of each individual Director in dollar terms to maintain confidentiality of the remuneration packages of these Directors. For the same reasons, the Company also does not provide an upper limit to the remuneration band of "\$500,000 and above".

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A summary of the remuneration for each individual Director for the financial year ended 30 June 2022 is as follows: -

	Directors' Fees (%)	Base/Fixed Salary (%)	Bonus and Other allowances (%)	Employee share options ⁽¹⁾ (%)	Total (%)
\$500,000 and above					
Dr Wong Chiang Yin	-	59	41	-	100
Wilson Sam	-	61	39	-	100
\$250,000 and below \$500,000					
Wan Nadiah Binti Wan Mohd Abdullah Yaakob ⁽²⁾	-	65	31	4	100
Below \$250,000					
Ng Ser Miang	100	-	-	-	100
Lim Wee Kiat ⁽³⁾	24	70	6	-	100
Heng Kim Chuan Freddie ⁽⁴⁾	100	-	-	-	100
Ong Pang Liang	100	-	-	-	100
Dr. Lam Lee G	100 ⁽⁵⁾	-	-	-	100
Christina Teo Tze Wei	100	-	-	-	100
June Leong Lai Ling	100	-	-	-	100

Note:

- (1) Relate to the employee share option scheme granted by TMC Life Sciences Bhd. The fair values of these options were estimated at the respective grant dates using the Black Scholes model.
- (2) Ms Wan Nadiah was appointed as Executive Director of the Company on 1 January 2022. Prior to 1 January 2022, she was a key management personnel of the Company, being the Executive Director and Group Chief Executive Officer of TMC Life Sciences Berhad. The remuneration disclosed in the table above includes her remuneration for the entire financial year ended 30 June 2022.
- (3) Mr Lim is the son of Mr Lim Eng Hock, a controlling shareholder of the Company. On 1 January 2022, Mr Lim was re-designated from Non-Executive, Non-Independent Director of the Company to Executive Director of the Company and Chief Executive Officer of Thomson X, a subsidiary of the Company. On 1 September 2022, Mr Lim was appointed the Executive Vice-Chairman of the Group.
- (4) Retired on 22 October 2021.
- (5) Include director's fee and other allowance received from TMC Life Sciences Bhd.

While the exact remuneration of the Directors is not given, the level and composition of the Directors' remuneration packages expressed in percentage terms are provided as above. The Company believes that such disclosure will balance the interest of the Company and provide shareholders with an adequate appreciation of the Director's remuneration packages and is consistent with the intent of Principle 8 of the Code.

Key Management Personnel ("KMP") Remuneration

The Code requires the remuneration of at least the top five key management personnel who are not in the capacity of a Director or the GCEO within bands of \$250,000, to be disclosed. However, due to confidentiality and commercial sensitivities of remuneration matters and the highly competitive environment in the industry, the Company believes that the disclosure of the remuneration of individual executives is disadvantageous to the business interest and long-term performance of the Group.

The Company had also not disclosed the total remuneration paid to its top five key management personnel (who are not Directors or the GCEO) on a named basis or in aggregate, having regard to the sensitive and confidential nature of key executives' remuneration matters and to ensure the Company's competitive advantage in the retention of its key executives.

The Company adopts a remuneration policy for staff comprising a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the Company's and individual's performance. The NRC approves the bonus for distribution to staff based on the Company's and individual's performances.

The remuneration of the Executive Directors has been disclosed under the table for Directors' remuneration and is accordingly not included in the table for KMP remuneration for the financial year ended 30 June 2022 as follows:-

Number of Executives	Base/Fixed Salary (%)	Bonus and Other allowances (%)	Employee share options⁽¹⁾ (%)	Total (%)
\$250,000 and below \$500,000				
1	58	42	-	100
1	59	41	-	100
1	60	40	-	100
Below \$250,000				
1	61	39	-	100
1	69	30	1	100

(1) Relate to the employee share option scheme granted by TMC Life Sciences Bhd. The fair value of the options was estimated at the grant dates using the Black Scholes model.

No termination, retirement and/or post-employment benefit was granted to any Director, the Chairman or the key executives for the financial period under review.

The Company has a share option scheme known as the "TMG Share Option Scheme 2012" which was approved by shareholders at the extraordinary general meeting held on 26 June 2012. The key terms of the share option scheme are set out in the circular dated 11 June 2012. No options have been granted under the scheme. The scheme has expired on 25 June 2022.

In addition, the Company has a share incentive scheme known as the "Share Grant Plan 2015" which was approved by shareholders at our extraordinary general meeting held on 29 April 2015. The key terms of the share incentive scheme are set out in the circular dated 14 April 2015. No shares have been awarded under the scheme.

The Company believes the above disclosure provides a balance between the interest of the Company and provision of information to shareholders and is consistent with the intent of Principle 8 of the Code.

Remuneration of Employees who are Immediate Family Members of a Controlling Shareholder or Director

Other than as disclosed under the table for Directors' remuneration, no employees who are substantial shareholders of the Company or are immediate family members of a director, the GCEO or a substantial shareholder of the Company, and whose remuneration exceeded \$100,000 during the year under review. Immediate family member is defined as a spouse, child, adopted child, step-child, brother, sister or parent.

C: ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and it recognises the importance of a sound system of risk management and internal controls as part of good corporate governance. There is no separate risk committee. The Audit and Risk Committee (the "ARC") supports the Board in its oversight of the Group's system of internal controls and risk management.

Enterprise Risk Management

The Group has put in place a robust and comprehensive Enterprise Risk Management ("ERM") Framework (the "ERM Framework") to instil a culture of proactive risk management so that we can identify and mitigate risks and uncertainties effectively. TMG's ERM Framework sets out the systematic structure to support management in making informed business decisions and to achieve business objectives and comprises the endorsed risk governance structure, roles, responsibilities, supporting processes and information flow, and approach to determining the Group's risk appetite. It also serves to document and convey the Group's policy on risk management, and to provide guidelines for the risk management process setting out the risk identification, assessment, management, monitoring and reporting/escalation processes.

CORPORATE GOVERNANCE REPORT

TMG's ERM Framework references key principles of ERM in line with international standards including 2017 COSO ERM Integrated Framework and ISO 31000:2018.

The Group recognises that ERM is an integral part of good business and governance practice. While it is impossible to fully eliminate risk, the Group aims to determine and achieve the right balance between mitigating the downside of risks to an acceptable level whilst taking advantage of opportunities in a measured and deliberate manner.

Governance

The Board of Directors assisted by the Audit and Risk Committee provides oversight of the risk management system and framework and the system of internal controls as well as review their adequacy and effectiveness. It defines the TMG's risk management framework, including risk strategy, appetite, culture, governance structure, policies and management processes and reviews and approves the Group's risk appetites.

Working through the Management Risk Committee which comprises senior management, the Audit and Risk Committee ensures that both internal, external and emerging risks relevant to the Group are properly identified using different methods, receives and reviews quarterly reports from Management which provides updates on the Group's risk profile and major risk exposures and the steps taken to monitor, control and mitigate such risks, to ensure that such risks are managed within acceptable levels and reviews assurance activities and findings against key risks identified.

Enterprise Risk Management Framework



The Group compiles a report on its risk profile which summarises the material risks faced by the Group and the countermeasures in place to manage or mitigate those risks for the review by the ARC and the Board annually. The report provides an overview of the Group's key risks, the appropriate risk tolerance limits set for the respective risks, the key personnel responsible for each key risk identified, and the corresponding mitigating measures in place. The key risks and key controls are as follows:-

Key Risks	Key Controls
<p>1 Talent and Culture Risk The Group recognises the inability to recruit, retain and develop talent or key employees and poor succession planning for key roles can result in disruptions to business activities.</p>	<ul style="list-style-type: none"> Talent development and retention program. Contingency plan for key positions.
<p>2 Cybersecurity Risk Cybersecurity is critical as it can have potential adverse impact to our organisation as a result of a cyber-attack, attacks on critical assets or systems leading to disruption of services and operations, financial costs and negative reputational impact. Key risks also include data breaches and leakage of confidential information.</p>	<ul style="list-style-type: none"> Cybersecurity policies and protocols. Protection against cyber attacks and data breaches and leakages. Security testing to be conducted before the launch of any new website, application, portal or other online feature for the processing of personal data.
<p>3 Reputational Risk Adverse damage to the reputation and brand of the group and key stakeholders arising from unaddressed negative publicity and public sentiments.</p>	<ul style="list-style-type: none"> Clearly defined brand promise communicated to employees. Regular feedback from doctors and patients for quality management.
<p>4 Legal and Regulatory Compliance Violation or non-conformance with relevant laws, regulations and standards can result in penalties, adverse reputational impact and loss of operating licenses.</p>	<ul style="list-style-type: none"> Maintain and review legal register to proactively identify laws, regulations and updates all potential enhancements to be made. External legal advice sought for material cases. Insurance coverage for medical malpractice, public liability and professional liability. Establish policies and procedures to ensure compliance with all laws and regulations. Whistleblowing policy established for reporting of complaints.
<p>5 Business Continuity Business and IT disruptions, inability to resume business operations on a timely basis due to unforeseen circumstances can result in adverse impact to patient care and support leading to reputational damage.</p>	<ul style="list-style-type: none"> Continuous review and improvement to our business continuity plans for all critical departments. Alternate sites for further geographical distance from existing premises for critical systems.
<p>6 Clinical Risk This includes potential harm to patients due to adverse incidents, for example patient infection risk, medication errors, falls, hand hygiene risk, mortality rate.</p>	<ul style="list-style-type: none"> Setting up various policies and committees to ensure clinical quality, nursing quality, patient safety, workplace health and safety. Training to provide regular awareness and updates and to upgrade skills of all staff.
<p>7 Competition Risk Inability to identify and adapt to changing trends to maintain competitive advantage, failure to keep abreast with current trends around new delivery models of care to patients.</p>	<ul style="list-style-type: none"> Regularly review the Group's strategic goals and targets and identify new services and projects, for example invest in digital marketing and constantly reassess business developments.

CORPORATE GOVERNANCE REPORT

8 Physical and Mental Well-being Risk

Adverse impact to employees' physical and mental well-being resulting in decreased productivity, poor morale, and increased turnover. Sub-optimal working conditions may result in the inability to provide quality services.

- Continuously strive to maintain and promote workplace safety and health. We look after the physical and mental well of our employees through regular engagements and participation in recreational activities including festive celebrations and other initiatives.
- Staff benefits are constantly reviewed to ensure they are competitive and adequate.

9 Change Management Risk

Adverse impact to business and operations could arise from poor adaptation to change resulting in poor utilisation of new systems by users. Ineffective training of users in the utilisation of the new system and inadequate internal capabilities to support the effective introduction of new clinical service.

- We manage major changes or introduction of new systems through having Change Management Leads to manage and liaise with all stakeholders involved, engage in extensive consultation with users and design comprehensive training plans for all users and ensure system vendor includes support, training, and maintenance.
- For new services to be introduced, extensive consultations are made with doctors and nurses and other support services.

10 Data Management Risk

Poor data management, data handling and retention practices can result in compliance breaches and patient complaints, poorly maintained or 'unclean' data can result in inefficiencies in operations.

- Data protection and management policy, continuous review and strengthening of data management and protection practices, continuous training and regular briefing of new employees and updates.
- The Group's Data Protection Officer oversees the data protection and management of the Group.

Internal Controls

In performing the internal audit, the internal auditors take into consideration the respective risk profiles of each business unit when preparing the annual IA plan for the approval of the ARC.

During the financial year under review, the ARC had reviewed the reports submitted by the internal auditors relating to the internal audits conducted to assess the adequacy and the effectiveness of the Group's risk management and the internal control systems put in place, including financial, operational, compliance and information technology control systems. Any material, non-compliance or lapses in internal controls, together with recommendation for improvement were presented to the ARC. A copy of the report is also issued to the relevant department for its follow-up action. The timely and proper implementation of all required corrective, preventive or improvement measures are closely monitored. In addition, major control weaknesses in financial reporting identified in the course of the statutory audit, if any, are highlighted by the external auditors to the ARC. Based on the work performed by the internal auditors, the statutory audit by the external auditors and reviews performed by management, the Board, with the concurrence of the ARC, is of the opinion that the Group has adequate and effective risk management systems and internal controls in place to mitigate critical and significant risks in the following areas: Financial, Operational, Compliance and Information Technology Risks.

While no system can provide absolute assurance against material loss or financial misstatement, the Company's internal financial controls are designed to provide reasonable assurance that assets are safeguarded, the proper accounting records are maintained, and that the financial information used within the business and for publication is reliable. In reviewing these controls, the Directors have had regard to the risks to which the business is exposed, the likelihood of such risks occurring and the costs of protecting against them.

The ARC reviews the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company. In addition, the ARC and the Board have received and reviewed a formal assurance from (a) the GCEO and Group Chief Financial Officer ("GCFO") that the financial records of the Group have been properly maintained and the financial statements in respect of FY2022 give a true and fair view of the Group's operations and finances and (b) the GCEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

PRINCIPLE 10: AUDIT COMMITTEE

The ARC currently consists of three Independent Directors and the composition of the ARC is as follows:

Ong Pang Liang	Chairman	(Independent Director)
Dr Lam Lee G	Member	(Independent Director)
June Leong Lai Ling	Member	(Independent Director)

All members of the ARC are Non-Executive Directors. None of the ARC member is a former partner or director of the existing auditing firm or auditing corporation. The ARC is kept updated by the Management, external and internal auditors on the changes to accounting standards, stock exchange rules and other codes and regulations which could have an impact on the Group's business and financial statements. The Board is of the view that the members of the ARC are appropriately qualified and have recent and relevant accounting/financial management expertise or experience to discharge the functions of the ARC. The ARC serves as a channel of communication between the Board and the internal auditors. Five ARC meetings were held during the FY2022.

During the financial period under review, the ARC met the Company's internal and external auditors without the presence of management to review the accounting, auditing and financial reporting matters. This is to ensure that an effective control environment is maintained in the Group. The ARC also reviews proposed changes in accounting policies and discusses the accounting implications of major transactions. In addition, the ARC also advises the Board regarding the adequacy of the Group's internal controls and the content and presentation of its quarterly and annual financial statements.

Specifically, the key responsibilities of the ARC include: -

- (a) review the annual audit plans and audit reports of external and internal auditors;
- (b) review the half-yearly and full-year financial statements of the Group prior to their submission to the Board;
- (c) review the significant financial reporting issues and judgements made by management so as to ensure the integrity of the financial statements and any formal announcements relating to financial performance of the Group;
- (d) review the assurance provided by the GCEO and GCFO regarding the financial records being properly maintained and the financial statements giving a true and fair view of the Group's operations and finances;
- (e) review and report to the Board at least annually the adequacy and effectiveness of the risk management and internal control systems, including financial, operational and compliance and information technology controls;
- (f) review and make recommendations to the Board on the appointment, re-appointment and removal of the external and internal auditors, and approving the remuneration and terms of engagement of the external auditors;
- (g) review the scope, results and effectiveness of the external and internal audits, and the independence and objectivity of the external and internal auditors annually, and the nature and extent of non-audit services supplied by the external auditors so as to maintain independence and objectivity;
- (h) review interested person transactions to consider whether they are on normal commercial terms and are not prejudicial to the interests of the Group or its minority shareholders; and
- (i) review the Company's whistleblowing policy, and to ensure that arrangements are in place for concerns about possible improprieties in matters of financial reporting or other matters to be raised and independently investigated, and for appropriate follow-up action to be taken.

The ARC is authorised to investigate any matter within its terms of reference, full access to and co-operation of the management and full discretion to invite any Director or management to attend its meetings. To enable it to discharge its functions properly, the ARC, through management, has access to external counsels and consultants.

CORPORATE GOVERNANCE REPORT

Key Audit Matters

The external auditors have set out the key audit matters in respect of FY2022 in the Independent Auditor's Report on pages 105 to 109 of the Annual Report. The ARC has reviewed and concurred with the basis and conclusions included in the Independent Auditor's Report with respect to the key audit matters.

External Auditors

The Company appoints Ernst & Young LLP which is a firm registered with the Accounting and Corporate Regulatory Authority for the audit of the Company and its Singapore incorporated subsidiaries and member firms of Ernst & Young Global for its significant foreign incorporated subsidiaries (except Vantage Bay JB Sdn. Bhd. ("VBJB")). The Company engages KPMG PLT, a member firm of KPMG International for the audit of VBJB. The ARC and the Board confirmed that they are satisfied that the appointment of different auditor for VBJB does not compromise the standard and effectiveness of the audit of the Company.

The ARC discussed with the external auditors the audit plan, and the report on the audit of the year-end financial statements; reviewed the external auditor's management letter and management's responses thereto; and reviewed the external auditor's objectivity and independence from management and the Company. In assessing independence, the ARC reviewed the fees and expenses paid to the external auditors, including fees paid for non-audit services during the year. The ARC is of the opinion that the auditor's independence has not been compromised. Accordingly, at the recommendation of the ARC and as approved by the Board, the re-appointment of Ernst & Young LLP as the external auditors will be tabled for shareholders' approval at the forthcoming AGM.

Details of the aggregate amount of fees paid to the external auditors for FY2022, and a breakdown of the fees in total for audit and non-audit services respectively, can be found on page 140.

The Company has complied with the Rules 712, 715 and 716 of SGX-ST Listing Manual in relation to its auditing firms.

Internal Auditors

The Board believes it is crucial to put in place a system of internal controls of procedures and processes to safeguard the assets and shareholders' interests, and to manage risks.

The Company's internal audit function has been outsourced to Deloitte & Touche Enterprise Risk Services Pte Ltd. The internal auditor's primary line of reporting is to the Chairman of the ARC. All internal audit reports are submitted to the ARC for consideration, with copies of those reports extended to senior management. In order to ensure timely and adequate closure of internal audit findings, the status of implementation of the actions as agreed by senior management is tracked and discussed with the ARC.

In carrying out its duties, the internal auditors have adopted the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. For FY2022, the ARC reviewed and approved the annual internal audit plan. The internal auditors have unrestricted direct access to the ARC and unfettered access to documents, records, properties and personnel within the Group to carry out its duties effectively. The ARC is satisfied that the internal audit function is independent, effective and adequately resourced.

