



THOMSON MEDICAL GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199908381D)

RESPONSES TO SHAREHOLDERS QUERIES IN ADVANCE OF OUR 24TH ANNUAL GENERAL MEETING TO BE CONVENED ON 30 OCTOBER 2024

The Board of Directors of Thomson Medical Group Limited (the “**Company**” or “**TMG**”, together with its subsidiaries, the “**Group**”) wishes to announce the following in response to the queries received from shareholders in advance of our 24th Annual General Meeting to be convened on 30 October 2024.

- Q1.** The profit in Singapore decreased from \$60.2 million in FY2023 to \$28.6 million in FY2024 (page 205 of Annual Report 2024), while the Group’s revenue in FY2024 remains comparable to that of FY2023, despite the absence of contributions from Vietnam in FY2023.
- (a) What factors contributed to this decrease in profit for the Singapore operations?
 - (b) Is it correct to conclude that the decline in Singapore operations is partially offset by contributions from Vietnam?
 - (c) If the revenue in Singapore holds steady at the FY2023 level for FY2024, will the overall revenue for FY2024 increase as a result of the net contribution from Vietnam?

Response from Company

The decrease in revenue and profit from Singapore operations was primarily attributed to the cessation of income from project-related services in December 2023, including the management of vaccination centres and transitional care facilities. The decrease was offset by additional contributions from our Vietnam operations following the acquisition in December 2023. If Singapore’s revenue is maintained at FY2023 levels in FY2024, the Group’s overall revenue would increase, reflecting the positive impact of our Vietnam operations.

Q2. The trade receivables include accounts overdue by more than 90 days, representing nearly 24% of the total (page 190 of Annual Report 2024).

(a) What factors contribute to these accounts being overdue for more than 90 days?

(b) What are the Group's credit policies regarding these accounts?

(c) How does this align with the trade payables' credit terms of 30 to 90 days?

Response from Company

The majority of gross trade receivables are settled within 60 days. Trade receivables that are overdue for more than 90 days generally relate to more complicated medical cases where the payors, such as insurance companies, may require additional time to review and clarify the cases before making payments.

The Group's trade receivables turnover days is approximately 23 days, which is shorter than the Group's trade payables turnover days of 78 days.

Q3. Please explain the reason for not declaring dividend in FY2024.

Response from Company

We do not have a fixed dividend policy. The Group takes into consideration, *inter alia*, its working capital and capital expenditure requirements when deliberating on the dividend to be declared. No dividend has been declared for FY2024 as the Group intends to conserve cash for its working capital needs and to fund any potential growth opportunities.

By Order of the Board
THOMSON MEDICAL GROUP LIMITED

Dr Heng Jun Li Melvin
Executive Director and Group Chief Executive Officer
28 October 2024