



INCORPORATION OF JOINT VENTURE COMPANY BY STEM MED PTE. LTD.

The Board of Directors (the “**Board**” or “**Directors**”) of TalkMed Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that its subsidiary, Stem Med Pte. Ltd. (“**Stem Med**”) had incorporated on 5 October 2017 in Singapore, DrSG Cellular Wellness Pte. Ltd., a joint venture company (“**JV**”) with partner A DrBrand Pte. Ltd. (“**ADB**”).

ADB is the brand owner of DrGL®, DrSpa® and DrHair®, and has over 28 years of experience and research in the areas of skin care and hair care.

The Company has a 60% equity interest in Stem Med while the remaining 40% equity interest is owned by StemCord Pte. Ltd. (“**StemCord**”). Stem Med is a private stem cell bank in Singapore, specialising in the processing, cryopreservation and storage of bone marrow and peripheral blood stem cells.

Stem Med and ADB intend to utilise the JV as a vehicle to customise solutions using protein-rich derivatives for skin care and hair rejuvenation. The partnership combines the expertise of both Stem Med and ADB in the fields of stem cell technology and aesthetics respectively, in order to research and produce highly-effective products and technologically-advanced treatments for hair rejuvenation and customised skin care for the global beauty market.

Further details of the JV are as follows:

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| Name of joint venture company | : DrSG Cellular Wellness Pte. Ltd. |
| Issued and paid-up share capital | : \$100 comprising 100 ordinary shares |
| Percentage of issued and paid-up capital held by Stem Med | : 60% |
| Effective interest of the Company in the JV | : 36% by virtue of the Company’s 60% interest in Stem Med |

The incorporation of the JV is funded by the existing funds of Stem Med and is not expected to have any material impact on the net tangible assets and earnings per share of the Group for the current financial year ending 31 December 2017.

Dr Ang Peng Tiam, an Executive Director, Chief Executive Officer and a controlling shareholder of the Company and Dr Teo Cheng Peng, a substantial shareholder of the Company, are also directors and substantial shareholders of StemCord, holding 17.35% and 35.66% interests respectively in StemCord.

Save as disclosed above, none of the Directors, controlling shareholders or substantial shareholders of the Company has any interest, direct or indirect, in the above incorporation of the JV other than through their respective shareholdings in the Company.

By Order of the Board
Ang Peng Tiam
Chief Executive Officer
7 October 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Hong Leong Finance Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Mr Tang Yeng Yuen, Vice President, Head of Corporate Finance, at 16 Raffles Quay #40-01A Hong Leong Building, Singapore 048581, Telephone number: (65) 6415 9886