Whistleblowing Policy

The Company is committed to a high standard of corporate governance. In line with this commitment, the Whistleblowing Policy aims to (a) provide a trusted avenue for employees, vendors, customers and other stakeholders to report serious wrongdoings or concerns, particularly in relation to fraud, governance or ethics, without fear of reprisals when whistleblowing in good faith; and (b) ensure that robust arrangements are in place to facilitate independent investigation of the reported concern and for the appropriate follow up actions to be taken.

The ARC is responsible for oversight and monitoring of whistleblowing.

The Group prohibits discrimination, retaliation or harassment of any kind against a whistleblower (the "Whistleblower") who submits a complaint or report in good faith. If a Whistleblower believes that he or she is being subject to discrimination, retaliation or

harassment for having made a report under this Policy, he or she should immediately report these facts to the GCEO or if the GCEO is the subject of the complaint, to the Chairman of the Board. Reporting should be done promptly to facilitate investigation and the taking of appropriate action.

All reports of incidents, including information or evidence provided, on matters relating to whistle blowing will be handled discreetly and every effort will be made to maintain confidentiality of the information provided, within the limits of the law. The identity of the individual making the allegation shall be kept confidential for the protection of the Whistleblower so long as it does not hinder or frustrate any investigation.

The policy which is available on the Company's intranet and employee handbook, aims to foster a workplace conducive to open communication regarding the Company's business practices and to protect the employees from unlawful retaliation and discrimination for the proper disclosing or reporting of illegal or unethical conduct in good faith. The policy is also available on the Company's website.

Complaints or suspicions of impropriety can be made by employees and other stakeholders in the form of email, letters or written/verbal reports. Anonymous complaints may also be considered, taking into account factors such as seriousness of the issues raised, the credibility of the concern and the likelihood of confirming the allegation from attributable sources. A dedicated email address and the postal reporting address are published on the Company's website to receive such complaints or reports. For employees, there are various channels for the employees to report any improprieties. All cases reported will be investigated objectively and thoroughly and appropriate action will be taken where warranted. The investigation will be independent of the person concerned with the allegation. A summary of the reports received, investigation results and subsequent actions taken are reported to the ARC on a quarterly basis or when warranted. Under certain circumstances, the ARC will be informed of any complaint, as soon as practicable.

D: SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Shareholder Rights

The Company is committed to treating all shareholders fairly and equitably to facilitate the exercise of their ownership rights and to provide them with adequate, timely and sufficient information pertaining to changes in the Group's business which could have a material impact on the Company's share price.

All shareholders receive the Company's annual report and notice of AGM as well as Letter to Shareholders and notice(s) of extraordinary general meeting(s) ("EGMs") (where applicable) within the prescribed notice periods set out in the Company's Constitution and the prevailing laws and regulations. The notices are also released via SGXNet and published in local newspapers, as well as uploaded on the Company's website.

Besides exercising their voting rights at the general meetings convened by the Company, shareholders are encouraged to participate actively and also voice their concerns on any matters relating to the Company and the Group.

Conduct of Shareholders' Meetings

The Board supports and encourages active shareholder participation at shareholders' meetings. Shareholders are informed of the shareholders' meetings through notices of shareholders' meetings, releases via SGXNet, publication in local newspapers, as well as postings on the Company's website. The shareholders' meetings provide shareholders the opportunity to share their views, meet the Board and senior management, and to interact with them.

The Directors, including the chairpersons of each of the Board Committees are available at the meetings to address shareholders' queries. The external auditors shall also be present to assist the Directors in addressing any relevant queries by the shareholders. In 2021, the Company held one general meeting which was attended by all the Directors and the auditors.

CORPORATE GOVERNANCE REPORT

As part of the Company's commitment towards more environmentally-friendly and sustainable practices, it discontinued the practice of mailing out its annual reports. The Company will continue to notify shareholders on how they can access the electronic versions of these reports on the TMG's website. Physical copies of the Company's annual reports will continue to be made available upon request.

The Company's Constitution allows a member (other than a relevant intermediary as defined in section 181 of the Companies Act) to appoint up to two proxies to attend and vote at its general meetings on his behalf in his absence. The Companies Act allows relevant intermediaries which include the Central Provident Fund ("CPF") and/or Supplementary Retirement Scheme ("SRS") Approved Nominees to appoint multiple proxies and empower CPF and/or SRS investors to attend and vote at general meetings of the Company as their CPF Approved Nominees' proxies. This would enable holders of shares purchased through CPF Investment Scheme to attend and exercise their voting right at general meetings. A CPF or SRS Investor who is unable to attend the AGM but who would like to vote may inform his CPF or SRS Approved Nominees to appoint the Chairman of the Meeting to act as his proxy, in which case, the CPF or SRS Investor shall be precluded from attending the AGM.

Provision 11.4 of the Code provides for a company's constitution to allow for absentia voting at general meetings. The Company's Constitution does not provide for absentia voting (such as via mail or email). The Company will consider implementing the relevant amendments to the Constitution if the Board is of the view that there is a demand for such alternative methods of voting, and after the Company has evaluated the security processes to be put in place to facilitate absentia voting. Nonetheless the shareholders can appoint proxies to vote on their behalf if they are not able to attend the general meeting as provided in the Company's Constitution.

In compliance with the Companies Act, all resolutions tabled at the Company's shareholders' meetings are separate and voted on individually. The Company has implemented poll voting for all shareholders' resolutions. Independent scrutineers are appointed to conduct the voting process. Independent scrutineers brief the shareholders on the e-polling voting process and verify and tabulate votes after each resolution. The results of the voting at the general meetings showing the number of votes cast for and against each resolution and the respective percentages are shown to the shareholders at the end of each resolution before the Chairman makes a declaration on the passing of the resolution. In addition, the voting results at the general meetings showing the number of votes cast for an against each resolution and the respective percentages and the name of the independent scrutineer will be announced via SGXNET immediately after each meeting.

The Company Secretary prepares minutes of shareholders' meetings which incorporate substantial and relevant queries from shareholders relating to the agenda of the meetings and responses from the Board and Management will be published on the Company's corporate website.

The forthcoming AGM will be held virtually by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

Shareholders can participate in the virtual AGM by observing and/or listening to the proceedings of the meeting via "live" audio-visual webcast or "live" audio-only stream. A shareholder who wishes to exercise his voting rights at the Annual General Meeting may vote "live" via electronic means at the AGM. Alternatively, he can appoint a proxy (the Chairman of the Meeting or such other person) as his proxy to vote "live" in his stead. If a shareholder appoints the Chairman of the Meeting as his proxy, he should specifically indicate his votes for or against (or abstain from voting on) the resolutions. The poll voting results will be reviewed by the independent scrutineer engaged by the Company.

Shareholders can submit their questions in advance of, or "live" at, the meeting via online chat box within a prescribed period. The answers to the shareholders' questions submitted in advance will be posted on the Company's website and SGXNet before the AGM. In addition, the minutes of the AGM will record substantial and relevant queries received from shareholders "live" at the meeting and responses given thereto by the Chairman, Board members and/or Management. The minutes of the AGM will be posted on SGXNET.

Dividend Policy

The Company does not have a policy on payment of dividend. The Board will consider the Group's level of cash and retained earnings and projected capital expenditure and investments before proposing a dividend. Any pay outs of dividends declared being interim or final will be clearly communicated to shareholders in public announcements and via announcements on SGXNET when the Company discloses its financial results.

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

Communication with Shareholders

The Company is committed to maintaining high standards of corporate disclosure and transparency. The Company has an Investor Relations Policy (the “**IR Policy**”) to ensure that all material information is disclosed in a comprehensive, accurate and timely manner through the release of announcements and media releases posted on the SGX website. Shareholders and the investing public can access the Company’s announcements, media releases, presentation materials disseminated at briefings and other corporate information that have been uploaded on its website. The website provides an effective method of reaching a wide audience and also allows users to sign up for alerts to such disclosures, providing an easy and timely way to stay updated on the Company’s latest corporate developments.

To ensure a level playing field and provide confidence to shareholders, unpublished price and trade sensitive information is not selectively disclosed. In the event that unpublished material information is inadvertently disclosed to a select group in the course of the Group’s interactions with the investing community, a media release or announcement will be released to the public via SGXNet.

Interaction with Shareholders

The Company is committed to building investor confidence and trust through effective open, two-way communication with shareholders and the investment community. The Group has a dedicated investor relations (“**IR**”) team which focuses on facilitating communications with shareholders and analysts on a regular basis and attending to their queries or concerns in a timely manner. The Company’s IR Policy, available on the Company’s corporate website (<https://www.thomsonmedical.com/investor-relations-contact/>), sets out the process and mechanism to engage its stakeholders, including the channel of communication through which shareholders and investors may pose queries and through which the Company may respond. The IR Policy outlines the principles and framework in which the Company communicates and engages with investors, analysts and other IR stakeholders to provide balanced, clear and pertinent information.

E. MANAGING STAKEHOLDERS RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced, when compared to the needs and interests of its stakeholders. Stakeholders of the Company include but not limited to patients, employees, suppliers, government, regulators, community, shareholders and investors.

The Company’s Sustainability Report is integrated with the Annual Report and accessible to stakeholders when the Annual Report and Notice of AGM is published on SGXNET. Details where stakeholders can engage with the Company are set out in the report. The Company also maintains a corporate website at <https://www.thomsonmedical.com> to communicate and engage with stakeholders.

F: OTHER INFORMATION

Material Contracts

During FY2022 there were no material contracts exceeding \$100,000, entered into by the Company or any of its subsidiaries involving the interests of any Director or controlling shareholder.

Interested Person Transactions

The Group does not have shareholders’ mandate pursuant to Rule 920 of the SGX-ST Listing Manual. The Company has established procedures to ensure that all interested persons transactions (“**IPTs**”) are executed on fair terms and at arm’s length regardless of their nature and size. All IPTs are reported to the ARC on a quarterly basis. The ARC has reviewed the IPTs entered into during the financial year by the Company.

In compliance with SGX-ST Listing Rules, the Company confirms that IPTs did not exceed \$100,000 during FY2022.

CORPORATE GOVERNANCE REPORT

Dealings in Securities

In compliance with Rule 1207(19) of the SGX-ST Listing Manual, the Group has a policy which prohibits dealings in the Company's securities by all officers of the Company and its subsidiaries, one month prior to the announcement of the Group's half year and full year financial statements (hereinafter referred to as Black-out Period).

Directors, executive officers and any other persons, as determined by management, who may possess unpublished material price-sensitive or trade-sensitive information of the Group (relevant persons), are also reminded to observe insider trading laws at all times, and not to deal in the Company's securities when in possession of any price-sensitive or trade-sensitive and confidential information regarding the Group, or on short-term considerations. A reminder will be circulated to Directors, executive officers and relevant personnel of the Company and its subsidiaries before the commencement of each Black-out Period, during which, dealings in the Company's securities are prohibited. All Directors of the Company and its subsidiaries are required to report all dealings to the Company Secretary.

The Company confirms it has complied with the best practice pursuant to Listing Rule 1207(19)(c) in not dealing in its securities during the Black-out Period.

Use of Proceeds

Pursuant to the exercise of the Bonus and Piggyback Warrants which expired on 24 April 2019 and 22 April 2022 respectively, the Company received gross proceeds of \$29.5 million and \$5,500 respectively which will be used in accordance to the uses as disclosed in the Circular dated 28 February 2018. On 31 May 2021, the Company has utilised \$10 million of the proceeds towards repayment of bank borrowings.

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DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Thomson Medical Group Limited (the Company) and its subsidiaries (collectively, the Group) and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 June 2022.

Opinion of the directors

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2022 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Ng Ser Miang
Dr Wong Chiang Yin
Wilson Sam
Lim Wee Kiat
Wan Nadiah Binti Wan Mohd Abdullah Yaakob (appointed on 1 January 2022)
Ong Pang Liang
Dr Lam Lee G
Christina Teo Tze Wei (appointed on 1 January 2022)
June Leong Lai Ling (appointed on 1 January 2022)

In accordance with Article 105(2) of the Constitution of the Company, Mr. Ng Ser Miang and Mr. Ong Pang Liang have retired and, being eligible, have offered themselves for re-election. In accordance with Article 106 of the Constitution of the Company, Ms June Leong Lai Ling, Ms Christina Teo Tze Wei and Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob, newly appointed Directors, who will be retiring and, being eligible, have offered themselves for re-election.

Arrangements to enable directors to acquire shares and debentures

Except as disclosed in this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

Directors' interests in shares or debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings, required to be kept under Section 164 of the Companies Act 1967 (the Act), an interest in shares, warrants and debentures of the Company and related corporations as stated below:

Name of director	Direct interest held in the name of the director or nominee		Deemed interest	
	As at 1 July 2021 or date of appointment	As at 30 June 2022	As at 1 July 2021 or date of appointment	As at 30 June 2022
The Company				
Thomson Medical Group Limited				
<i>Ordinary shares</i>				
Ng Ser Miang	9,000,000	9,000,000	6,600,000	6,600,000
Ong Pang Liang	15,000,000	15,000,000	–	–
Subsidiary of the Company				
TMC Life Sciences Berhad				
<i>Employees' share option scheme⁽¹⁾</i>				
Dr Lam Lee G	2,000,000	2,000,000	–	–
Wan Nadiah Binti Wan Mohd Abdullah Yaakob	4,000,000	4,000,000	–	–

⁽¹⁾ This refers to the employees' share option scheme implemented by TMCLS for a period of 5 years till 28 May 2025.

By virtue of Section 164(15)(a) of the Act, Mr Ng Ser Miang is deemed to have an interest in the 6,600,000 shares held by his spouse in the Company.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 July 2022.

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

DIRECTORS' STATEMENT

Share options

TMG Group Share Option Scheme 2012 (the Scheme)

The Scheme was approved and adopted by its members at an Extraordinary General Meeting held on 26 June 2012. As at the date of this report, the Scheme is administered by the Nominating and Remuneration Committee.

During the financial year, there were:

- (i) No options granted by the Company to any person to take up unissued shares in the Company; and
- (ii) No shares issued by virtue of any exercise of options to take up unissued shares of the Company.

The Scheme had expired on 25 June 2022.

TMCLS Employees' Share Option Scheme (ESOS)

The Company's subsidiary, TMC Life Sciences Berhad (TMCLS), implemented an ESOS in 2015 for a period of five (5) years till 28 May 2020. The ESOS has been extended for another five (5) years to 28 May 2025. The ESOS, which is administered by the Option Committee (OC) of the subsidiary, is granted to eligible directors and employees (Eligible Persons) of TMCLS to subscribe for shares in TMCLS.

The main features of the ESOS are as follows:

- (a) The Eligible Persons must be at least eighteen (18) years of age on the Date of Offer, who are confirmed on the Date of Offer (in respect of employee only) and have served full time for at least a period of one (1) year of continuous service before the Date of Offer;
- (b) The total number of shares offered under the ESOS shall not in aggregate, exceed 15% of the issued and paid-up ordinary share capital (excluding treasury shares) of TMCLS at any time during the existence of the ESOS;
- (c) The option granted to the Eligible Persons shall be subject to a minimum of one hundred (100) Options and in multiples of one hundred (100) Options and is subject to the following:
 - (i) Not more than 10% of the shares available under the ESOS shall be allocated to an Eligible Person, who either singly or collectively through persons connected with Eligible Persons, hold 20% or more of the issued and paid-up ordinary share capital (excluding treasury shares) of TMCLS.
- (d) An option granted under ESOS may be exercised by the grantee upon achieving the vesting conditions set by the OC and is subject to the allotment of shares over the vesting period; and
- (e) The shares shall on issue and allotment rank pari passu in all respects with the then existing issued shares of TMCLS.

Details of the options to subscribe for ordinary shares of TMCLS pursuant to the ESOS as at 30 June 2022 are as follows:

Expiry date	Exercise Price (MYR)	Number of options
28 May 2025	0.75	17,931,000
28 May 2025	0.94	5,450,000
		23,381,000

DIRECTORS' STATEMENT

Share options (cont'd)

TMCLS Employees' Share Option Scheme (ESOS) (cont'd)

Since the commencement of the ESOS till the end of the financial year, the options granted by TMCLS do not entitle the holder of the options to participate, by virtue of the options, in any share issue of any other corporation.

Share incentive

The Share Grant Plan 2015 (the Plan) of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 29 April 2015. The Plan is administered by the Nominating and Remuneration Committee.

During the financial year, there were no shares awarded by the Company to any person pursuant to the release of awards granted under the Plan.

Warrants

The Company issued and allotted a total of 369,266,062 Piggyback Warrants to the Warranholders in relation to the Bonus Warrants exercised pursuant to the Circular dated 28 February 2018. The Piggyback Warrants entitles the Warranholders to subscribe for one (1) ordinary share in the share capital of the Company at an adjusted exercise price of \$0.11 in cash. Of the 369,266,062 Piggyback Warrants issued, a total of 50,000 Piggyback Warrants were exercised and 50,000 new ordinary shares were issued. The Piggyback Warrants had expired on 24 April 2022.

Audit and Risk Committee

The Audit and Risk Committee (ARC) carried out its functions in accordance with Section 201B (5) of the Companies Act 1967 (the Act), the SGX-ST Listing Manual and the Code of Corporate Governance.

The ARC reviews the overall scope of both internal and external audits and the assistance given by management to the auditors. It meets the Company's internal and external auditors to discuss the results of their respective examinations and the internal auditor's evaluation of the Company's system of internal controls. The ARC reviews interested person transactions to ensure that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders. The ARC also reviews the consolidated financial statements and the auditor's report, as well as results announcements to shareholders and the Singapore Exchange Securities Trading Limited before submission to the Board. During the financial year, the ARC met the external auditor and internal auditor once without the presence of management. On an annual basis, the ARC reviews the independence of the external auditor and recommends to the Board, the external auditor to be appointed.

Further details of the ARC are disclosed in the Corporate Governance Report.

DIRECTORS' STATEMENT

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment.

On behalf of the board of directors:

Dr Wong Chiang Yin
Director

Wilson Sam
Director

Singapore
26 August 2022

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2022

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Thomson Medical Group Limited (the Company) and its subsidiaries (collectively, the Group), which comprise the statements of financial position of the Group and Company as at 30 June 2022, the statements of changes in equity of the Group and Company, and the consolidated statement of profit or loss, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the Group and Company as at 30 June 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2022

Key audit matters (cont'd)

Carrying value of goodwill and property and equipment attributable to BB Waterfront Sdn Bhd

As at 30 June 2022, the carrying value of the Group's goodwill arising from the acquisition of BB Waterfront Sdn Bhd (BBWF) amounted to \$60,983,000. The carrying value of BBWF's property and equipment, which comprise mainly freehold land located in Johor Bahru, Malaysia, amounted to \$86,353,000. The aggregate value of goodwill and property and equipment attributable to BBWF represents 10.8% of the Group's total assets.

