



Thomson Medical Group Limited and its Subsidiaries
(Company Registration No: 199908381D)

Condensed Interim Financial Statements
For the six months ended 31 December 2023

THOMSON MEDICAL GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No: 199908381D)

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THOMSON MEDICAL GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No: 199908381D)

Condensed interim consolidated statement of profit or loss

| | Note | 6 months ended 31 December | | |
|--|------|----------------------------|-----------------|---------------|
| | | 2023 \$'000 | 2022 \$'000 | Change % |
| Revenue | 5 | 168,118 | 183,999 | (8.6) |
| Other income | | 3,044 | 2,336 | 30.3 |
| Inventories and consumables used | | (30,412) | (29,696) | 2.4 |
| Staff costs | | (59,600) | (62,581) | (4.8) |
| Depreciation and amortisation expenses | | (10,920) | (10,249) | 6.5 |
| Other operating expenses | | (42,781) | (38,581) | 10.9 |
| Results from operating activities | | 27,449 | 45,228 | (39.3) |
| Finance income | | 4,972 | 1,500 | 231.5 |
| Finance costs | | (20,639) | (13,763) | 50.0 |
| Net finance costs | | (15,667) | (12,263) | 27.8 |
| Share of loss of a joint venture | | (135) | (286) | (52.8) |
| Profit before taxation | 6 | 11,647 | 32,679 | (64.4) |
| Income tax expense | 7 | (6,718) | (8,401) | (20.0) |
| Profit for the period | | 4,929 | 24,278 | (79.7) |
| Profit attributable to: | | | | |
| Owners of the Company | | 2,018 | 22,795 | (91.1) |
| Non-controlling interest | | 2,911 | 1,483 | 96.3 |
| Profit for the period | | 4,929 | 24,278 | (79.7) |
| EBITDA | | 38,369 | 55,477 | (30.8) |
| Adjusted EBITDA ⁽¹⁾ | | 44,190 | 55,477 | (20.3) |

⁽¹⁾ Adjusted for one-off transactions and non-recurring costs

THOMSON MEDICAL GROUP LIMITED
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Condensed interim consolidated statement of other comprehensive income

| | 6 months ended 31 December | | |
|---|----------------------------|-----------------|---------------|
| | 2023 | 2022 | Change |
| | \$'000 | \$'000 | % |
| Profit for the period | 4,929 | 24,278 | (79.7) |
| Other comprehensive income: | | | |
| <u>Item that may be reclassified subsequently to profit or loss</u> | | | |
| Foreign currency translation | (4,355) | (18,029) | (75.8) |
| Net change in fair value of cash flow hedges | (329) | 222 | NM |
| <u>Item that will not be reclassified to profit or loss</u> | | | |
| Net change in fair value of financial assets at fair value through other comprehensive income | – | (178) | NM |
| Other comprehensive income for the period, net of tax | (4,684) | (17,985) | (74.0) |
| Total comprehensive income for the period | 245 | 6,293 | (96.1) |
| Attributable to: | | | |
| Owners of the Company | (2,005) | 9,036 | (122.2) |
| Non-controlling interests | 2,250 | (2,743) | NM |
| Total comprehensive income for the period | 245 | 6,293 | (96.1) |
| Earnings per share for profit for the period attributable to the owners of the Company during the period (cents) | | | |
| Basic ⁽¹⁾ | 0.008 | 0.086 | (90.7) |
| Diluted ⁽²⁾ | 0.008 | 0.086 | (90.7) |

NM – Not meaningful

⁽¹⁾ The calculation of basic earnings per share was based on weighted average number of shares in issue of 26,441,066,807 (31 December 2022: 26,441,066,807).

⁽²⁾ The calculation of diluted earnings per share was based on weighted average number of shares in issue of 26,458,912,407 (31 December 2022: 26,441,066,807).

THOMSON MEDICAL GROUP LIMITED
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Condensed interim statements of financial position

