



ASSOCIATE COMPANY– PROPOSED DISPOSAL OF SUBSIDIARY

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of TalkMed Group Limited (the “**Company**”, together with its subsidiaries, collectively, the “**Group**”) wishes to announce that the Company’s 30% associate company, Hong Kong Integrated Oncology Centre Holdings Limited (“**HKH**”), together with all the other respective shareholders of HKIOC, HKIOCKL and CCC (as defined below), had, on 23 May 2024, entered into a sale and purchase agreement (“**SPA**”) to dispose of their interest (“**Proposed Disposal**”) in all their respective shares (the “**Sale Shares**”) of Hong Kong Integrated Oncology Centre Limited (“**HKIOC**”) and its two subsidiaries, namely, Hong Kong Integrated Oncology Centre (Kowloon) Limited (“**HKIOCKL**”) and Cancer Care Consultants Limited (“**CCC**”). HKIOC is a company incorporated under the laws of Hong Kong and is engaged in the business of providing diagnostic and screening services, as well as cancer treatment services to patients.

2. CONSIDERATION

The consideration attributable to the Sale Shares sold by HKH under the Proposed Disposal under the SPA is approximately US\$38,302,000 (equivalent to approximately S\$51,685,000 based on the exchange rate of S\$1: US\$1.3494). Subject to the conditions to completion of the SPA being satisfied, the net consideration (after taking into account transaction costs and other agreed adjustments and/or deductions under the SPA) that will be paid in cash to HKH on the date of completion of the Proposed Disposal is approximately US\$36,267,000 (equivalent to approximately S\$48,939,000 based on the exchange rate of S\$1: US\$1.3494). On completion of the Proposed Disposal, HKH will cease to hold any direct or indirect interest in the shares of HKIOC, HKIOCKL and CCC.

The consideration for the Sale Shares under the SPA was arrived at after arm’s length negotiations and on a willing-buyer and willing-seller basis, after taking into account the unaudited pre-IFRS 16 EBITDA of HKIOC for the financial year ended 31 December 2023.

3. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save for (i) Dr Ang Peng Tiam, Executive Director and Chief Executive Officer of the Company, and Dr Khoo Kei Siong (alternate director to Dr Ang Peng Tiam), who are both the directors of HKIOC, and (ii) Mr S. Chandra Das, Chairman of the Company, and Dr Ang Peng Tiam, who are both the directors of HKH, none of the Directors or substantial shareholders of the Company or their respective associates has any interest, directly or indirectly, in the Proposed Disposal, save for their shareholdings in the Company (if any) and the Proposed Disposal is not an interested person transaction for the Company.

4. FINANCIAL EFFECTS

The Group accounts for its 30% interest in HKH in its consolidated financial statements using equity accounting. As HKH expects to record a gain on disposal following the Proposed Disposal of approximately S\$11,400,000, the Group expects to record a proportionate share of

the gain in its books for the financial year ending 31 December 2024 (“FY2024”), being approximately S\$3,420,000. The Company’s share of the net consideration payable to HKH for the Sale Shares is approximately US\$10,880,000 (equivalent to approximately S\$14,353,000 based on the exchange rate of S\$1: US\$1.3192).

Assuming the Proposed Disposal had taken place at the beginning of the financial year ended 31 December 2023 (“FY2023”) (for the impact on earnings per share) and at the end of FY2023 (for the impact on net tangible assets of the Group), the pro forma impact of the Proposed Disposal on earnings per share and the net tangible assets of the Group for FY2023 are as set out below.

	Pre-Proposed Disposal	Post-Proposed Disposal
Earnings per share (basic)	S\$0.0243	S\$0.0269
Earnings per share (diluted)	S\$0.0242	S\$0.0267
Net tangible assets	S\$0.0680	S\$0.0706

5. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Disposal, and the Board is not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Board has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

By Order of the Board

Ang Peng Tiam
Chief Executive Officer
23 May 2024