For the purpose of the impairment assessment, management has identified BBWF as a cash-generating unit ("CGU") to which the goodwill and property and equipment have been allocated. Impairment assessment is carried out annually and whenever there is an indication that the carrying value of the CGU may be impaired.

In assessing the recoverable amount of BBWF, management has prepared value-in-use (VIU) calculations. The VIU calculations are prepared using cash flow projections from financial budgets approved by management covering a thirteen-year period which comprises a three-year period of construction and development, followed by a ten-year period of medical hub operations and an imputed terminal growth thereafter. This assessment requires management to make judgements over certain key inputs for the projections in relation to growth rates and discount rates assumptions.

Given that management is required to exercise significant judgement and estimation in assessing the recoverable amount of BBWF, we have identified this as a key audit matter.

Our audit procedures included, amongst others, reviewing management's assessment of the recoverable amount of BBWF. This includes assessing the reasonableness of the key assumptions used in the VIU calculations in relation to revenue growth rates by comparing these assumptions against historical trends of the Group's existing healthcare operations in Malaysia and terminal growth rate with the assistance of our internal valuation specialists. In view that the VIU calculations cover a thirteen-year period, with a three-year period of construction and development, we have reviewed management's assessment of the impact of the COVID-19 pandemic on the progress of construction and development and compared the actual costs incurred and estimated costs to complete against the total budgeted costs. We also assessed the reasonableness of the pre-tax discount rate used to determine the present value of the recoverable amount of BBWF with the assistance of our internal valuation specialists. We further reviewed management's analysis of the sensitivity of the recoverable amount to reasonable changes in the key assumptions, including applying the higher end of the range of pre-tax discount rates to the VIU calculations as reviewed by our internal valuation specialists.

In addition, we assessed the adequacy of the disclosures in notes to the financial statements as they are related to goodwill and property and equipment in Note 2.4(b) Business combinations, Note 2.7 and Note 12 Property and equipment, Note 2.8 and Note 13 Intangible assets, Note 2.11 Impairment of non-financial assets, Note 3(a) Impairment of goodwill and Note 3(b) Impairment of property and equipment attributable to BBWF.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2022

Key audit matters (cont'd)

Carrying value of investment properties and development property located in Johor Bahru, Malaysia

As at 30 June 2022, the Group's investment properties and development property located in Johor Bahru, Malaysia, amounted to \$98,928,000 and \$93,225,000 respectively, which in aggregate represented 14.1% of the Group's total assets. Investment properties, except for freehold land, are carried at cost less accumulated depreciation and accumulated impairment losses, whilst development property is carried at the lower of cost and net realisable value (NRV). Freehold land has an indefinite useful life and therefore is not depreciated. As at 30 June 2022, the Group recorded an aggregate accumulated impairment loss of \$58,605,000 and \$54,875,000 on the investment properties and development property respectively.

As at 30 June 2022, management has assessed that there are indicators of impairment for these assets. Management assessed the recoverable amount of the investment properties and the NRV of the development property based on valuations obtained from an independent valuer. These valuations involve various underlying assumptions and techniques used by the independent valuer, including adjustments made associated with the market and economic conditions prevailing at the reporting date in light of the COVID-19 pandemic.

Given the magnitude of these assets, and significant judgement and heightened level of estimation uncertainty associated with the market and economic conditions prevailing at the reporting date, we have identified the carrying value of investment properties and development property located in Johor Bahru, Malaysia, as a key audit matter.

Our audit procedures included, amongst others, reviewing management's assessment of the recoverable amount of the investment properties and the NRV of the development property. This includes evaluating the objectivity, competence and capability of management's independent valuer. We also involved our internal valuation specialists in assessing the appropriateness of the valuation method and key assumptions used in the valuations. We compared them to available industry data and comparable market transactions of properties in the vicinity, taking into account the size and location of the investment properties and development property with the assistance of our internal valuation specialists. We also reviewed the adjustments made to the industry data, taking into consideration the market and economic conditions prevailing at the reporting date in light of the COVID-19 pandemic.

We also assessed the adequacy of the disclosures in notes to the financial statements as they are related to investment properties and development property in Note 2.9 and Note 14 Investment properties, Note 2.10 and Note 19 Development property, Note 2.11 Impairment of non-financial assets and Note 3(c) Impairment of investment properties and development property.

Other information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, except for the Statistics of Shareholdings, which is expected to be made available to us after the date of this auditor's report.

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

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2022

Other information (cont'd)

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 on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Statistics of Shareholdings, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2022

Auditor's responsibilities for the audit of the financial statements (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tan Peck Yen.

Ernst & Young LLP
Public Accountants and
Chartered Accountants

Singapore
26 August 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the financial year ended 30 June 2022

	Note	2022	2021
		\$'000	\$'000
Revenue	4	333,706	240,398
Other income	5	9,816	11,939
Inventories and consumables used		(55,321)	(49,502)
Staff costs	8	(107,920)	(74,880)
Depreciation and amortisation expenses		(17,930)	(17,954)
Other operating expenses		(70,544)	(61,189)
Profit from operating activities		91,807	48,812
Finance income		988	980
Finance costs	6	(23,497)	(23,610)
Net finance costs		(22,509)	(22,630)
Profit before taxation	7	69,298	26,182
Income tax expense	10	(10,713)	(9,272)
Profit for the year		58,585	16,910
Profit for the year attributable to:			
Owners of the Company		53,762	14,237
Non-controlling interests		4,823	2,673
		58,585	16,910
Earnings per share (cents per share)			
Basic and diluted	11	0.203	0.054

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2022

	2022	2021
	\$'000	\$'000
Profit for the year	58,585	16,910
Other comprehensive income:		
<u>Item that may be reclassified subsequently to profit or loss</u>		
Foreign currency translation	(12,292)	(2,990)
<u>Item that will not be reclassified subsequently to profit or loss</u>		
Net change in fair value of financial assets at fair value through other comprehensive income	975	-
Other comprehensive income for the year, net of tax	<u>(11,317)</u>	<u>(2,990)</u>
Total comprehensive income for the year	<u>47,268</u>	<u>13,920</u>
Total comprehensive income attributable to:		
Owners of the Company	45,315	11,944
Non-controlling interests	1,953	1,976
	<u>47,268</u>	<u>13,920</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2022

	Note	Group		Company	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
ASSETS					
Non-current assets					
Property and equipment	12	444,027	435,192	310	98
Intangible assets	13	484,061	486,749	–	–
Investment properties	14	99,629	102,115	–	–
Right-of-use assets	15	13,425	11,254	541	799
Investment in subsidiaries	16	–	–	2,209,127	2,214,498
Investment in joint venture	17	–*	–	–	–
Deferred tax assets	26	919	–	–	–
Other investment	18	2,335	–	–	–
		1,044,396	1,035,310	2,209,978	2,215,395
Current assets					
Development property	19	93,225	95,498	–	–
Inventories	20	5,584	5,399	–	–
Trade and other receivables	21	60,147	26,893	615,695	614,242
Cash and short-term deposits	22	161,591	122,678	84,256	57,723
		320,547	250,468	699,951	671,965
Total assets		1,364,943	1,285,778	2,909,929	2,887,360
EQUITY AND LIABILITIES					
Current liabilities					
Contract liabilities	4	3,802	3,663	–	–
Trade and other payables	23	86,541	65,601	8,738	8,456
Income tax payable		15,170	7,945	–	–
Interest-bearing loans and borrowings	24	227,679	321	225,000	–
Lease liabilities	25	5,309	5,796	246	234
		338,501	83,326	233,984	8,690
Net current (liabilities)/assets		(17,954)	167,142	465,967	663,275

*Amount less than \$1,000

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2022

	Note	Group		Company	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Non-current liabilities					
Deferred tax liabilities	26	7,353	10,618	–	–
Interest-bearing loans and borrowings	24	401,421	619,084	325,754	562,765
Lease liabilities	25	8,447	5,874	284	530
Provisions	27	879	842	35	35
		418,100	636,418	326,073	563,330
Total liabilities		756,601	719,744	560,057	572,020
Net assets		608,342	566,034	2,349,872	2,315,340
Equity attributable to owners of the Company					
Share capital	28	2,364,503	2,364,497	2,364,503	2,364,497
Retained earnings/(accumulated losses)		148,546	98,264	(14,631)	(49,157)
Other reserves	29	(1,981,368)	(1,972,921)	–	–
		531,681	489,840	2,349,872	2,315,340
Non-controlling interests		76,661	76,194	–	–
Total equity		608,342	566,034	2,349,872	2,315,340
Total equity and liabilities		1,364,943	1,285,778	2,909,929	2,887,360

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 June 2022

Group	Attributable to owners of the Company							
	Equity attributable to owners of the Company	Share capital (Note 28)	Merger reserve (Note 29)	Foreign currency translation reserve (Note 29)	Capital reserve (Note 29)	Fair value reserve (Note 29)	Retained earnings	Non-controlling interests
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance at 1 July 2021	566,034	489,840	2,364,497	(1,842,369)	(83,424)	(47,128)	98,264	76,194
Profit for the year	58,585	53,762	-	-	-	-	53,762	4,823
Other comprehensive income								
Foreign currency translation	(12,292)	(9,422)	-	(9,422)	-	-	-	(2,870)
Net change in fair value of financial assets at fair value through other comprehensive income	975	975	-	-	-	975	-	-
Other comprehensive income for the year, net of tax	(11,317)	(8,447)	-	(9,422)	-	975	-	(2,870)
Total comprehensive income for the year	47,268	45,315	-	(9,422)	-	975	53,762	1,953
Contributions by and distributions to owners								
Shares issued on conversion of warrants	6	6	6	-	-	-	-	-
Grant of equity-settled share options to employees	74	-	-	-	-	-	-	74
Dividends on ordinary shares (Note 35)	(3,966)	(3,966)	-	-	-	-	(3,966)	-
Dividends paid to non-controlling interests of subsidiaries	(1,074)	-	-	-	-	-	-	(1,074)
Total contributions by and distributions to owners	(4,960)	(3,960)	6	-	-	-	(3,966)	(1,000)
Others								
Lapses of employees' share options	-	486	-	-	-	-	486	(486)
Total others	-	486	-	-	-	-	486	(486)
Closing balance at 30 June 2022	608,342	531,681	2,364,503	(1,842,369)	(92,846)	(47,128)	148,546	76,661

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 June 2022

Group	Attributable to owners of the Company							
	Equity, total	Equity attributable to owners of the Company	Share capital (Note 28)	Merger reserve (Note 29)	Foreign currency translation reserve (Note 29)	Capital reserve (Note 29)	Retained earnings	Non-controlling interests
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance at 1 July 2020	552,860	477,896	2,364,497	(1,842,369)	(81,131)	(47,128)	84,027	74,964
Profit for the year	16,910	14,237	-	-	-	-	14,237	2,673
<u>Other comprehensive income</u>	(2,990)	(2,293)	-	-	(2,293)	-	-	(697)
Foreign currency translation								
Other comprehensive income for the year, net of tax	(2,990)	(2,293)	-	-	(2,293)	-	-	(697)
Total comprehensive income for the year	13,920	11,944	-	-	(2,293)	-	14,237	1,976
<u>Contributions by and distributions to owners</u>								
Grant of equity-settled share options to employees	65	-	-	-	-	-	-	65
Dividends paid to non-controlling interests of subsidiaries	(811)	-	-	-	-	-	-	(811)
Total contributions by and distributions to owners	(746)	-	-	-	-	-	-	(746)
Closing balance at 30 June 2021	566,034	489,840	2,364,497	(1,842,369)	(83,424)	(47,128)	98,264	76,194

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 June 2022

	Equity, total	Share capital (Note 28)	Accumulated losses
	\$'000	\$'000	\$'000
Company			
Opening balance at 1 July 2021	2,315,340	2,364,497	(49,157)
Profit for the year, representing total comprehensive income for the year	38,492	–	38,492
<u>Contributions by owners</u>			
Shares issued on conversion of warrants	6	6	–
Dividends on ordinary shares (Note 35)	(3,966)	–	(3,966)
	(3,960)	6	(3,966)
Closing balance at 30 June 2022	2,349,872	2,364,503	(14,631)
Opening balance at 1 July 2020	2,302,178	2,364,497	(62,319)
Profit for the year, representing total comprehensive income for the year	13,162	–	13,162
Closing balance at 30 June 2021	2,315,340	2,364,497	(49,157)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
Operating activities			
Profit before taxation		69,298	26,182
<u>Adjustments for:</u>			
Allowance for expected credit losses on trade receivables, net	21	150	409
Amortisation of financing fees on borrowings	24	989	1,408
Depreciation of property and equipment and investment properties	12,14	11,117	10,662
Depreciation of right-of-use assets	15	6,439	6,875
Amortisation of intangible assets	13	374	417
Net (gain)/loss on disposal of property and equipment		(23)	185
Gain on derecognition of leases		(52)	–
Property and equipment written off		23	17
Finance income		(988)	(980)
Finance costs		22,508	22,202
Unrealised exchange loss		60	17
Grant of equity-settled share options to employees		74	65
Impairment of goodwill	13	146	–
Total adjustments		40,817	41,277
Operating cash flows before changes in working capital		110,115	67,459
<u>Changes in working capital:</u>			
(Increase)/decrease in inventories		(267)	730
Increase in trade and other receivables		(32,940)	(4,844)
Increase in trade and other payables and contract liabilities		23,280	3,423
Total changes in working capital		(9,927)	(691)
Cash flows from operations		100,188	66,768
Interest income received		927	1,025
Income taxes paid		(8,313)	(6,540)
Net cash flows generated from operating activities		92,802	61,253

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2022

	Note	2022	2021
		\$'000	\$'000
Investing activities			
Purchase of property and equipment	A	(27,753)	(37,290)
Purchase of intangible assets		(372)	(340)
Purchase of other investment	18	(1,360)	–
Proceeds from disposal of property and equipment		49	58
Net cash flows used in investing activities		<u>(29,436)</u>	<u>(37,572)</u>
Financing activities			
Proceeds from conversion of warrants	28	6	–
Repayment of interest-bearing loans and borrowings	24	(13,316)	(285,160)
Proceeds from interest-bearing loans and borrowings	24	23,529	254,256
Changes in pledged deposits		(105)	1,881
Dividends paid on ordinary shares	35	(3,966)	–
Dividends paid to non-controlling interests of subsidiaries		(1,074)	(811)
Payment of principal portion of lease liabilities	25	(6,445)	(6,736)
Interest paid		(22,112)	(22,251)
Net cash flows used in financing activities		<u>(23,483)</u>	<u>(58,821)</u>
Net increase/(decrease) in cash and cash equivalents		39,883	(35,140)
Effect of exchange rate changes on cash and cash equivalents		(1,075)	(276)
Cash and cash equivalents at beginning of the year		112,091	147,507
Cash and cash equivalents at end of the year	22	<u>150,899</u>	<u>112,091</u>

A. Purchase of property and equipment

During the current financial year ended 30 June 2022, the Group acquired property and equipment with an aggregate cost of \$25,774,000 (2021: \$42,153,000) by way of cash payments of \$27,753,000 (2021: \$37,290,000), increase in provision for restoration costs of \$14,000 (2021: \$10,000) and changes in other payables of \$1,993,000 (2021: \$4,853,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

1. Corporate information

1.1 *The Company*

Thomson Medical Group Limited (the Company) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and principal place of business of the Company is located at 101 Thomson Road, #20-04/05, United Square, Singapore 307591.

The principal activities of the Company are those of investments, investment holding and strategic investments and other related activities. The principal activities of the subsidiaries are disclosed in Note 16 to the financial statements.

The financial statements of the Company and the consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Directors on 26 August 2022.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)).

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (\$) or SGD) and all values in the tables are rounded to the nearest thousand (\$'000), except when otherwise indicated.

2.2 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are effective for annual periods beginning on or after 1 July 2021. The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-16 <i>Property, Plant and Equipment</i> : Proceeds before Intended Use	1 January 2022
Amendments to SFRS(I) 1-37 <i>Provisions, Contingent Liabilities and Contingent Assets</i> : Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to SFRS(I)s 2018-2020	1 January 2022
Amendments to SFRS(I) 3 <i>Business Combinations</i> : Reference to the Conceptual Framework	1 January 2022
Amendments to SFRS(I) 1-1 <i>Presentation of Financial Statements</i> : Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) <i>Practice Statement 2: Disclosure of Accounting Policies</i>	1 January 2023
Amendments to SFRS(I) 1-8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> : Definition of Accounting Estimates	1 January 2023
Amendments to SFRS(I) 1-12 <i>Income Taxes</i> : Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to SFRS(I) 10 <i>Consolidated Financial Statements</i> and SFRS(I) 1-28 <i>Investments in Associates and Joint Ventures</i> : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the year of initial application.

2.4 Basis of consolidation and business combinations

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.4 Basis of consolidation and business combinations (cont'd)

(b) Business combinations

With the exception of business combinations involving entities under common control, acquisitions of subsidiaries are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or a liability, will be recognised in profit or loss.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) that are present ownership interests and entitle their holders to a proportionate share of net assets, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is set out in Note 2.8(a). In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

(c) Business combinations involving entities under common control

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

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

Comparatives are presented as if the entities have always been combined since the date the entities had come under common control.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.5 *Transactions with non-controlling interests*

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

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

2.6 *Functional and foreign currency*

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

(a) *Transactions and balances*

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

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

(b) *Consolidated financial statements*

For consolidation purposes, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the average exchange rate for the year. Exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.7 *Property and equipment*

All items of property and equipment are initially recorded at costs. Such costs include the cost of replacing parts of the property and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property and equipment. The cost of an item of property and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, all items of property and equipment, except for freehold land, are measured at cost less accumulated depreciation and accumulated impairment losses. Freehold land has an indefinite useful life and therefore is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.7 Property and equipment (cont'd)

Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful life of the asset as follows:

Long-term leasehold land	99 years
Building and improvements	10 to 50 years
Renovations	5 to 13 years
Furniture and fittings	5 to 10 years
Medical, electrical equipment and appliances	3 to 13 years
Office equipment and computers	3 to 10 years
Motor vehicles	5 to 10 years

The cost of construction-in-progress represents all costs, including borrowing costs, incurred on the construction of the assets. The accumulated costs will be reclassified to the appropriate property and equipment account when the construction is completed. No depreciation is provided on construction-in-progress as these assets are not yet available for use. Interest on borrowings to finance the construction of property and equipment is capitalised during the period of time that is required to complete and prepare each asset for its intended use. All other borrowing costs are expensed.