| | Note | Group | | Company | |
|---|------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| | | 31 December 2023 \$'000 | 30 June 2023 \$'000 | 31 December 2023 \$'000 | 30 June 2023 \$'000 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property and equipment | 10 | 463,408 | 416,023 | 253 | 267 |
| Intangible assets | 11 | 898,831 | 481,647 | – | – |
| Investment properties | 12 | 90,501 | 91,314 | – | – |
| Right-of-use assets | | 13,925 | 14,528 | 153 | 283 |
| Investment in subsidiaries | | – | – | 2,193,057 | 2,192,774 |
| Investment in a joint venture | | 57 | 192 | – | – |
| Deferred tax assets | | – | 605 | – | – |
| Other investment | 14 | 2,216 | 2,216 | – | – |
| Derivative financial instruments | | 44 | 373 | 44 | 373 |
| | | 1,468,982 | 1,006,898 | 2,193,507 | 2,193,697 |
| Current assets | | | | | |
| Development property | 15 | 84,756 | 85,493 | – | – |
| Inventories | | 9,346 | 6,326 | – | – |
| Trade and other receivables | | 58,669 | 62,474 | 744,000 | 617,227 |
| Cash and short-term deposits | | 271,866 | 286,591 | 80,141 | 207,597 |
| | | 424,637 | 440,884 | 824,141 | 824,824 |
| Total assets | | 1,893,619 | 1,447,782 | 3,017,648 | 3,018,521 |
| Current liabilities | | | | | |
| Contract liabilities | | 5,250 | 3,642 | – | – |
| Trade and other payables | | 181,322 | 83,819 | 9,165 | 8,426 |
| Income tax payable | | 11,360 | 13,891 | 204 | 407 |
| Interest-bearing loans and borrowings | 16 | 100,815 | 12,129 | 7,500 | 7,500 |
| Lease liabilities | | 5,772 | 6,556 | 166 | 269 |
| | | 304,519 | 120,037 | 17,035 | 16,602 |
| Net current assets | | 120,118 | 320,847 | 807,106 | 808,222 |
| Non-current liabilities | | | | | |
| Deferred tax liabilities | | 10,147 | 7,333 | – | – |
| Interest-bearing loans and borrowings | 16 | 1,006,061 | 735,629 | 648,594 | 652,772 |
| Lease liabilities | | 8,838 | 8,478 | – | 24 |
| Provisions | | 778 | 862 | 35 | 35 |
| | | 1,025,824 | 752,302 | 648,629 | 652,831 |
| Total liabilities | | 1,330,343 | 872,339 | 665,664 | 669,433 |
| Net assets | | 563,276 | 575,443 | 2,351,984 | 2,349,088 |
| Equity attributable to owners of the Company | | | | | |
| Share capital | 17 | 2,364,503 | 2,364,503 | 2,364,503 | 2,364,503 |
| Retained earnings/(accumulated losses) | | 146,258 | 154,816 | (13,012) | (15,963) |
| Other reserves | | (2,023,626) | (2,019,877) | 493 | 548 |
| | | 487,135 | 499,442 | 2,351,984 | 2,349,088 |
| Non-controlling interests | | 76,141 | 76,001 | – | – |
| Total equity | | 563,276 | 575,443 | 2,351,984 | 2,349,088 |
| Total equity and liabilities | | 1,893,619 | 1,447,782 | 3,017,648 | 3,018,521 |

THOMSON MEDICAL GROUP LIMITED
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Condensed interim statements of changes in equity

| Group | Attributable to owners of the Company | | | | | | | | | | | |
|--|---------------------------------------|-------------------|--------------------|--------------------------------------|-----------------|--------------------|-----------------------------|-----------------|--------------------|-----------------|---------------------------|-----------------|
| | Share capital | Retained earnings | Merger reserve | Foreign currency translation reserve | Capital reserve | Fair value reserve | Share-based payment reserve | Hedging reserve | Total reserves | Total | Non-controlling interests | Total equity |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| At 1 July 2023 | 2,364,503 | 154,816 | (1,842,369) | (131,784) | (47,128) | 856 | 175 | 373 | (2,019,877) | 499,442 | 76,001 | 575,443 |
| Profit for the period | – | 2,018 | – | – | – | – | – | – | – | 2,018 | 2,911 | 4,929 |
| <u>Other comprehensive income</u> | | | | | | | | | | | | |
| Foreign currency translation | – | – | – | (3,694) | – | – | – | – | (3,694) | (3,694) | (661) | (4,355) |
| Net change in fair value of cash flow hedges | – | – | – | – | – | – | – | (329) | (329) | (329) | – | (329) |
| Other comprehensive income for the period, net of tax | – | – | – | (3,694) | – | – | – | (329) | (4,023) | (4,023) | (661) | (4,684) |
| Total comprehensive income for the period | – | 2,018 | – | (3,694) | – | – | – | (329) | (4,023) | (2,005) | 2,250 | 245 |
| <u>Contributions by and distributions to owners</u> | | | | | | | | | | | | |
| Grant of equity-settled share options to employees | – | – | – | – | – | – | 274 | – | 274 | 274 | 8 | 282 |
| Dividends on ordinary shares | – | (10,576) | – | – | – | – | – | – | – | (10,576) | – | (10,576) |
| Dividends paid to non-controlling interests of subsidiaries | – | – | – | – | – | – | – | – | – | – | (2,118) | (2,118) |
| Total contributions by and distributions to owners | – | (10,576) | – | – | – | – | 274 | – | 274 | (10,302) | (2,110) | (12,412) |
| At 31 December 2023 | 2,364,503 | 146,258 | (1,842,369) | (135,478) | (47,128) | 856 | 449 | 44 | (2,023,626) | 487,135 | 76,141 | 563,276 |