Repairs and maintenance costs are taken to profit or loss during the financial period in which they are incurred. The cost of major renovations and restorations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group, and is depreciated over the remaining useful life of the asset.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property and equipment. An item of property 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 derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.8 Intangible assets

(a) Goodwill

Goodwill acquired in a business combination is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events and circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.8 Intangible assets (cont'd)

(a) Goodwill (cont'd)

Where goodwill forms part of a cash-generating unit (or group of cash-generating units) and part of the operation within that cash-generating unit (or group of cash-generating units) is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash generating unit (or group of cash-generating units) retained.

(b) Other intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

(i) Customer relationship

Customer relationship acquired in a business combination is amortised on a straight-line basis over its finite useful life of 2.8 years.

(ii) Hospital management

Hospital management acquired in a business combination is amortised on a straight-line basis over its finite useful life of 4.8 years.

(iii) Computer software

Computer software are amortised on a straight-line basis over its finite useful life of 3 to 10 years.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.8 Intangible assets (cont'd)

(b) *Other intangible assets (cont'd)*

(iv) *Brand name*

Brand name is amortised on a straight-line basis over its finite useful life of 3 years.

2.9 Investment properties

Investment properties are properties that are owned by the Group that are held either to earn rental income or for capital appreciation or for both, rather than for use in the production or supply of goods or services or for administrative purposes, or in the ordinary course of business.

Investment properties measured at cost are accounted for similarly to property and equipment. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Subsequent to recognition, investment properties, except for freehold land, are carried at cost less accumulated depreciation and accumulated impairment losses. Freehold land has an indefinite useful life and therefore is not depreciated. Depreciation is computed on a straight-line basis over the estimated useful life of the assets as follows:

Buildings	21 to 50 years
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Transfers are made to or from investment property only when there is a change in use. When transfer is made between investment property and owner-occupied property, its carrying amount at the date of the transfer becomes its carrying amount for subsequent accounting.

2.10 Development property

Development property is a property acquired or being constructed for sale in the ordinary course of business, rather than to be held for the Group's own use, rental or capital appreciation.

Development property is measured at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure, capitalised borrowing costs and other costs directly attributable to the development activities. Cost includes an appropriate share of development overheads allocated based on normal capacity.

Borrowing costs that are directly attributable to the acquisition and development of the property under development are capitalised as part of property under development during the period of development.

Net realisable value is the estimated selling price in the ordinary course of business, based on market prices at the reporting date and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

The costs of development properties recognised in profit or loss on disposal are determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.11 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group 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 group 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.

Impairment losses are recognised in profit or loss.

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

2.12 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's statement of financial position, investment in subsidiaries are accounted for at cost less impairment losses.

2.13 *Affiliated company*

An affiliated company is an entity, not being a subsidiary or an associate, in which the director or shareholder of the Company or a director of a subsidiary has a significant equity interest or exercise significant influence.

2.14 *Joint venture*

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group accounts for its investment in joint ventures using the equity method from the date on which it becomes a joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities represents goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the Group's share of the joint venture's profit or loss in the period in which the investment is acquired.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.14 *Joint venture (cont'd)*

Under the equity method, the investments in joint ventures are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint ventures. The profit or loss reflects the share of results of the operations of the joint ventures. Distributions received from joint ventures reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the joint ventures, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the joint ventures are eliminated to the extent of the interest in the joint ventures.

When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

After the application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in joint ventures. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the joint ventures is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the joint ventures are prepared at the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.15 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

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

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

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

Subsequent measurement

Financial assets at amortised cost (debt instruments)

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.15 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Financial assets designated at fair value through OCI (equity instruments)

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income (OCI). The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Derecognition

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

(b) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.16 *Impairment of financial assets*

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

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

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

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.17 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at banks and on hand, and short-term deposits which are subject to an insignificant risk of changes in value.

2.18 *Inventories*

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for on a weighted average basis.

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

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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

2.20 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the government grant is presented in the statement of financial position by deducting the grant in arriving at the carrying amount of the asset.

Where the grant relates to income, the grant is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income are presented under other income.

2.21 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.22 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Singapore and Malaysian companies in the Group make contributions to the Central Provident Fund scheme in Singapore and Employees Provident Fund scheme in Malaysia respectively. These are defined contribution pension schemes.

Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.22 Employee benefits (cont'd)

(b) Employee share option plans

Certain employees of a subsidiary receive remuneration in the form of share options as consideration for services rendered. These share options are denominated in Malaysian Ringgit. The cost of these equity-settled share based payment transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted which takes into account market conditions and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The employee share option reserve is transferred to retained earnings upon expiry of the share option.

(c) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period.

2.23 Leases

Group as a lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term, as follows:

Office and clinic premises	2 to 8 years
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Right-of-use assets are subject to impairment. The accounting policy for impairment is disclosed in Note 2.11.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.23 Leases (cont'd)

Group as a lessee (cont'd)

Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the incremental borrowing rate. Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option, if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease liabilities are presented as a separate line on the balance sheets.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is a modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases that have a lease term of 12 months or less from the commencement date and do not contain an option to purchase or extend. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Group as a lessor

Leases of assets in which the Group does not transfer substantially all the risks and rewards of ownership of the assets are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The accounting policy for rental income is set out in Note 2.24(c). Contingent rents are recognised as revenue in the period in which they are earned.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.24 Revenue

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

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

(a) *Rendering of services*

Revenue from the provision of consultations, clinical treatments, medical tests and operations are recognised upon the completion of the services rendered. Revenue from rendering of package services are recognised by reference to the stage of completion of the transaction at the end of the reporting period, determined by the number of sessions utilised as a percentage of the total sessions sold in a package.

For the rendering of healthcare related package services where the Group satisfies its performance obligations over time, management has determined that an output method provides a faithful depiction of the Group's performance in transferring control of the goods or services to the customers, as it reflects the direct measurements of the value to the customer of goods or services transferred to date relative to the remaining goods or services promised under the contract. The measure of progress is based on the number of sessions utilised as a percentage of the total sessions sold in a package.

For the sale of bundled health screening packages, the Group allocates the transaction price to the sale of each distinct service based on their relative stand-alone selling prices. For the sale of bundled vaccination packages, the Group continues to uniformly allocate transaction price based on the pre-determined number of vaccinations within a bundled package as it has assessed the difference of allocating transaction price to the sale of each distinct service based on their relative stand-alone selling prices to be not material. The standalone selling prices are determined based on an adjusted market assessment approach.

(b) *Sale of goods*

Revenue from the sale of goods is recognised upon the transfer of control of the goods to the customer, usually on delivery of the goods. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(c) *Rental income*

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(d) *Dividends*

Dividend income from subsidiaries and associates are recognised in profit or loss when the right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.24 Revenue (cont'd)

(e) Interest income

Interest income is recognised using the effective interest method.

2.25 Taxes

(a) Current income tax

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

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

(b) Deferred tax

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

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

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

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

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.25 Taxes (cont'd)

(b) *Deferred tax (cont'd)*

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

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

(c) *Sales tax*

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

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

2.26 *Share capital and share issuance expenses*

Proceeds from the issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against the share capital.

2.27 *Contingencies*

A contingent liability is:

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

2. Summary of significant accounting policies (cont'd)

2.27 Contingencies (cont'd)

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. Significant accounting judgements and estimates

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

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 are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) *Impairment of goodwill*

As disclosed in Note 13 to the financial statements, the recoverable amounts of the cash generating units (CGUs) to which the goodwill has been allocated to are determined based on their value-in-use calculations. The value-in-use calculations are based on discounted cash flow models. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The key assumptions applied in the determination of the value-in-use including a sensitivity analysis which are disclosed and further explained in Note 13 to the financial statements.

The carrying amount of goodwill as at 30 June 2022 is \$483,372,000 (2021: \$486,043,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

3. Significant accounting judgements and estimates (cont'd)

Key sources of estimation uncertainty (cont'd)

(b) Impairment of property and equipment attributable to BB Waterfront Sdn Bhd (BBWF)

The property and equipment attributable to BBWF comprises mainly freehold land located in Johor Bahru, Malaysia, and is carried at cost less accumulated depreciation and any accumulated impairment loss. The recoverable amount of the CGU to which these assets are attributable to is determined based on BBWF's value-in-use calculation. The value-in-use calculation is based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The key assumptions applied in the determination of the value-in-use are disclosed and further explained in Note 13 to the financial statements in conjunction with the impairment of goodwill allocated to BBWF.

As at 30 June 2022, the carrying value of BBWF's property and equipment amounted to \$86,353,000 (2021: \$88,304,000).

(c) Impairment of investment properties and development property

The Group's investment properties and development property are located within the Iskandar Development Region, Johor Bahru, Malaysia. Investment properties are carried at cost less accumulated depreciation and accumulated impairment losses, whilst development property is carried at net realisable value. For the purposes of impairment assessment, the Group engaged an independent valuer to assess the fair value of these assets as at 30 June 2022 using the market comparison method. This means that the fair values are based on active market prices, adjusted for any difference in the nature, location or condition of the specific asset.

As at 30 June 2022, the Group's investment properties and development property located within the Iskandar Development Region, Johor Bahru, amounted to \$98,928,000 (2021: \$101,378,000) and \$93,225,000 (2021: \$95,498,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

4. Revenue

(a) *Disaggregation of revenue*

	2022	2021
	\$'000	\$'000
<u>Major product or service lines</u>		
Rendering of services, including sale of goods	330,225	237,316
Rental income	3,481	3,082
	<u>333,706</u>	<u>240,398</u>
<u>Timing of revenue recognition</u>		
At a point in time	325,140	232,799
Over time	8,566	7,599
	<u>333,706</u>	<u>240,398</u>

For further disaggregation disclosure of revenue by business and geographical segments – refer to Note 34.

(b) *Contract balances*

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

	Group		
	30 Jun 2022	30 Jun 2021	1 Jul 2020
	\$'000	\$'000	\$'000
Trade receivables (Note 21)	37,428	12,504	6,530
Contract liabilities	<u>3,802</u>	<u>3,663</u>	<u>3,595</u>

The Group has recognised allowance for expected credit losses on receivables arising from contracts with customers amounting to \$150,000 (2021: \$409,000) in the consolidated statement of profit or loss.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for rendering of healthcare related package services.

Contract liabilities are recognised as revenue as the Group performs under the contract.

Significant changes in contract liabilities during the financial year are as follows:

	Group	
	2022	2021
	\$'000	\$'000
Healthcare services		
Revenue recognised that was included in the contract liability balance at the beginning of the year	3,374	2,932
Revenue recognised during the year	<u>8,903</u>	<u>9,889</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

5. Other income

	Group	
	2022	2021
	\$'000	\$'000
Employment credits	1,677	4,456
Sponsorship income	3,424	3,154
Property tax and rental rebates	3,345	2,878
Administrative and membership income	818	902
Others	552	549
	9,816	11,939

Employment credits include the Special Employment Credit, Wage Credit Scheme, Jobs Growth Incentive and Jobs Support Scheme. The Special Employment Credit was introduced by the Singapore Government to support employers as well as to raise the employability of older low-wage Singaporeans. The Wage Credit Scheme was introduced to help businesses in Singapore to adjust the rising wage costs in a tight labour market with the objective to allow businesses to free up resources to make investments in productivity and to share the productivity gains with their employees. The Jobs Support Scheme was to provide wage support to employers to help them retain their local employees during the period of economic uncertainty. Job Growth Incentive is provided as wage subsidies to the Group for new hires from September 2020 onwards. It was introduced as a response to the COVID-19 pandemic, to support the hiring of locals.

6. Finance costs

	Group	
	2022	2021
	\$'000	\$'000
Interest expense:		
- Loans and borrowings	22,071	21,725
- Lease liabilities	437	477
- Amortisation of financing fees on borrowings	989	1,408
	23,497	23,610

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

7. Profit before taxation

The following items have been included in arriving at profit before taxation:

	Note	Group	2021
		2022	2021
		\$'000	\$'000
Audit fees:			
- Auditor of the Company		321	303
- Other auditors		14	11
Non-audit fees:			
- Auditor of the Company		272	145
- Other auditors		43	5
Allowance for expected credit losses on trade receivables, net	21	150	409
Depreciation of property and equipment	12	11,060	10,608
Depreciation of investment properties	14	57	54
Depreciation of right-of-use assets	15	6,439	6,875
Amortisation of intangible assets	13	374	417
Directors' fees	9	323	299
Impairment loss on goodwill		146	–
Inventories recognised as an expense in profit or loss	20	40,534	36,274
Net (gain)/loss on disposal of property and equipment		(23)	185
Lease expense relating to short-term leases and leases of low-value assets	15	134	79
Professional fees paid to doctors		41,567	39,092

8. Staff costs

	Group	2021
	2022	2021
	\$'000	\$'000
Salaries and bonuses	88,411	59,037
Defined contribution plans	9,485	7,557
Share-based compensation expenses	74	65
Other short-term benefits	9,950	8,221
	107,920	74,880

TMCLS Employees' Share Option Scheme (ESOS)

The Group's subsidiary, TMCLS, implemented the ESOS in 2015 for a period of five (5) years till 28 May 2020, which has been extended for another 5 years to 28 May 2025. The ESOS, which is administered by the Option Committee (OC), is granted to eligible directors and employees (Eligible Persons) of TMCLS to subscribe for shares in TMCLS.

There are no cash settlement alternatives in respect of the share options issued under the ESOS.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

8. Staff costs (cont'd)

TMCLS Employees' Share Option Scheme (ESOS) (cont'd)

Details of all the options to subscribe for ordinary shares of TMCLS pursuant to the ESOS outstanding as at 30 June 2022 are as follows:

Date of issue	No. of share options outstanding	Exercise Price (MYR)	Vesting period
11 June 2015	4,000,000	0.75	9.96 years
28 August 2015	4,326,000	0.75	9.75 years
25 January 2017	3,450,000	0.94	8.34 years
26 September 2018	2,000,000	0.94	6.67 years
17 November 2020	9,605,000	0.75	4.53 years
	23,381,000		

Movements in the number of share options and their related weighted average exercise prices (WAEP) are as follows:

	2022		2021	
	No.	WAEP (MYR)	No.	WAEP (MYR)
Outstanding at beginning of the year	24,081,000	0.79	18,116,000	0.81
- Granted	-	-	10,000,000	0.75
- Forfeited	-	-	(4,035,000)	0.75
- Lapsed	(700,000)	0.76	-	-
Outstanding at end of the year	23,381,000	0.79	24,081,000	0.79
Exercisable at end of the year	23,381,000	0.79	24,081,000	0.79

- There were no options granted during the financial year. The weighted average fair value of options granted during the financial year ended 30 June 2021 was MYR0.07.
- There were no options exercised during the financial year.
- The weighted average remaining contractual life for options outstanding at the end of the year is 2.9 (2021: 3.9) years.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

8. Staff costs (cont'd)

Fair values of share options granted

The fair values of the share options as at the date of grant are estimated at the respective grant dates using the Black Scholes model, taking into account the terms and conditions upon which the share options were granted. The range of inputs to the models used to fair value the share options are shown below:

	17 Nov 2020	26 Sep 2018	19 Dec 2017	25 Jan 2017	28 Aug 2015	11 Jun 2015
Dividend yield (%)	0.38	0.21	0.21	0.16	0.57	0.57
Expected volatility (%)	29.81	20.94	22.06	17.79	36.73	36.73
Risk-free interest rate (% p.a.)	2.11	3.44	3.19	3.40	3.91	3.63
Weighted average share price (MYR)	0.54	0.74	0.94	0.94	0.51	0.63

The expected volatility is based on the historic volatility (calculated based on weighted average expected life of the share options), adjusted for any expected changes to future volatility due to publicly available information of TMCLS's shares.

9. Related party disclosures

Compensation of directors and key management personnel

	Group	
	2022	2021
	\$'000	\$'000
Directors' fees	323	299
Salaries and short-term employee benefits	3,994	3,234
Share-based payments	17	14
	<u>4,334</u>	<u>3,547</u>
<i>Comprise amounts paid to:</i>		
Directors of the Company	2,762	1,601
Other key management personnel	1,572	1,946
	<u>4,334</u>	<u>3,547</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

10. Income tax expense

(a) Major components of income tax expense

The major components of income tax expense for the financial year ended 30 June 2022 and 2021 are:

	Note	Group 2022 \$'000	Group 2021 \$'000
<i>Consolidated statement of profit or loss:</i>			
Current income tax			
- current income taxation		14,861	8,850
- (over)/under provision in respect of previous years		(95)	54
		14,766	8,904
Deferred income tax			
- origination and reversal of temporary differences		(4,233)	358
- under provision in respect of previous years		180	10
	26	(4,053)	368
Income tax expense recognised in profit or loss		10,713	9,272

(b) Relationship between tax expense and profit before taxation

A reconciliation between tax expense and the product of profit before taxation multiplied by the applicable corporate tax rate for the financial year ended 30 June 2022 and 2021 is as follows:

	Group 2022 \$'000	Group 2021 \$'000
Profit before taxation	69,298	26,182
Tax at the domestic rates applicable to profits in the countries where the Group operates	12,460	5,034
Adjustments:		
Non-deductible expenses	5,465	5,151
Income not subject to taxation	(542)	(690)
Deferred tax assets not recognised	156	163
Effect of partial tax exemption and tax relief	(169)	(193)
Under provision in respect of previous years	85	64
Benefits from previously unrecognised tax losses and capital allowance	(523)	(62)
Deferred tax assets recognised on investment tax allowances	(5,871)	-
Others	(348)	(195)
	10,713	9,272

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

11. Earnings per share

Basic earnings per share are calculated by dividing profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share from continuing operations are calculated by dividing profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the year ended 30 June 2022 and 2021:

	Group	
	2022	2021
	\$'000	\$'000
Profit for the year attributable to owners of the Company	53,762	14,237

	Group	
	2022	2021
	No. of shares '000	No. of shares '000
Weighted average number of ordinary shares for basic and diluted earnings per share computation	26,441,067	26,441,017

The basic and diluted earnings per share are the same as there were no dilutive potential ordinary shares.

The effect of the piggyback warrants issued were anti-dilutive during the financial year ended 30 June 2021. The piggyback warrants had expired on 24 April 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

12. Property and equipment

Group	Freehold land \$'000	Long-term leasehold land \$'000	Building and improvements \$'000	Renovations \$'000	Furniture and fittings \$'000	Medical, electrical equipment and appliances \$'000	Office equipment and computers \$'000	Motor vehicles \$'000	Construction -in-progress \$'000	Total \$'000
Cost										
At 1 July 2020	212,890	22,155	65,783	25,612	5,458	63,412	4,605	670	86,208	486,793
Additions	-	-	9	1,024	77	2,264	230	13	38,536	42,153
Disposals/write off	-	-	-	(1,573)	(101)	(1,750)	(4)	(6)	-	(3,434)
Reclassifications from construction-in-progress	-	-	-	1,302	6	133	-	-	(1,441)	-
Reclassification to investment properties (Note 14)	-	-	(971)	-	-	-	-	-	-	(971)
Exchange differences	(342)	(129)	(136)	(50)	(8)	(174)	(28)	(1)	(782)	(1,650)
At 30 June 2021	212,548	22,026	64,685	26,315	5,432	63,885	4,803	676	122,521	522,891
Accumulated depreciation										
At 1 July 2020	-	1,875	15,190	12,820	4,274	42,297	3,801	451	-	80,708
Charge for the year	-	234	2,243	3,173	306	4,266	321	65	-	10,608
Disposals/write off	-	-	-	(1,459)	(93)	(1,616)	(2)	(4)	-	(3,174)
Reclassification to investment properties (Note 14)	-	-	(214)	-	-	-	-	-	-	(214)
Exchange differences	-	(13)	(43)	(25)	(7)	(115)	(25)	(1)	-	(229)
At 30 June 2021	-	2,096	17,176	14,509	4,480	44,832	4,095	511	-	87,699
Net carrying amount										
At 30 June 2021	212,548	19,930	47,509	11,806	952	19,053	708	165	122,521	435,192

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

12. Property and equipment (cont'd)

Group	Freehold land \$'000	Long-term leasehold land \$'000	Building and improvements \$'000	Renovations \$'000	Furniture and fittings \$'000	Medical, electrical equipment and appliances \$'000	Office equipment and computers \$'000	Motor vehicles \$'000	Construction -in-progress \$'000	Total \$'000
Cost										
At 1 July 2021	212,548	22,026	64,685	26,315	5,432	63,885	4,803	676	122,521	522,891
Additions	-	-	916	904	587	6,676	734	283	15,674	25,774
Disposals/write off	-	-	-	(838)	(30)	(725)	(3)	(136)	-	(1,732)
Reclassifications from construction-in-progress	-	-	92,540	197	211	7,735	795	-	(101,478)	-
Exchange differences	(1,386)	(524)	(2,138)	(200)	(45)	(919)	(139)	(3)	(1,457)	(6,811)
At 30 June 2022	211,162	21,502	156,003	26,378	6,155	76,652	6,190	820	35,260	540,122
Accumulated depreciation										
At 1 July 2021	-	2,096	17,176	14,509	4,480	44,832	4,095	511	-	87,699
Charge for the year	-	231	2,782	2,962	345	4,461	215	64	-	11,060
Disposals/write off	-	-	-	(830)	(19)	(718)	(2)	(114)	-	(1,683)
Exchange differences	-	(53)	(190)	(115)	(30)	(490)	(100)	(3)	-	(981)
At 30 June 2022	-	2,274	19,768	16,526	4,776	48,085	4,208	458	-	96,095
Net carrying amount										
At 30 June 2022	211,162	19,228	136,235	9,852	1,379	28,567	1,982	362	35,260	444,027

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

12. Property and equipment (cont'd)

	Furniture and fittings \$'000	Office equipment and computers \$'000	Renovation \$'000	Motor vehicle \$'000	Total \$'000
Company					
Cost					
At 1 July 2020	135	51	195	136	517
Disposals/write off	–	(3)	–	–	(3)
At 30 June 2021 and 1 July 2021	135	48	195	136	514
Additions	–	4	–	283	287
Disposals/write off	–	–	–	(136)	(136)
At 30 June 2022	135	52	195	283	665
Accumulated depreciation					
At 1 July 2020	48	30	179	83	340
Charge for the year	27	16	16	19	78
Disposals/write off	–	(2)	–	–	(2)
At 30 June 2021 and 1 July 2021	75	44	195	102	416
Charge for the year	27	4	–	22	53
Disposals/write off	–	–	–	(114)	(114)
At 30 June 2022	102	48	195	10	355
Net carrying amount					
At 30 June 2021	60	4	–	34	98
At 30 June 2022	33	4	–	273	310

As at the end of the financial year, leasehold land, building and improvements and construction-in-progress with a total carrying amount of \$99,904,000 (2021: \$98,260,000) has been pledged as security for interest-bearing loans and borrowings as disclosed in Note 24.

During the financial year, interest expense of \$1,175,000 (2021: \$1,192,000) was capitalised as construction-in-progress. The rate used to determine the amount of borrowing costs eligible for capitalisation was 3.27% (2021: 3.34%), which is the effective interest rate of the specific borrowing.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

13. Intangible assets

	Goodwill	Computer software	Brand name	Customer relationship	Hospital management	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group						
Cost						
At 1 July 2020	486,666	2,065	200	2,812	698	492,441
Additions	–	340	–	–	–	340
Exchange differences	(623)	(12)	–	–	–	(635)
At 30 June 2021	486,043	2,393	200	2,812	698	492,146
Additions	–	372	–	–	–	372
Exchange differences	(2,525)	(51)	–	–	–	(2,576)
At 30 June 2022	483,518	2,714	200	2,812	698	489,942
Accumulated amortisation and impairment						
At 1 July 2020	–	1,370	108	2,812	698	4,988
Amortisation	–	348	69	–	–	417
Exchange differences	–	(8)	–	–	–	(8)
At 30 June 2021	–	1,710	177	2,812	698	5,397
Amortisation	–	351	23	–	–	374
Impairment	146	–	–	–	–	146
Exchange differences	–	(36)	–	–	–	(36)
At 30 June 2022	146	2,025	200	2,812	698	5,881
Net carrying amount						
At 30 June 2021	486,043	683	23	–	–	486,749
At 30 June 2022	483,372	689	–	–	–	484,061

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

13. Intangible assets (cont'd)

Impairment testing of goodwill

Goodwill is derived from the excess of purchase consideration over the fair value of the identifiable net assets acquired. Goodwill arising from business combinations has been allocated to the following cash-generating units (CGUs) for impairment testing:

	2022	2021
	\$'000	\$'000
Thomson Medical Pte Ltd (TMPL)	379,788	379,788
Clinic	–	146
TMC Life Sciences Berhad (TMCLS)	42,601	43,639
BB Waterfront Sdn Bhd (BBWF)	60,983	62,470
	<u>483,372</u>	<u>486,043</u>

The recoverable amounts of the CGUs have been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period, except for BBWF. BBWF owns Thomson Iskandar, a medical hub project under construction and development in Malaysia. The cash flow projections used in the value-in-use calculations for BBWF were based on financial budgets approved by management covering a fifteen-year period which comprises an initial five-year period of construction and development, followed by a ten-year period of medical hub operations and an imputed terminal growth thereafter.

The discount rates applied to the cash flow projections and the forecasted growth rates used to extrapolate cash flow beyond the forecasted period are as follows:

	Terminal growth rates (%)		Discount rates (%)	
	2022	2021	2022	2021
TMPL	3.0	3.0	7.0	5.9
TMCLS	4.0	4.0	9.0	7.0
BBWF	3.0	3.0	9.7	6.6

Key assumptions used in the value-in-use calculations

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

Growth rates – The growth rates indicated are estimated by management based on published industry research and do not exceed the long-term average growth rate for the industries relevant to the CGUs.

Pre-tax discount rates – Discount rates reflect management's estimate of risks specific to each CGU.

Sensitivity to changes in assumptions

With regards to the assessment of value-in-use for the CGUs, management believes that no reasonably possible changes in any of the above key assumptions would cause the carrying amounts of the CGUs to materially exceed their recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

14. Investment properties

Group	Freehold land	Building	Total
	\$'000	\$'000	\$'000
Cost			
At 1 July 2020	161,612	814	162,426
Reclassification from property and equipment (Note 12)	–	971	971
Exchange differences	(941)	(12)	(953)
At 30 June 2021 and 1 July 2021	160,671	1,773	162,444
Exchange differences	(3,823)	(42)	(3,865)
At 30 June 2022	156,848	1,731	158,579
Accumulated depreciation and impairment			
At 1 July 2020	60,385	29	60,414
Charge for the year	–	54	54
Reclassification from property and equipment (Note 12)	–	214	214
Exchange differences	(351)	(2)	(353)
At 30 June 2021 and 1 July 2021	60,034	295	60,329
Charge for the year	–	57	57
Exchange differences	(1,429)	(7)	(1,436)
At 30 June 2022	58,605	345	58,950
Net carrying amount			
At 30 June 2021	100,637	1,478	102,115
At 30 June 2022	98,243	1,386	99,629

The investment properties include a piece of freehold land located within the Iskandar Development Region, Johor Bahru, Malaysia.

The Group has pledged its freehold land with a carrying amount of \$98,243,000 at 30 June 2022 (2021: \$100,637,000) to secure an undrawn loan facility.

As at the end of the financial year, an investment property with a carrying amount of \$701,000 (2021: \$737,000) has been pledged as security for interest-bearing loan and borrowings as disclosed in Note 24.

The recoverable amount of the freehold land was determined based on the fair value using the direct comparison method. The fair value measurement was categorised as Level 3 based on the inputs in the valuation technique used (Note 31(b)).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

15. Right-of-use assets

	Group	Company
	Office and clinic premises	Office premise
	\$'000	\$'000
Cost		
At 1 July 2020	22,569	633
Additions	5,247	779
Derecognition	(2,336)	–
Exchange differences	(18)	–
At 30 June 2021 and 1 July 2021	25,462	1,412
Additions	3,747	–
Derecognition	(8,776)	(633)
Lease modifications	5,296	–
Exchange differences	(61)	–
At 30 June 2022	25,668	779
Accumulated depreciation		
At 1 July 2020	9,568	367
Charge for the year	6,875	246
Derecognition	(2,227)	–
Exchange differences	(8)	–
At 30 June 2021 and 1 July 2021	14,208	613
Charge for the year	6,439	258
Derecognition	(8,374)	(633)
Exchange differences	(30)	–
At 30 June 2022	12,243	238
Carrying amount		
At 30 June 2021	11,254	799
At 30 June 2022	13,425	541

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

15. Right-of-use assets (cont'd)

Amounts recognised in profit or loss:

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Depreciation of right-of-use assets	6,439	6,875	258	246
Interest expense on lease liabilities (Note 6)	437	477	23	5
Gain on derecognition of leases	(52)	–	–	–
Lease expense relating to short-term leases and leases of low-value assets	134	79	–	–

The Group had total cash outflows for leases of \$7,016,000 (2021: \$7,292,000) for the financial year ended 30 June 2022. Modifications relate to change in lease terms for certain leases.

16. Investment in subsidiaries

	Company	
	2022	2021
	\$'000	\$'000
Shares, at cost	2,410,778	2,410,778
Less: Accumulated impairment losses	(201,651)	(196,280)
	<u>2,209,127</u>	<u>2,214,498</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

16. Investment in subsidiaries (cont'd)

(a) *Composition of the Group*

The Group has the following significant investments in subsidiaries:

Name of Company	Country of incorporation	Principal activities	Proportion (%) of ownership interest	
			2022	2021
Held by the Company:				
Sasteria Pte Ltd ⁽¹⁾	Singapore	Investment holding	100	100
Vantage Bay JB Sdn. Bhd. ⁽³⁾	Malaysia	Property development	100	100
Thomson X Pte Ltd ⁽¹⁾	Singapore	Information technology and computer service activities	100	100
Held through Sasteria Pte Ltd:				
Sasteria (M) Pte Ltd ⁽¹⁾	Singapore	Investment holding	100	100
Thomson Medical Pte Ltd ⁽¹⁾	Singapore	Operates a hospital	100	100
Held through Thomson Medical Pte Ltd:				
Thomson Paediatric Centre Pte Ltd ⁽¹⁾	Singapore	Operates specialist paediatric medical clinics	80	80
Thomson Women's Clinic Holdings Pte Ltd ⁽¹⁾	Singapore	Operates specialist medical clinics	100	100
Thomson Women Cancer Centre Pte Ltd ⁽¹⁾	Singapore	Operates specialist medical clinics	55	55
Thomson Kids Pte Ltd ⁽¹⁾	Singapore	Clinical, counselling, diagnoses, specialised learning programmes	100	100
Held through Sasteria (M) Pte Ltd:				
TMC Life Sciences Berhad ⁽²⁾	Malaysia	Investment holding	70.13	70.13
Held through TMC Life Sciences Berhad:				
Thomson Hospitals Sdn. Bhd. ⁽²⁾	Malaysia	Multi-disciplinary tertiary care services	100	100
BB Waterfront Sdn. Bhd. ⁽²⁾	Malaysia	Provision of healthcare services	100	100
TMC Biotech Sdn. Bhd. ⁽²⁾	Malaysia	Provision of fertility consultancy, laboratory and embryology services and research and development	100	100
TMC Women's Specialist Holdings Sdn. Bhd. ⁽²⁾	Malaysia	Business of operating fertility centres and providing related services	100	100

⁽¹⁾ Audited by Ernst & Young LLP, Singapore

⁽²⁾ Audited by member firms of EY Global in Malaysia

⁽³⁾ Audited by member firms of KPMG International

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

16. Investment in subsidiaries (cont'd)

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

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

	TMC Life Sciences Berhad and its subsidiaries	
	2022	2021
Proportion of ownership interest held by NCI (%)	29.87	29.87
Profit allocated to NCI during the reporting period (\$'000)	3,984	1,925
Accumulated NCI at the end of reporting period (\$'000)	76,177	76,055
Dividends paid to NCI (\$'000)	373	282

(c) *Summarised financial information about subsidiary with material NCI*

Summarised financial information including consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

Summarised consolidated statement of financial position

	TMC Life Sciences Berhad and its subsidiaries	
	2022	2021
	\$'000	\$'000
Current		
Assets	64,616	60,085
Liabilities	(28,453)	(24,357)
Net current assets	36,163	35,728
Non-current		
Assets	293,341	283,006
Liabilities	(68,042)	(63,214)
Net non-current assets	225,299	219,792
Net assets	261,462	255,520

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

16. Investment in subsidiaries (cont'd)

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

Summarised consolidated statement of comprehensive income

	TMC Life Sciences Berhad and its subsidiaries	
	2022	2021
	\$'000	\$'000
Revenue	78,813	65,761
Profit before taxation	10,432	9,021
Income tax credit/(expense)	2,959	(2,418)
Profit after tax, representing total comprehensive income	<u>13,391</u>	<u>6,603</u>

Other summarised information

	TMC Life Sciences Berhad and its subsidiaries	
	2022	2021
	\$'000	\$'000
Net cash flows from operating activities	<u>11,528</u>	<u>7,318</u>

17. Investment in joint venture

	Group	
	2022	2021
	\$'000	\$'000
Equity shares, at cost	—*	—
Share of results of joint venture	—*	—
	<u>—*</u>	<u>—</u>

* Amount less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

17. Investment in joint venture (cont'd)

The Group's cost of investment in joint venture amounted to \$1. As at 30 June 2022, the joint venture was in a pre-operating stage and has not commenced commercial operations. The details of the joint venture company are as below:

Name of entity	Country of incorporation	Principal activities	Proportion of ownership interest	
			2022	2021
			%	%
<i>Held through Thomson X Pte. Ltd.</i>				
Hatch Health Pte. Ltd.	Singapore	Development of software and application	50	–

18. Other investment

	Group	
	2022	2021
	\$'000	\$'000
<i>Equity instrument designated at fair value through OCI</i>		
<i>Non-listed equity investment</i>		
Whitecoat Global Holdings Pte. Ltd.	2,335	–

The Group holds 3.00% equity interest in this company. The Group has elected to measure this investment at FVOCI due to the Group's intention to hold the equity instrument for long-term appreciation. As at 30 June 2022, a fair value gain of \$975,000 has been recognised in other comprehensive income (Note 31(c)).

19. Development property

	Group	
	2022	2021
	\$'000	\$'000
<i>Cost</i>		
At beginning of the year	151,710	152,600
Exchange differences	(3,610)	(890)
At end of the year	148,100	151,710
<i>Accumulated impairment losses</i>		
At beginning of the year	56,212	56,542
Exchange differences	(1,337)	(330)
At end of the year	54,875	56,212
<i>Carrying amount</i>	93,225	95,498

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

19. Development property (cont'd)

The development property held by the Group at the end of the financial year is as follows:

Description and location	Existing use	Tenure	Gross floor area	Interest %
Land under development in Malaysia's Iskandar Development Region	Residential	Freehold	494,426 sqm	100

20. Inventories

	Group	
	2022	2021
	\$'000	\$'000
Drugs and pharmaceutical products	5,584	5,399

Inventories amounting to \$40,534,000 (2021: \$36,274,000) were recognised as an expense in profit or loss during the financial year.

21. Trade and other receivables

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Trade receivables	37,428	12,504	–	–
Other receivables	15,172	7,867	120	56
Deposits	2,744	2,417	78	78
Prepaid operating expenses	1,215	1,207	12	11
Amounts due from subsidiaries (non-trade)	–	–	615,485	614,097
Tax recoverable	3,588	2,898	–	–
Total trade and other receivables	60,147	26,893	615,695	614,242
Less: Prepaid operating expenses	(1,215)	(1,207)	(12)	(11)
Less: Tax recoverable	(3,588)	(2,898)	–	–
Add: Cash and short-term deposits (Note 22)	161,591	122,678	84,256	57,723
Total financial assets carried at amortised cost	216,935	145,466	699,939	671,954

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

21. Trade and other receivables (cont'd)

Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 60 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Other receivables

Other receivables include patient billings made on behalf of doctors amounting to \$13,951,000 (2021: \$7,295,000). Other receivables are unsecured and non-interest bearing.

Related party balances

Amounts due from subsidiaries are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

There are no trade and other receivables denominated in foreign currencies as at 30 June 2022 and 2021.