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Condensed interim statements of changes in equity (cont'd)

| Group | Attributable to owners of the Company | | | | | | | | | | |
|---|---------------------------------------|-------------------|--------------------|--------------------------------------|-----------------|--------------------|-----------------|--------------------|-----------------|---------------------------|-----------------|
| | Share capital | Retained earnings | Merger reserve | Foreign currency translation reserve | Capital reserve | Fair value reserve | Hedging reserve | Total reserves | Total | Non-controlling interests | Total equity |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| At 1 July 2022 | 2,364,503 | 148,546 | (1,842,369) | (92,846) | (47,128) | 975 | – | (1,981,368) | 531,681 | 76,661 | 608,342 |
| Profit for the period | – | 22,795 | – | – | – | – | – | – | 22,795 | 1,483 | 24,278 |
| <u>Other comprehensive income</u> | | | | | | | | | | | |
| Foreign currency translation | – | – | – | (13,803) | – | – | – | (13,803) | (13,803) | (4,226) | (18,029) |
| Net change in fair value of cash flow hedges | – | – | – | – | – | – | 222 | 222 | 222 | – | 222 |
| Net change in fair value of financial assets at fair value through other comprehensive income | – | – | – | – | – | (178) | – | (178) | (178) | – | (178) |
| Other comprehensive income for the period, net of tax | – | – | – | (13,803) | – | (178) | 222 | (13,759) | (13,759) | (4,226) | (17,985) |
| Total comprehensive income for the period | – | 22,795 | – | (13,803) | – | (178) | 222 | (13,759) | 9,036 | (2,743) | 6,293 |
| <u>Contributions by and distributions to owners</u> | | | | | | | | | | | |
| Grant of equity-settled share options to employees | – | – | – | – | – | – | – | – | – | 19 | 19 |
| Dividends on ordinary shares | – | (30,407) | – | – | – | – | – | – | (30,407) | – | (30,407) |
| Dividends paid to non-controlling interests of subsidiaries | – | – | – | – | – | – | – | – | – | (1,306) | (1,306) |
| Total contributions by and distributions to owners | – | (30,407) | – | – | – | – | – | – | (30,407) | (1,287) | (31,694) |
| At 31 December 2022 | 2,364,503 | 140,934 | (1,842,369) | (106,649) | (47,128) | 797 | 222 | (1,995,127) | 510,310 | 72,631 | 582,941 |

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Condensed interim statements of changes in equity (cont'd)

| Company | Share capital \$'000 | Accumulated losses \$'000 | Share-based payment reserve \$'000 | Hedging reserve \$'000 | Total reserves \$'000 | Total equity \$'000 |
|---|---------------------------------|--------------------------------------|---|-----------------------------------|----------------------------------|--------------------------------|
| At 1 July 2023 | 2,364,503 | (15,963) | 175 | 373 | 548 | 2,349,088 |
| Profit for the period, representing total comprehensive income for the period | – | 13,527 | – | – | – | 13,527 |
| <u>Other comprehensive income</u> | | | | | | |
| Net change in fair value of cash flow hedges | – | – | – | (329) | (329) | (329) |
| <u>Contributions by and distributions to owners</u> | | | | | | |
| Equity-settled share-based payment transactions | – | – | 274 | – | 274 | 274 |
| Dividends on ordinary shares | – | (10,576) | – | – | – | (10,576) |
| | – | (10,576) | 274 | – | 274 | (10,302) |
| At 31 December 2023 | 2,364,503 | (13,012) | 449 | 44 | 493 | 2,351,984 |
| At 1 July 2022 | 2,364,503 | (14,631) | – | – | – | 2,349,872 |
| Profit for the period, representing total comprehensive income for the period | – | 34,389 | – | – | – | 34,389 |
| <u>Other comprehensive income</u> | | | | | | |
| Net change in fair value of cash flow hedges | – | – | – | 222 | 222 | 222 |
| <u>Contributions by and distributions to owners</u> | | | | | | |
| Dividends on ordinary shares | – | (30,407) | – | – | – | (30,407) |
| | – | (30,407) | – | – | – | (30,407) |
| At 31 December 2022 | 2,364,503 | (10,649) | – | 222 | 222 | 2,354,076 |