Expected credit losses (ECL)

As at 30 June 2022, the Group has gross trade receivables amounting to \$38,586,000 (2021: \$13,594,000). The aging analysis and ECLs for trade receivables are as follows:

	Group			
	2022		2021	
	Gross carrying amount	Loss allowance provision	Gross carrying amount	Loss allowance provision
	\$'000	\$'000	\$'000	\$'000
Current	28,725	42	8,998	104
Less than 30 days	4,991	30	1,988	51
30 days to 60 days	2,121	36	1,038	42
61 days to 90 days	840	24	346	14
More than 90 days	1,909	1,026	1,224	879
Total	38,586	1,158	13,594	1,090

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

21. Trade and other receivables (cont'd)

Expected credit losses (ECL) (cont'd)

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

	Group	
	2022	2021
	\$'000	\$'000
<u>Movement in allowance accounts:</u>		
At beginning of the year	1,090	853
Charge for the year	193	433
Written back	(43)	(24)
Written off	(71)	(169)
Exchange differences	(11)	(3)
At end of the year	1,158	1,090

The Group wrote-off \$71,000 (2021: \$169,000) of trade receivables during the year as the Group does not expect to receive future cash flows.

22. Cash and short-term deposits

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Cash at banks and on hand	60,643	70,688	8,006	25,298
Short-term deposits	100,948	51,990	76,250	32,425
Cash and short-term deposits	161,591	122,678	84,256	57,723

Cash at banks are non-interest bearing. Short-term deposits are made for varying periods of between 3 months to 6 months depending on the immediate cash requirements of the Group and the Company, and earn interests at the respective short-term deposit rates. The weighted average effective interest rates as at 30 June 2022 for the Group and the Company are 0.97% and 0.46% (2021: 1.89% and 0.92%) per annum respectively.

Pledged deposits of \$10,692,000 (2021: \$10,587,000) are pledged as security for the interest-bearing loans and borrowings as disclosed in Note 24.

The Group has no significant cash and short-term deposits denominated in foreign currencies as at 30 June 2022 and 30 June 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

22. Cash and short-term deposits (cont'd)

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following at the end of the reporting period:

	Group	
	2022	2021
	\$'000	\$'000
Cash and short-term deposits	161,591	122,678
Less: Pledged deposits	(10,692)	(10,587)
Cash and cash equivalents	<u>150,899</u>	<u>112,091</u>

23. Trade and other payables

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Trade payables	13,331	9,555	–	–
Other payables	26,129	25,012	96	3
Accrued operating expenses	42,512	27,892	8,642	8,138
GST payable	3,605	2,323	–	315
Deposits received	964	819	–	–
Total trade and other payables	<u>86,541</u>	<u>65,601</u>	<u>8,738</u>	<u>8,456</u>
Add: Interest-bearing loans and borrowings (Note 24)	629,100	619,405	550,754	562,765
Less: GST payable	(3,605)	(2,323)	–	(315)
Total financial liabilities carried at amortised cost	<u>712,036</u>	<u>682,683</u>	<u>559,492</u>	<u>570,906</u>

Trade and other payables

These amounts are non-interest bearing. Trade payables are normally settled on 30 to 90 days' terms.

Included in other payables are payables to doctors relating to patient billings made on behalf of doctors amounting to \$18,922,000 (2021: \$11,445,000). These payables are only settled when collections have been received.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

24. Interest-bearing loans and borrowings

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current:				
Secured bank loans	2,679	321	–	–
Medium-term notes	225,000	–	225,000	–
	<u>227,679</u>	<u>321</u>	<u>225,000</u>	<u>–</u>
Non-current:				
Secured bank loans	226,801	220,186	151,134	163,867
Medium-term notes	174,620	398,898	174,620	398,898
	<u>401,421</u>	<u>619,084</u>	<u>325,754</u>	<u>562,765</u>
Total interest-bearing loans and borrowings	<u>629,100</u>	<u>619,405</u>	<u>550,754</u>	<u>562,765</u>

Secured bank loans

Bank loan of the Company is denominated in SGD and bears interest at floating interest rate ranging from 1.91% to 2.48% (2021: 1.90% to 2.10%) per annum. The loan is secured by a charge over certain shares of the subsidiaries and cross guarantees provided by the Company and subsidiaries of the Company. The loan will mature in 2025.

Bank loans of the subsidiaries amounting to \$78,346,000 (2021: \$56,640,000), are secured by a charge over certain shares and assets of the subsidiaries (Note 12 and Note 14) and cross guarantees provided by the Company and subsidiaries of the Company. The effective interest rates of the loans range from 1.91% to 3.26% (2021: 1.90% to 3.34%) per annum. These loans are denominated in Malaysian Ringgit, except for bank loan amounting to \$13,000,000 (2021: \$2,000,000) which is denominated in SGD. These loans have maturity dates ranging from 2022 to 2030.

Medium-term notes

Two tranches of medium-term notes were issued pursuant to the \$500 million Multicurrency Debt Issuance Programme. The first tranche of 3-year \$225 million 4.8% Notes is due in July 2022 and this has been fully redeemed on 18 July 2022. The second tranche of 5-year \$175 million 4.05% Notes is due in January 2025.

The interest is payable semi-annually and the Notes are secured by a charge over interest reserve accounts which are equal to 6 months' interest payable on the Notes.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

24. Interest-bearing loans and borrowings (cont'd)

A reconciliation of liabilities arising from the Group's financing activities is as follows:

	1 Jul 2021	Cash flows	Non-cash changes		30 Jun 2022
			Amortisation of financing fees	Foreign exchange movement	
	\$'000	\$'000	\$'000	\$'000	\$'000
Secured bank loans	220,507	10,213	267	(1,507)	229,480
Medium-term notes	398,898	–	722	–	399,620
Total	619,405	10,213	989	(1,507)	629,100

	1 Jul 2020	Cash flows	Non-cash changes		30 Jun 2021
			Amortisation of financing fees	Foreign exchange movement	
	\$'000	\$'000	\$'000	\$'000	\$'000
Secured bank loans	251,090	(30,904)	681	(360)	220,507
Medium-term notes	398,171	–	727	–	398,898
Total	649,261	(30,904)	1,408	(360)	619,405

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

25. Lease liabilities

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
At beginning of the year	11,670	13,394	764	273
Additions	3,722	5,169	–	743
Accretion of interest	437	477	23	5
Derecognition	(454)	(143)	–	–
Lease modifications	5,296	–	–	–
Payments	(6,882)	(7,213)	(257)	(257)
Exchange differences	(33)	(14)	–	–
At end of the year	13,756	11,670	530	764
Current	5,309	5,796	246	234
Non-current	8,447	5,874	284	530
	13,756	11,670	530	764

The maturity analysis of lease liabilities is disclosed in Note 32(b). Modifications relate to change in lease terms for certain leases.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

26. Deferred income tax

	Group		Group	
	Consolidated statement of financial position		Consolidated statement of profit or loss	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Deferred tax (liabilities)/assets:				
Differences in depreciation for tax purposes	(7,098)	(5,192)	1,990	345
Fair value adjustments on acquisition of subsidiaries	(6,022)	(6,150)	–	–
Provisions	915	724	(172)	23
Investment tax allowances	5,771	–	(5,871)	–
	<u>(6,434)</u>	<u>(10,618)</u>		
			<u>(4,053)</u>	<u>368</u>
Deferred tax (credit)/expense				

Reflected in the consolidated statement of financial position as follows:

Deferred tax assets	919	–
Deferred tax liabilities	(7,353)	(10,618)
Deferred tax liabilities, net	<u>(6,434)</u>	<u>(10,618)</u>

Unrecognised capital allowances and tax losses

At the end of the reporting period, the Group has unutilised capital allowances and unabsorbed tax losses amounting to approximately \$715,000 (2021: \$738,000) and \$6,568,000 (2021: \$6,289,000) respectively that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these unutilised capital allowances and unabsorbed tax losses is subject to agreement of the tax authorities and compliance with the relevant provisions of the tax legislation of the respective countries in which the companies operate.

Tax consequences of proposed dividends

There are no income tax consequences (2021: nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 35).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

27. Provisions

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
At beginning of the year	842	632	35	–
Arose during the financial year	39	211	–	35
Exchange differences	(2)	(1)	–	–
At end of the year	879	842	35	35

This relates to restoration costs estimated to dismantle or remove plant and equipment or restore rented operating premises to their original condition arising from the return of the leases of rented operating premises to the landlords pursuant to lease agreements.

28. Share capital

	Group and Company			
	2022		2021	
	No. of shares '000	\$'000	No. of shares '000	\$'000
Issued and fully paid ordinary shares:				
At beginning of the year	26,441,017	2,364,497	26,441,017	2,364,497
Shares issued on conversion of warrants	50	6	–	–
At end of the year	26,441,067	2,364,503	26,441,017	2,364,497

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

29. Other reserves

Merger reserve

This represents the difference between the consideration transferred and the share capital of the subsidiary under common control which was accounted for by applying the pooling of interest method.

Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Capital reserve

Capital reserve represents the premium paid or discounts on acquisition of non-controlling interests.

Fair value reserve

Fair value reserve represents the cumulative fair value changes, net of tax, of financial assets until they are disposed of or impaired.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

30. Commitments

(a) *Capital commitments*

Capital expenditure contracted for as at the end of the reporting year but not recognised in the financial statements are as follows:

	Group	
	2022	2021
	\$'000	\$'000
Capital commitment in respect of property and equipment	26,629	38,631

(b) *Lessor's lease commitments*

The Group leases out commercial space to non-related parties under non-cancellable operating leases. These leases have terms ranging between one to three years. All lease contracts include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

Rental income recognised by the Group during the financial year is \$3,481,000 (2021: \$3,082,000).

Future minimum rentals receivable under non-cancellable operating leases at the end of the financial year is as follows:

	Group	
	2022	2021
	\$'000	\$'000
Within one year	3,165	2,493
After one year but not more than five years	4,559	2,940
More than 5 years	1,788	1,937
	<u>9,512</u>	<u>7,370</u>

31. Fair value of assets and liabilities

(a) *Fair value hierarchy*

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety at the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

31. Fair value of assets and liabilities (cont'd)

(b) *Assets measured at fair value*

The following table shows an analysis of the assets measured at fair value at the end of the reporting period:

	Note	Fair value measurements at the end of the reporting period using			Carrying amount \$'000
		Quoted prices in active markets for identical instruments (Level 1) \$'000	Significant observable inputs other than quoted prices (Level 2) \$'000	Significant unobservable inputs (Level 3) \$'000	
2022					
<u>Financial assets designated fair value through OCI:</u>					
Non-listed equity investment	18	–	–	2,335	2,335

(c) *Level 3 fair value measurements*

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements*

The equity investment is not traded in an active market. The fair value of the Group's equity investment as at 30 June 2022 is estimated with reference to the recent subscription price of shares issued close to the end of the financial year. As the fair value of the equity investment is determined based on unobservable inputs, the fair value is classified as a Level 3 measurement.

(ii) *Movements in Level 3 assets and liabilities measured at fair value*

The following table presents the reconciliation for all assets and liabilities measured at fair value based on significant unobservable inputs (Level 3):

	Other investment \$'000
Group	
Addition	1,360
Changes in fair value	975
Closing balance	<u>2,335</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

31. Fair value of assets and liabilities (cont'd)

(c) **Level 3 fair value measurements (cont'd)**

(iii) *Valuation policies and procedures*

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS(I) 13 fair value measurement guidance to perform the valuation.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information is reasonably available.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

(d) **Assets not measured at fair value, for which fair value is disclosed**

	Level 3	Fair value Total	Carrying amount
	\$'000	\$'000	\$'000
2022			
Assets			
Freehold land included in investment properties	98,243	98,243	98,243
2021			
Assets			
Freehold land included in investment properties	100,637	100,637	100,637

The fair value of the freehold land included in investment properties as at the end of the reporting year is based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction. The valuation is determined by an independent professional valuer, using the direct comparison method. The direct comparison method involves the analysis and study of recent sales evidence of similar properties in comparable developments in the subject/comparable vicinities.

The following table shows the Group's valuation technique used in measuring the fair value of the freehold land included in investment properties, as well as the significant unobservable inputs used.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

31. Fair value of assets and liabilities (cont'd)

(d) *Assets not measured at fair value, for which fair value is disclosed (cont'd)*

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<p><u>Direct Comparison Method</u> The approach involves the analysis of comparable sales of similar properties and adjusting the sale prices to those reflective of the investment properties</p>	<p>Price per square foot: MYR 610 (2021: MYR 610)</p>	<p>Significant increases/decreases in price per square foot would result in a significantly higher/lower fair value measurement</p>

32. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk. The directors review and agree on policies and procedures for the management of each of these risks. It is, and has been throughout the current and previous financial year, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) *Credit risk*

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

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

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

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments within 180 days when they fall due, which are derived based on the Group's historical information.

To assess the risk of a default occurring on the asset, the Group considers available reasonable and supportive forward-looking information which includes the following indicators:

- Significant changes in the expected behaviour of the debtor, including changes in payment status; and
- Projected industry default rates.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 90 days past due in making contractual payments.

The Group determined that its financial assets are credit-impaired when the debtor fails to make contractual payments more than 180 days past due.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

32. Financial risk management objectives and policies (cont'd)

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

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 180 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity where applicable to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due. The loss allowance provision also incorporates forward looking information such as the projected industry default rates over the next year.

Information regarding loss allowance movement and credit risk exposure on trade receivables are disclosed in Note 21.

Exposure to credit risk

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

Credit risk concentration profile

Except for the operations in Malaysia, there is no significant concentration of credit risk relating to trade receivables due to the Group's many varied customers. In Malaysia, the Group's concentration of credit risk relates to amounts owing by 10 (2021: 10) customers, which constitute approximately 15% (2021: 22%) of the Group's trade receivables at the end of the reporting period.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits that are neither past due nor impaired are placed with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 21.

(b) **Liquidity risk**

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

As part of its overall liquidity management, the Group monitors and maintains a level of cash and cash equivalents and standby banking facilities deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

32. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	1 year or less	1 to 5 years	Over 5 years	Total
	\$'000	\$'000	\$'000	\$'000
Group				
2022				
Financial liabilities				
Trade and other payables	82,936	–	–	82,936
Interest-bearing loans and borrowings	241,364	406,895	25,093	673,352
Lease liabilities	5,739	8,865	–	14,604
Total undiscounted financial liabilities	<u>330,039</u>	<u>415,760</u>	<u>25,093</u>	<u>770,892</u>
2021				
Financial liabilities				
Trade and other payables	63,278	–	–	63,278
Interest-bearing loans and borrowings	23,254	631,831	27,475	682,560
Lease liabilities	6,081	5,864	312	12,257
Total undiscounted financial liabilities	<u>92,613</u>	<u>637,695</u>	<u>27,787</u>	<u>758,095</u>
Company				
2022				
Financial liabilities				
Trade and other payables	8,738	–	–	8,738
Interest-bearing loans and borrowings	236,234	347,944	–	584,178
Lease liabilities	262	290	–	552
Total undiscounted financial liabilities	<u>245,234</u>	<u>348,234</u>	<u>–</u>	<u>593,468</u>
2021				
Financial liabilities				
Trade and other payables	8,141	–	–	8,141
Interest-bearing loans and borrowings	21,104	596,360	–	617,464
Lease liabilities	257	552	–	809
Total undiscounted financial liabilities	<u>29,502</u>	<u>596,912</u>	<u>–</u>	<u>626,414</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

32. Financial risk management objectives and policies (cont'd)

(c) Interest rate risk

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

At the end of the reporting period, the interest rate profile of the Group's and the Company's interest-bearing loans and borrowings were as follows:

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Variable rate instruments				
Secured bank loans	228,502	219,219	151,134	163,867

Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 100 (2021: 100) basis points lower/higher with all other variables held constant, the Group's profit before taxation would have been \$2,285,000 higher/lower (2021: \$2,192,000 higher/lower), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

33. Capital management

The Group manages the capital structure by a balanced mix of debt and equity. Necessary adjustments are made in the capital structure considering the factors vis-à-vis the changes in the general economic conditions, available options of financing and the impact of the same on the liquidity position. No changes were made in the objectives, policies or processes during the financial year ended 30 June 2022 and 30 June 2021.

The Group calculates the level of debt capital required to finance the working capital requirements using leverage/gearing ratio.

At the end of the reporting period, leverage ratios are as follows:

	2022	2021
Gross debt to total equity	1.0 x	1.1 x
Net debt to total equity	0.8 x	0.9 x

The Group assesses the level of debt capital used to finance capital investment in respect of the projected risk and returns of these investments using a number of traditional and modified investment and analytical models including discounted cash flows. It also assesses the use of debt capital to fund such investments relative to the impact on the Group's overall debt capital position and capital structure.

In order to manage its capital structure, the Group may issue debt of either a fixed or floating nature, arrange credit facilities, issue medium-term notes, issue new shares or convertible bonds and adjust dividend payments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

34. Segment information

For management purposes, the Group is organised into business units based on their products and services as follows:

(a) Hospital services

Hospital services comprise the provision of integrated medical healthcare facilities and services for primary, secondary and tertiary healthcare with focus on the areas of obstetrics and gynaecology and paediatric services, diagnostic imaging services, pharmacy, 24-hour outpatient services, laboratory and services provided by outpatient clinics at the hospital.

(b) Specialised services

The specialised services segment includes services provided by the fertility clinics, paediatric centres, cancer centre, cardiology centre, Chinese medicine, specialist skin centre and a pre-natal and clinical diagnostic laboratory and project-related services such as managing vaccination centres, COVID-19 Treatment Facilities and Transitional Care Facilities. It also includes a consumer business segment, comprising products and services.

(c) Investment holdings

Investment holdings and those relating to investment properties and development property.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

	Hospital services	Specialised services	Investment holdings	Elimination	Note	Consolidated
	\$'000	\$'000	\$'000	\$'000		\$'000
2022						
Revenue:						
External customers	162,516	170,900	290	–		333,706
Inter-segment revenue	–	1,492	15	(1,507)	A	–
Total revenue	162,516	172,392	305	(1,507)		333,706
Results:						
Finance income	586	78	324	–		988
Finance costs	(792)	(388)	(22,317)	–		(23,497)
Depreciation and amortisation	(9,805)	(7,449)	(676)	–		(17,930)
Segment profit/(loss) before taxation	37,136	55,829	(24,667)	–		69,298
Assets:						
Additions to non-current assets	25,316	4,288	2,624	–	B	32,228
Investment in joint venture	–	–	–*	–		–*
Segment assets	1,039,868	38,322	282,246	–		1,360,436
Segment liabilities	146,385	27,210	560,483	–		734,078

* Amount less than \$1,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

34. Segment information (cont'd)

	Hospital services	Specialised services	Investment holdings	Elimination	Note	Consolidated
	\$'000	\$'000	\$'000	\$'000		\$'000
2021						
Revenue:						
External customers	142,454	97,674	270	–		240,398
Inter-segment revenue	–	1,574	21	(1,595)	A	–
Total revenue	142,454	99,248	291	(1,595)		240,398
Results:						
Finance income	614	102	264	–		980
Finance costs	(88)	(433)	(23,089)	–		(23,610)
Depreciation and amortisation	(9,502)	(7,760)	(692)	–		(17,954)
Segment profit/(loss) before taxation	39,595	11,100	(24,513)	–		26,182
Assets:						
Additions to non-current assets	41,825	5,134	781	–	B	47,740
Segment assets	989,601	35,401	257,878	–		1,282,880
Segment liabilities	101,960	26,920	572,301	–		701,181

Notes

A Inter-segment revenues are eliminated on consolidation.

B Additions to non-current assets consist of additions to property and equipment, intangible assets, investment properties, right-of-use assets and other investment

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Singapore	254,602	174,370	594,623	591,518
Malaysia	79,104	66,028	449,773	443,792
	333,706	240,398	1,044,396	1,035,310

Non-current assets information presented above consist of property and equipment, intangible assets, investment properties and right-of-use assets as presented in the consolidated statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2022

35. Dividends

	Group and Company	
	2022	2021
	\$'000	\$'000
Declared and paid during the financial year:		
<i>Dividends on ordinary shares:</i>		
- Final exempt (one-tier) dividend for 2021: 0.015 cents per share	3,966	–
Proposed but not recognised as a liability as at the end of the financial year:		
<i>Dividends on ordinary shares, subject to shareholders' approval at the Annual General Meeting:</i>		
- Final exempt (one-tier) dividend for 2022: 0.115 cents (2021: 0.015) per share	30,407	3,966

36. Subsequent events

- (a) On 11 July 2022, a wholly-owned dormant subsidiary of the Group, VB2 Property Sdn Bhd, has been struck off from the Companies Commission of Malaysia.
- (b) The Group obtained a new loan facility in May 2022 and fully drew down \$225 million on 12 July 2022 for the settlement of 3-year \$225 million 4.8% medium term notes. The interest on the new loan is charged based on floating interest rate and will mature and be repayable in full in 2027.
- (c) On 18 July 2022, the Group has fully redeemed the first tranche of 3-year \$225 million 4.8% medium term notes.
- (d) On 21 July 2022, the Group has entered into an Interest Rate Swap Transaction with a notional amount of \$25 million to partially hedge the floating interest rate of a secured bank loan into fixed interest rate for two years.

37. Authorisation of financial statements for issue

The financial statements for the financial year ended 30 June 2022 were authorised for issue in accordance with a resolution of the directors on 26 August 2022.

STATISTICS OF SHAREHOLDINGS

As at 14 September 2022

No of Issued shares	:	26,441,066,807 shares
No of Treasury Shares Held	:	Nil
No of Subsidiary Holdings Held	:	Nil
Class of shares	:	Fully paid ordinary shares
Voting rights	:	1 vote per ordinary share

Shareholdings Held in Hands of Public

Based on information available to the Company as at 14 September 2022, 10.31% of the issued ordinary shares of the Company is held by the public and therefore Rule 723 of the Listing Manual is complied with.

ANALYSIS OF SHAREHOLDINGS

RANGE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	146	1.69	1,464	0.00
100 - 1,000	287	3.32	203,646	0.00
1,001 - 10,000	1,667	19.25	12,415,066	0.05
10,001 - 1,000,000	6,357	73.47	713,603,830	2.70
1,000,001 and above	196	2.27	25,714,842,801	97.25
	8,653	100.00	26,441,066,807	100.00

TOP 20 SHAREHOLDERS

NO.	NAME OF SHAREHOLDER	NO. OF SHARES	%
1	RAFFLES NOMINEES (PTE) LIMITED	9,547,829,193	36.11
2	LIM ENG HOCK	6,833,333,334	25.84
3	DB NOMINEES (SINGAPORE) PTE LTD	5,163,070,000	19.53
4	UOB KAY HIAN PTE LTD	2,908,867,460	11.00
5	CITIBANK NOMINEES SINGAPORE PTE LTD	219,975,260	0.83
6	DBS NOMINEES PTE LTD	195,863,504	0.74
7	DBSN SERVICES PTE LTD	119,526,695	0.45
8	GARVILLE PTE LTD	111,930,588	0.42
9	PHILLIP SECURITIES PTE LTD	40,426,705	0.15
10	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	33,288,300	0.13
11	OCBC SECURITIES PRIVATE LTD	33,240,000	0.13
12	MAYBANK SECURITIES PTE. LTD.	18,499,200	0.07
13	IFAST FINANCIAL PTE LTD	17,362,701	0.07
14	UNITED OVERSEAS BANK NOMINEES PTE LTD	14,444,462	0.05
15	OCBC NOMINEES SINGAPORE PTE LTD	12,261,020	0.05
16	LIM AND TAN SECURITIES PTE LTD	11,938,500	0.05
17	LEE THENG KIAT	10,934,100	0.04
18	TAN YEW SENG	9,500,000	0.04
19	GOH CHYE HEANG	9,200,000	0.03
20	TAN BEE HOE	8,600,000	0.03
		25,320,091,022	95.76

STATISTICS OF SHAREHOLDINGS

As at 14 September 2022

SUBSTANTIAL SHAREHOLDERS

NAME OF SUBSTANTIAL SHAREHOLDER	DIRECT INTEREST	%	DEEMED INTEREST	%
Lim Eng Hock	6,833,333,334	25.84	16,851,732,393	63.74 ^(a)

- (a) Mr Lim Eng Hock is deemed interested in the shares registered in the name of Jovina Investments Limited, Bellton International Limited, Garville Pte Ltd and Meriton Capital Limited, by virtue of Section 4 of the Securities and Futures Act. Cap 289 and shares that are held through nominees.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 22nd Annual General Meeting of Thomson Medical Group Limited will be held by way of electronic means, on **Thursday, 27 October 2022 at 2.00 p.m.** to transact the following businesses: -

ORDINARY BUSINESS

- | | | |
|----|--|---------------------|
| 1. | To receive and adopt the Directors' Statement and Audited Consolidated Financial Statements of the Company for the year ended 30 June 2022 together with the Auditor's Report thereon. | Resolution 1 |
| 2. | To declare a one-tier tax exempt final dividend of 0.115 Singapore cents per share for the financial year ended 30 June 2022. | Resolution 2 |
| 3. | To re-elect Mr Ng Ser Miang, a Director retiring pursuant to Article 105(2) of the Constitution of the Company.
<i>(Refer to explanatory note (i) provided)</i> | Resolution 3 |
| 4. | To re-elect Mr Ong Pang Liang, a Director retiring pursuant to Article 105(2) of the Constitution of the Company.
<i>(Refer to explanatory note (ii) provided)</i> | Resolution 4 |
| 5. | To re-elect Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob, a Director retiring pursuant to Article 106 of the Constitution.
<i>(Refer to explanatory note (iii) provided)</i> | Resolution 5 |
| 6. | To re-elect Ms Christina Teo Tze Wei, a Director retiring pursuant to Article 106 of the Constitution.
<i>(Refer to explanatory note (iv) provided)</i> | Resolution 6 |
| 7. | To re-elect Ms June Leong Lai Ling, a Director retiring pursuant to Article 106 of the Constitution.
<i>(Refer to explanatory note (v) provided)</i> | Resolution 7 |
| 8. | To approve the payment of Directors' fee of up to S\$400,000 for the financial year ending 30 June 2023 (2022: S\$360,000) | Resolution 8 |
| 9. | To re-appoint Ernst & Young LLP as the auditors of the Company and to authorise the Directors to fix their remuneration. | Resolution 9 |

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications: -

10. General Authority to Issue Shares
(Refer to explanatory note (vi) provided)

Resolution 10

That pursuant to Section 161 of the Companies Act 1967 (the "Companies Act") and Rule 806 of the Listing Manual of Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Listing Manual**"), the Directors be authorised and empowered to:

- (a) (i) issue ordinary shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit;

- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force and issue additional Instruments as adjustments in accordance with the terms and conditions of the Instruments made or granted by the Directors while this Resolution was in force,

provided that:

- (i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) of which the aggregate number of Shares to be issued other than on pro rata basis to shareholders of the Company shall not exceed twenty per cent (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any); and
- (ii) for the purpose of determining the aggregate number of the Shares that may be issued under sub-paragraph (i) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be based on the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution, after adjusting for:
- (1) new Shares arising from the conversion or exercise of any convertible securities;
 - (2) new Shares arising from exercising share options or vesting of share awards provided the options or awards were granted in accordance with Part VIII of Chapter 8 of the Listing Manual; and
 - (3) any subsequent bonus issue, consolidation or subdivision of the Shares,

and adjustments in accordance with (1) or (2) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual for the time being in force (unless such compliance has been waived by SGX-ST) and the Constitution for the time being of the Company;
- (d) in this Resolution, “subsidiary holdings” shall have the meaning ascribed to it in the Listing Manual; and
- (e) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company (“**AGM**”) or the date by which the next AGM is required by law to be held, whichever is the earlier.

11. Authority to grant awards and issue Shares under the Share Grant Plan 2015
(Refer to explanatory note (vii) provided)

Resolution 11

That the Board of Directors of the Company be and is hereby authorised to:

- (a) grant awards in accordance with the provisions of the Share Grant Plan 2015; and
- (b) allot and issue from time to time such number of fully paid-up Shares as may be required to be delivered pursuant to the vesting of awards under the Share Grant Plan 2015,

provided that the total number of new Shares which may be issued or Shares which may be delivered pursuant to awards granted under the Share Grant Plan 2015, when added to:

- (i) the total number of new Shares issued and issuable or existing Shares delivered and deliverable in respect of awards under the Share Grant Plan 2015; and
- (ii) all Shares, options or awards granted under any other share scheme of the Company then in force,

shall not exceed fifteen per cent (15%) of the issued share capital of the Company (excluding treasury shares and subsidiary holdings, if any) from time to time and that such authority shall, unless revoke or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is the earlier.

BY ORDER OF THE BOARD

Foo Soon Soo (Ms)

Company Secretary
 Singapore, 29 September 2022

NOTICE OF ANNUAL GENERAL MEETING

Explanatory notes of the resolutions to be proposed at the AGM: -

- (i) *Ordinary Resolution 3*
Mr Ng Ser Miang will, upon being re-elected as a Director, continue in office as Non-Executive and Independent Chairman and chairman of the Nominating and Remuneration Committee. Detailed information on Mr Ng pursuant to Rule 720(6) of the Listing Manual can be found on page 183 to 193 of the Annual Report 2022.
- (ii) *Ordinary Resolution 4*
Mr Ong Pang Liang will, upon being re-elected as Director, continue in office as Non-Executive Independent Director and will remain as chairman of the Audit and Risk Committee and member of the Nominating and Remuneration Committee. The Board of Directors considers him independent for the purposes of Rule 704(8) of the Listing Manual ("SGX-ST"). Detailed information on Mr Ong pursuant to Rule 720(6) of the Listing Manual can be found on page 183 to 193 of the Annual Report 2022.
- (iii) *Ordinary Resolution 5*
Ms Wah Nadiyah Binti Wan Mohd Abdullah Yaakob will, upon being re-elected as Director, continue in office as Executive Director. Detailed information on Ms Wan Nadiyah pursuant to Rule 720(6) of the Listing Manual can be found on page 183 to 193 of the Annual Report 2022.
- (iv) *Ordinary Resolution 6*
Ms Christina Teo Tze Wei will, upon being re-elected as Director, continue in office as Non-Executive Independent Director and will remain as member of Nominating and Remuneration Committee. Detailed information on Ms Teo pursuant to Rule 720(6) of the Listing Manual can be found on page 183 to 193 of the Annual Report 2022.
- (v) *Ordinary Resolution 7*
Ms June Leong Lai Ling will, upon being re-elected as Director, continue in office as Non-Executive Independent Director and will remain as member of the Audit and Risk Committee. The Board of Directors considers her independent for the purposes of Rule 704(8) of the Listing Manual. Detailed information on Ms Leong pursuant to Rule 720(6) of the SGX Listing Manual can be found on page 183 to 193 of the Annual Report 2022.
- (vi) *Ordinary Resolution 10* is to authorise the Directors of the Company from the date of the above Meeting until the next AGM to issue shares and convertible securities in the Company up to an amount not exceeding in total fifty per cent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company. For issues of shares and convertible securities other than on a pro rata basis to all shareholders, the aggregate number of shares and convertible securities to be issued shall not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any). This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.
- (vii) *Ordinary Resolution 11* is to empower the Board of Directors of the Company to offer and grant awards in accordance with the provisions of the Share Grant Plan 2015 and to allot and issue from time to time such number of fully paid-up Shares as may be required to be delivered pursuant to the vesting of awards under the Share Grant Plan 2015.

The Committee administering the Share Grant Plan 2015 currently does not intend, in any given year, to grant the award under the Share Grant Plan 2015 which would comprise more than 1.5% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) from time to time. However, if less than 1.5% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) is granted as the awards under the Share Grant Plan 2015 in any given year, the balance may be used by the Company to make grants of the awards in subsequent years.

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. The Annual General Meeting (“**AGM**” or “**Meeting**”) will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice of Annual General Meeting will not be sent to members. This Notice will be sent to members by electronic means via publication on the Company’s website at https://www.thomsonmedical.com/event_calendar/agm_2022 and on the SGX website at <https://www.sgx.com/securities/company-announcements>.
2. Alternative arrangements relating to:
 - (a) attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via “live” audio-visual webcast or “live” audio-only stream);
 - (b) submission of questions to the Chairman of the Meeting in advance of, or “live” at, the AGM, and addressing of substantial and relevant questions in advance of, or “live” at, the AGM; and
 - (c) voting at the AGM (i) “live” by the member or his/her/its duly appointed proxy(ies) (other than the Chairman of the Meeting) via electronic means; or (ii) by appointing the Chairman of the Meeting as proxy to vote on the member’s behalf at the Annual General Meeting,

are set out in the accompanying Company’s announcement dated 29 September 2022. This announcement may be accessed at the Company’s website at https://www.thomsonmedical.com/event_calendar/agm_2022 and on the SGX website at the <https://www.sgx.com/securities/company-announcements>.
3. To keep physical interactions and COVID-19 transmission risk to a minimum, the Company is not providing for physical attendance by members at the Annual General Meeting. A member who wishes to exercise his/her/its voting rights at the AGM may:
 - (a) (where the member is an individual) vote “live” via electronic means at the AGM, or (whether the member is an individual or a corporate) appoint a proxy(ies) (other than the Chairman of the Meeting) to vote “live” via electronic means at the AGM on his/her/its behalf; or
 - (b) (whether the member is an individual or a corporate) appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the AGM.
4.
 - (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member’s instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member’s instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act 1967.
5. A proxy need not be a member of the Company.
6. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with M & C Services Private Limited, the Company’s Share Registrar, at 112 Robinson Road #05-01 Singapore 068902.
 - (b) if submitted electronically, be submitted:
 - (i) via email to the Company’s Share Registrar at gpb@mncsingapore.com or
 - (ii) via the online process through the pre-registration website <https://convencemsg.sg/tmg-agm2022>

in each case, by Monday, 24 October 2022, 2.00 p.m. Singapore time (being 72 hours before the time appointed for the holding of the AGM).

A member who wishes to submit an instrument appointing a proxy(ies) must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and submitting it via email to the email address provided above or via the pre-registration website.

Members are strongly encouraged to submit completed proxy forms electronically via email or via the pre-registration website.
7. **CPF and SRS Investors:**
 - (a) may vote “live” at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by Monday, 17 October 2022, 5.00 p.m. Singapore time.

For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e., persons other than the Chairman of the Meeting) to vote “live” at the AGM on their behalf.
8. The Annual Report 2022 has been published and is accessible at the Company’s website https://www.thomsonmedical.com/event_calendar/agm_2022 and also available on the SGX website at <https://www.sgx.com/securities/company-announcements>.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) for the Purposes, and (iii) agrees to provide the Company with written evidence of such prior consent upon reasonable request.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, Mr Ng Ser Miang, Mr Ong Pang Liang, Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob, Ms Christina Teo Tze Wei and Ms June Leong Lai Ling are the Directors seeking re-election at the 22nd Annual General Meeting. The information shall be read in conjunction with their respective biographies on page 12 to 19 of the Annual Report 2022.