THOMSON MEDICAL GROUP LIMITED
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Condensed interim consolidated statement of cash flows

| | 6 months ended 31 December | |
|---|-----------------------------------|----------------|
| | 2023 | 2022 |
| | \$'000 | \$'000 |
| Operating activities | | |
| Profit before taxation | 11,647 | 32,679 |
| <u>Adjustments for:</u> | | |
| Allowance for expected credit losses on trade debts, net | 151 | 129 |
| Amortisation of financing fees on bank loan | 350 | 322 |
| Depreciation of property and equipment, investment properties and right-of-use assets | 10,195 | 9,831 |
| Amortisation of intangible assets | 725 | 418 |
| Inventory written off | 25 | 183 |
| Loss on disposal of property and equipment | 12 | 57 |
| Property and equipment written off | 11 | 4 |
| Finance income | (4,972) | (1,500) |
| Finance costs | 20,289 | 13,441 |
| Share of loss of a joint venture | 135 | 286 |
| Gain on termination of leases | (3) | – |
| Unrealised exchange loss | 94 | 131 |
| Employee share-based expenses | 282 | 19 |
| Total adjustments | 27,294 | 23,321 |
| Operating cash flows before changes in working capital | 38,941 | 56,000 |
| <u>Changes in working capital:</u> | | |
| Decrease/(increase) in inventories | 181 | (1,627) |
| Decrease/(increase) in trade and other receivables | 11,878 | (3,749) |
| Increase in trade and other payables and contract liabilities | 88,313 | 8,448 |
| Total changes in working capital | 100,372 | 3,072 |
| Cash flows from operations | 139,313 | 59,072 |
| Interest income received | 4,664 | 1,192 |
| Income taxes paid | (6,572) | (7,453) |
| Net cash flows from operating activities | 137,405 | 52,811 |
| Investing activities | | |
| Acquisition of subsidiary, net of cash outflow (Note 13) | (459,670) | – |
| Purchase of intangible assets | (1,389) | (234) |
| Purchase of property and equipment | (10,524) | (6,454) |
| Proceeds from disposal of property and equipment | 137 | 58 |
| Investment in a joint venture | – | (685) |
| Net cash flows used in investing activities | (471,446) | (7,315) |

THOMSON MEDICAL GROUP LIMITED
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Condensed Interim Consolidated Statement of Cash Flows (cont'd)

| | 6 months ended 31 December | |
|---|-----------------------------------|-----------------|
| | 2023 | 2022 |
| | \$'000 | \$'000 |
| Financing activities | | |
| Repayment of interest-bearing loans and borrowings | (36,801) | (240,149) |
| Proceeds from interest-bearing loans and borrowings | 396,098 | 239,080 |
| Changes in pledged deposits | (291) | 575 |
| Dividends paid to non-controlling interests of subsidiaries | (2,118) | (1,306) |
| Dividends paid on ordinary shares | (10,576) | (30,407) |
| Payment of principal portion of lease liabilities | (3,403) | (3,224) |
| Interest paid | (22,827) | (15,979) |
| Net cash flows generated from/(used in) financing activities | 320,082 | (51,410) |
| Net decrease in cash and cash equivalents | (13,959) | (5,914) |
| Effect of exchange rate changes on cash and cash equivalents | (1,057) | (1,633) |
| Cash and cash equivalents at 1 July | 276,156 | 150,899 |
| Cash and cash equivalents at 31 December | 261,140 | 143,352 |
| Note: | | |
| Cash at banks and on hand | 163,158 | 62,046 |
| Short-term deposits | 108,708 | 91,423 |
| Total cash and short-term deposits | 271,866 | 153,469 |
| Less: Pledged deposits | (10,726) | (10,117) |
| Cash and cash equivalents at 31 December | 261,140 | 143,352 |

Notes to the condensed interim consolidated financial statements

1. Corporate information

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 principally engaged in operating hospital and clinics, and provision of healthcare services.

2. Basis of preparation

The condensed interim financial statements for the six months ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are material to an understanding of the changes in the Group's financial position and performance of the Group since the last audited financial statements for the year ended 30 June 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim consolidated 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.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Significant accounting judgements and estimates

The preparation of the condensed interim 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.