	Mr Ng Ser Miang	Mr Ong Pang Liang	Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob	Ms Christina Teo Tze Wei	Ms June Leong Lai Ling
Date of appointment	1 December 2015	1 January 2016	1 January 2022	1 January 2022	1 January 2022
Date of last re-appointment (if applicable)	23 October 2020	23 October 2020	NA	NA	NA
Age	73	63	38	49	48
Country of principal residence	Singapore	Singapore	Malaysia	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	<p>The Board has considered the Nominating and Remuneration Committee (NRC)'s recommendation and assessments of Mr Ng's qualifications and experiences and is satisfied that he will continue to contribute relevant knowledge, skills and experience to the Board. Mr Ng has abstained from the deliberations of the NRC as well as that of the Board pertaining to his re-election.</p> <p>Mr Ng is considered an Independent Director and will, upon re-election, continue to serve as the Independent Director and as a Chairman of the Board as well as the NRC.</p>	<p>The Board has considered the Nominating and Remuneration Committee (NRC)'s recommendation and assessments of Mr Ong's qualifications and experiences and is satisfied that he will continue to contribute relevant knowledge, skills and experience to the Board. Mr Ong has abstained from the deliberations of the NRC as well as that of the Board pertaining to his re-election.</p> <p>Mr Ong is considered an Independent Director and will, upon re-election, continue to serve as the Independent Director and as a Chairman of the Audit and Risk Committee (ARC) as well as a member of the NRC.</p>	<p>The Board has considered the Nominating and Remuneration Committee (NRC)'s recommendation and assessments of Ms Wan Nadiah's qualifications and experiences and is satisfied that she will continue to contribute relevant knowledge, skills and experience to the Board. Ms Wan Nadiah has abstained from the deliberations of the Board pertaining to her re-election.</p> <p>Ms Wan Nadiah will, upon re-election, continue to serve as the Executive Director and the Group Chief Executive Officer of TMC Life Sciences Berhad.</p>	<p>The Board has considered the Nominating and Remuneration Committee (NRC)'s recommendation and assessments of Ms Teo's qualifications and experiences and is satisfied that she will continue to contribute relevant knowledge, skills and experience to the Board. Ms Teo has abstained from the deliberations of the NRC as well as that of the Board pertaining to her re-election.</p> <p>Ms Teo is considered an Independent Director and will, upon re-election, continue to serve as the Independent Director and as a member of the NRC.</p>	<p>The Board has considered the Nominating and Remuneration Committee (NRC)'s recommendation and assessments of Ms Leong's qualifications and experiences and is satisfied that she will continue to contribute relevant knowledge, skills and experience to the Board. Ms Leong has abstained from the deliberations of the Board pertaining to her re-election.</p> <p>Ms Leong is considered an Independent Director and will, upon re-election, continue to serve as the Independent Director and as a member of the Audit and Risk Committee (ARC).</p>
Whether appointment is executive, if so, the area of responsibility	Non-Executive	Non-Executive	Executive Director and the Group Chief Executive Officer of TMC Life Sciences Berhad	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC member, etc.)	<ul style="list-style-type: none"> Chairman of the Board Independent Director Chairman of Nominating and Remuneration Committee 	<ul style="list-style-type: none"> Independent Director Chairman of Audit and Risk Committee Member of Nominating and Remuneration Committee 	<ul style="list-style-type: none"> Executive Director and the Group Chief Executive Officer of TMC Life Sciences Berhad 	<ul style="list-style-type: none"> Independent Director Member of Nominating and Remuneration Committee 	<ul style="list-style-type: none"> Independent Director Member of Audit and Risk Committee

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Ng Ser Miang	Mr Ong Pang Liang	Ms Wan Nadiyah Binti Wan Mohd Abdullah Yaakob	Ms Christina Teo Tze Wei	Ms June Leong Lai Ling
Professional qualifications	<ul style="list-style-type: none"> Bachelor, Business Administration (Honours), University of Singapore Chartered Fellow, The Chartered Institute of Transport, Singapore 	<ul style="list-style-type: none"> Bachelor of Business Administration, University of Singapore 	<ul style="list-style-type: none"> MSc. Public Health (Nutrition) from The London School of Hygiene & Tropical Medicine AB cum laude, Biochemical Sciences from Harvard College Mandatory Accreditation Programme from The ICLIF Leadership and Governance Centre J&J Hospital Management Programme from Singapore Management University 	<ul style="list-style-type: none"> Master of Business Administration, Harvard Business School Bachelor of Business Administration (Finance), Honours, National University of Singapore 	<ul style="list-style-type: none"> Master of Business Administration from Peking University, Beijing BSc. in Engineering with Management from Kings College London, U.K.
Working experience and occupation(s) during the past 10 years	<p>Corporate 2014 to 2015 NTUC Fair Price, Special advisor to Board of Director</p> <p>2005 to 2014 NTUC Fair Price, Chairman</p> <p>Sports Administration International Olympic Committee (IOC)</p> <ul style="list-style-type: none"> Vice President of IOC Executive Board (2020 to present) Chairman of Finance Commission (2014 to present) Chairman of Human Resources Committee (2015 to present) Chairman of IOC Group Staff Pension Fund Foundation Board (2015 to present) 	<p>2012 to 2019 Avarga Ltd, Non-Executive Director</p> <p>2010 to 2012 Avarga Ltd, Finance Director</p>	<p>2019 to Present TMC Life Sciences Berhad, Executive Director and Group Chief Executive Officer</p> <p>2017 to Present Thomson Hospital Kota Damansara, Chief Executive Officer</p> <p>2017 to 2019 TMC Life Sciences Berhad, Group Chief Corporate Officer</p> <p>2016 to 2017 Sunway Medical Centre, Chief Operating Officer, Clinical Services</p> <p>2012 to 2017 Sunway Medical Centre, Director, Business Development and Corporate Communications</p>	<p>January 2021 to Present Personal Data Protection Commission, Data Protection Advisory Committee Member</p> <p>January 2020 to Present Singapore Management University, Adjunct Teaching Mentor</p> <p>October 2016 to Present uCare.io Pte Ltd, CEO</p> <p>January 2020 to September 2020 Heliconia Capital Management Pte Ltd, Consultant</p> <p>May 2015 to September 2016 Catpital Private Limited, CEO</p> <p>September 2012 to April 2015 L Capital Asia (LVMH), Managing Director</p> <p>October 2011 to July 2012 Deutsche Bank, Director, Strategic Investment Group</p>	<p>Oct 2013 to Present Alpha Goal International, Chief Executive Officer</p> <p>Jul 2010 to Oct 2013 CICC Hong Kong and Singapore, Executive Director</p>

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Ng Ser Miang	Mr Ong Pang Liang	Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob	Ms Christina Teo Tze Wei	Ms June Leong Lai Ling
	<p>Member of:</p> <ul style="list-style-type: none"> • IOC's Executive Board (2016 to present) • Olympic Foundation's Board (2016 to present) • Olympic Foundation for Culture and Heritage's Board (2016 to present) • Pension Fund's Foundation for IOC Group's personnel (2006 to present) • IOC Television and Marketing Services SA's Board of Directors (2018 to present) • Olympic Channel Services SA's Board of Directors (2015 to present) • Games Management 2020 Steering Committee (2017 to present) • Coordination Commission Olympic Winter Games Beijing 2022 (2018 to present) • Coordination Commission Coordination for the Games of the XXXIV Olympiad Los Angeles 2028 (2019 to present) <p>Mr Ng also currently serves as a Director/Member/Chairman of various non-listed companies and non-profit organisations.</p>				
Shareholding interest in the listed issuer and its subsidiaries	<p>Direct interest 9,000,000 ordinary shares</p> <p>Deemed interest 6,600,000 ordinary shares</p>	<p>Direct interest 15,000,000 ordinary shares</p>	Nil	Nil	Nil

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Ng Ser Miang	Mr Ong Pang Liang	Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob	Ms Christina Teo Tze Wei	Ms June Leong Lai Ling
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuers and/ or substantial shareholder of the listed issuer or any of its principal subsidiaries	Nil	Nil	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil	Nil	Nil
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 720(1))	Yes	Yes	Yes	Yes	Yes
Other Principal Commitments Including Directorships					
Past (for the last 5 years)	Nil	<ul style="list-style-type: none"> • Avarga Limited (Director) • UPP Industries Pte. Ltd. (Director) • UPP Greentech Pte. Ltd. (Director) • Avarga Investment Pte. Ltd. (Director) • RSP Holdings Pte Ltd (Director) 	Nil	<ul style="list-style-type: none"> • Custodio Technologies Pte Ltd (Non-Independent Director) • Catpital Private Limited (Executive Director) 	Nil

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Ng Ser Miang	Mr Ong Pang Liang	Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob	Ms Christina Teo Tze Wei	Ms June Leong Lai Ling
Present	<p><u>Non-listed entity</u></p> <ul style="list-style-type: none"> • Magic Dragon Media Pte Ltd (Director) • NCI Golf Pte Ltd (Director) • OMS Distripark Pte Ltd (Director) • Orchid Marine Services Private Limited (Director) • Singapore Olympic Foundation (Chairman) • TIBS International Pte Ltd (Chairman) • Valencia Club de Futbol, S.A.D. (Director) <p><u>Other principal commitments</u></p> <ul style="list-style-type: none"> • International Olympic Committee (IOC) <ul style="list-style-type: none"> o Vice President of IOC Executive Board o Chairman of IOC Finance Commission o Chairman of Human Resources Committee o Chairman of IOC Group Staff Pension Fund Foundation Board 	<p><u>Listed entity</u></p> <ul style="list-style-type: none"> • Secura Group Limited (Independent Director) <p><u>Non-listed entity</u></p> <ul style="list-style-type: none"> • Bluewater Investments Pte Ltd. (Director) • Valencia Club de Futbol, S.A.D. (Director) 	<p><u>Listed entity</u></p> <ul style="list-style-type: none"> • TMC Life Sciences Berhad (Executive Director and Group Chief Executive Officer) <p><u>Non-listed entity</u></p> <ul style="list-style-type: none"> • BB Waterfront Sdn. Bhd. (Director) • Institute of Corporate Directors Malaysia (Independent Director) • IVF Technologies Sdn. Bhd. (Director) • Skies VB Sdn. Bhd. (Director) • Thomson Hospital Sdn. Bhd. (Director and Chief Executive Officer) • TMC Biotech Sdn. Bhd. (Director) • TMC Care Sdn. Bhd. (Director) • TMC Lifestyle Sdn. Bhd. (Director) • TMC Properties Sdn. Bhd. (Director) • Thomson TCM Sdn. Bhd. (Director) • TMC Women's Specialist Holdings Sdn. Bhd. (Director) • Vantage Bay JB Sdn. Bhd. (Director) 	<p><u>Listed entity</u></p> <ul style="list-style-type: none"> • Secura Group Limited (Independent Director) <p><u>Non-listed entity</u></p> <ul style="list-style-type: none"> • uCare.io Pte Ltd (Executive Director) • Project eLeonie (Sole Proprietor) 	<p><u>Listed entity</u></p> <ul style="list-style-type: none"> • TMC Life Sciences Berhad (Independent Director)

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Ng Ser Miang	Mr Ong Pang Liang	Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob	Ms Christina Teo Tze Wei	Ms June Leong Lai Ling
	<p><u>Member of:</u></p> <ul style="list-style-type: none"> o IOC's Executive Board o Olympic Foundation's Board o Olympic Foundation for Culture and Heritage's Board o Pension Fund's Foundation for IOC Group's personnel o IOC Television and Marketing Services SA's Board of Directors o Olympic Channel Services SA's Board of Directors o Games Management 2020 Steering Committee o Coordination Commission Olympic Winter Games Beijing 2022 o Coordination Commission Coordination for the Games of the XXXIV Olympiad Los Angeles 2028 				
Information required pursuant to Listing Rule 704(7)					
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Ng Ser Miang	Mr Ong Pang Liang	Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob	Ms Christina Teo Tze Wei	Ms June Leong Lai Ling
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Ng Ser Miang	Mr Ong Pang Liang	Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob	Ms Christina Teo Tze Wei	Ms June Leong Lai Ling
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Ng Ser Miang	Mr Ong Pang Liang	Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob	Ms Christina Teo Tze Wei	Ms June Leong Lai Ling
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Ng Ser Miang	Mr Ong Pang Liang	Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob	Ms Christina Teo Tze Wei	Ms June Leong Lai Ling
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :					
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	No	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr Ng Ser Miang	Mr Ong Pang Liang	Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob	Ms Christina Teo Tze Wei	Ms June Leong Lai Ling
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No	No
Disclosure applicable to the appointment of Director only.					
Any prior experience as a director of an issuer listed on the Exchange?	NA	NA	NA	NA	NA
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	NA	NA	NA	NA	NA

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PROXY FORM

THOMSON MEDICAL GROUP LIMITED
(Incorporated in the Republic of Singapore)
Co. Registration No. 199908381D

IMPORTANT

For investors holding shares of Thomson Medical Group Limited through relevant intermediaries (as defined under Section 181 of the Companies Act (Chapter 50 of Singapore)), including CPF/SRS investors, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors should approach their relevant intermediary as soon as possible to specify voting instructions. CPF/SRS investors should approach their respective CPF Agent Banks or SRS Operators at least seven working days before the Meeting (i.e. by Monday, 17 October 2022 5.00 p.m.) to ensure that their votes are submitted.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 29 September 2022.

I/We _____ (Name)
of _____ (Address)

being a *member/members of Thomson Medical Group Ltd. (the "Company") hereby appoint: -

Name:	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:	Email Address: ^		

*and/or (delete as appropriate)

Name:	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:	Email Address: ^		

^Appointed proxy(ies) (other than the Chairman of the Meeting) will be prompted via email (within 2 business days after the Company's receipt of a validly completed and submitted proxy form) to pre-register at the pre-registration website at <https://conveneagm.sg/tmg-agm2022> in order to access the "live" audio-visual webcast or "live" audio-only stream of the AGM proceedings.

as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the 22nd Annual General Meeting of the Company ("AGM") to be held by way of electronic means on **Thursday, 27 October 2022 at 2.00 p.m.** and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the AGM as indicated with a (√) in the spaces provided hereunder.

RESOLUTIONS RELATING TO:		For*	Against*	Abstain*
Ordinary business				
1	Adoption of the Directors' Statement and the Audited Consolidated Financial Statements of the Company for the year ended 30 June 2022 together with the Auditor's Report thereon			
2	Approval of a one-tier tax exempt final dividend of 0.115 Singapore cents per share for the financial year ended 30 June 2022			
3	Re-election of Mr Ng Ser Miang, a Director retiring pursuant to Article 105(2) of the Company's Constitution			
4	Re-election of Mr Ong Pang Liang, a Director retiring pursuant to Article 105(2) of the Company's Constitution			
5	Re-election of Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob, a Director retiring pursuant to Article 106 of the Company's Constitution			
6	Re-election of Ms Christina Teo Tze Wei, a Director retiring pursuant to Article 106 of the Company's Constitution			
7	Re-election of Ms June Leong Lai Ling, a Director retiring pursuant to Article 106 of the Company's Constitution			
8	Approval of Directors' fee of up to S\$400,000 for the financial year ending 30 June 2023			
9	Re-appointment of Ernst & Young LLP as the auditors of the Company and to authorise the Directors to fix their remuneration			
Special business				
10	General authority to issue shares			
11	Authority to grant awards and issue shares under the Share Grant Plan 2015			

* Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "For" or "Against" a resolution, please indicate with a (√) in the "For" or "Against" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with a (√) in the "Abstain" box provided in respect of that resolution. Alternatively, please insert the relevant number of shares in the "Abstain" box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deems fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated this _____ day of _____ 2022

Signature(s) of Member(s) or Common Seal

Total number of Shares held in:

IMPORTANT: Please read the notes overleaf before completing this Proxy Form

NOTES:

1. If the member has shares entered against his/her/its name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members, he should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the shares held by the member.
2. As a precautionary measure due to the current COVID-19 situation in Singapore, a member will not be able to attend the AGM. A member who wishes to exercise his/her/its voting rights at the AGM may:
 - (a) (where the member is an individual) vote "live" via electronic means at the AGM, or (whether the member is an individual or a corporate) appoint a proxy(ies) (other than the Chairman of the Meeting) to vote "live" via electronic means at the AGM on his/her/its behalf; or
 - (b) (whether the member is an individual or a corporate) appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the Annual General Meeting.

This proxy form may be downloaded from the Company's website at https://www.thomsonmedical.com/event_calendar/agm_2022 and on the SGX website at <https://www.sgx.com/securities/company-announcements>. A member may also appoint a proxy(ies) via the online process through the pre-registration website which is accessible at <https://conveneagm.sg/tmg-agm2022>.

3. CPF/SRS investors who wish to appoint the Chairman as proxy should contact their respective CPF Agent Banks or SRS Operators by **5.00p.m. on Monday, 17 October 2022** to submit his/her voting instructions.

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4. This Proxy Form (together with the power of attorney, if any, under which it is signed or a notarially certified copy thereof) must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with M & C Services Private Limited, the Company's Share Registrar, at 112 Robinson Road #05-01 Singapore 068902.
 - (b) if submitted electronically, be submitted:
 - (i) via email to the Company's Share Registrar at gpb@mncsingapore.com or
 - (ii) via the online process through the pre-registration website <https://conveneagm.sg/tmg-agm2022> in each case, by Monday, 24 October 2022, 2.00 p.m. Singapore time (being 72 hours before the time appointed for the holding of the AGM).

Members are strongly encouraged to submit completed proxy forms electronically via email or via the pre-registration website.

5. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where a Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (in the absence of previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
6. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of members whose shares are entered in the Depository Register, the Company may reject any Proxy Form lodged if such members are not shown to have shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

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**BUSINESS REPLY SERVICE
PERMIT NO. 04910**



THOMSON MEDICAL GROUP LIMITED
C/O M&C SERVICES PRIVATE LIMITED
112 ROBINSON ROAD #05-01
SINGAPORE 068902

Please Affix
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GLUE ALL SIDES

GLUE ALL SIDES

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr Ng Ser Miang

Chairman, Non-Executive and Independent Director

Mr Lim Wee Kiat

Executive Vice-Chairman

Dr Wong Chiang Yin

Executive Director and Group Chief Executive Officer

Mr Wilson Sam

Executive Director and Group Chief Financial Officer

Ms Wan Nadiah Binti Wan Mohd Abdullah Yaakob

Executive Director and Group Chief Executive Officer of TMC Life Sciences Berhad

Mr Ong Pang Liang

Independent Director

Dr Lam Lee G

Independent Director

Ms Christina Teo Tze Wei

Independent Director

Ms June Leong Lai Ling

Independent Director

AUDIT AND RISK COMMITTEE

Mr Ong Pang Liang

Chairman

Dr Lam Lee G

Member

Ms June Leong Lai Ling

Member

NOMINATING AND REMUNERATION COMMITTEE

Mr Ng Ser Miang

Chairman

Mr Ong Pang Liang

Member

Ms Christina Teo Tze Wei

Member

COMPANY SECRETARY

Ms Foo Soon Soo

SHARE REGISTRAR

M & C Services Private Limited

112 Robinson Road
#05-01
Singapore 068902

INDEPENDENT AUDITOR

Ernst & Young LLP

One Raffles Quay
North Tower Level 18
Singapore 048583

Ms Tan Peck Yen

Partner-in-charge
(Appointed in FY2021)

PRINCIPAL BANKERS

Malayan Banking Berhad

Standard Chartered Bank

Oversea-Chinese Banking Corporation Limited

REGISTERED OFFICE

101 Thomson Road
#20-04/05 United Square
Singapore 307591

Tel : (65) 6331 0188

Fax : (65) 6331 0180

Email : ir@thomsonmedical.com

Website : www.thomsonmedical.com



(Reg. No 199908381D)

THOMSON MEDICAL GROUP LIMITED

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