In preparing the condensed interim financial statements, the key assumptions concerning the future and other key sources of estimation uncertainty are consistent with that applied to the consolidated financial statements as at and for the year ended 30 June 2023.

Key sources of estimation uncertainty

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets within the next financial period are included in the following notes:

- (a) Note 11 - Impairment testing of goodwill
- (b) Note 10 - Impairment testing of property and equipment attributable to BB Waterfront Sdn Bhd
- (c) Note 12 and Note 15 - Valuation of investment properties and development property

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

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4. Segment information

The Group has reported its financial performance based on the business segments of Hospital services, Specialised services, and Investment holdings respectively since FY2018. Over the past years, the Group has expanded its existing operations, developed new businesses, and made new acquisition. The management has conducted a review of its businesses and found that the previous segments are no longer representative of its enlarged group offerings. To present a clearer view of the Group's businesses, the management has redefined its business segments. With effect from FY2024, the Group will be reporting its financial performance based on the hospital and healthcare services in different regions and investment holdings. Investment holdings are those relating to investment properties and development property. The Group's significant reportable segments comprise:

- Singapore
- Malaysia
- Vietnam
- Investment holdings

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.

4.1 Reportable segments

| 6 months ended 31 December 2023 | Singapore \$'000 | Malaysia \$'000 | Vietnam \$'000 | Investment holdings \$'000 | Note | Consolidated \$'000 |
|---------------------------------------|---------------------|--------------------|-------------------|----------------------------------|------|------------------------|
| Revenue: | | | | | | |
| External customers | 113,728 | 54,180 | – | 210 | | 168,118 |
| Total revenue | 113,728 | 54,180 | – | 210 | | 168,118 |
| Results: | | | | | | |
| Finance income | 20 | 772 | – | 4,180 | | 4,972 |
| Finance costs | (1,154) | (1,479) | – | (18,006) | | (20,639) |
| Depreciation and amortisation | (6,667) | (3,962) | – | (291) | | (10,920) |
| Share of loss of a joint venture | – | – | – | (135) | | (135) |
| Segment profit/(loss) before taxation | 20,989 | 11,442 | – | (20,784) | | 11,647 |
| Assets: | | | | | | |
| Additions to non-current assets | 10,207 | 2,596 | 465,557 | 11 | A | 478,371 |
| Investment in a joint venture | – | – | – | 57 | | 57 |
| Segment assets | 656,076 | 393,503 | 570,925 | 269,976 | | 1,890,480 |
| Segment liabilities | 102,301 | 84,028 | 101,114 | 1,021,393 | | 1,308,836 |

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4.1 Reportable segments (cont'd)

| | Singapore | Malaysia | Investment holdings | Note | Consolidated |
|---------------------------------------|---------------|---------------|---------------------|------|----------------|
| 6 months ended 31 December 2022 | \$'000 | \$'000 | \$'000 | | \$'000 |
| Revenue: | | | | | |
| External customers | 138,958 | 44,860 | 181 | | 183,999 |
| Total revenue | 138,958 | 44,860 | 181 | | 183,999 |
| Results: | | | | | |
| Finance income | 18 | 415 | 1,067 | | 1,500 |
| Finance costs | (618) | (1,387) | (11,758) | | (13,763) |
| Depreciation and amortisation | (5,896) | (4,016) | (337) | | (10,249) |
| Share of loss of a joint venture | – | – | (286) | | (286) |
| Segment profit/(loss) before taxation | 40,280 | 4,864 | (12,465) | | 32,679 |
| Assets: | | | | | |
| Additions to non-current assets | 5,189 | 4,632 | 15 | A | 9,836 |
| Investment in a joint venture | – | – | 399 | | 399 |
| Segment assets | 671,698 | 401,042 | 265,035 | | 1,337,775 |
| Segment liabilities | 99,221 | 89,673 | 547,010 | | 735,904 |

Notes

A Additions to non-current assets consist of additions to property and equipment, intangible assets, investment properties and right-of-use assets. The additions also include the provisional fair value of property and equipment, intangible assets and right-of-use assets on the acquisition of Far East Medical Vietnam Limited ("FEMVN"), as well as the provisional goodwill arising thereon. Details of the acquisition of FEMVN are disclosed in Note 13.

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 | |
|-----------|----------------------------|---------|--------------------|-----------|
| | 6 months ended 31 December | | 31 December | |
| | 2023 | 2022 | 2023 | 2022 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Singapore | 113,728 | 138,958 | 596,162 | 591,739 |
| Malaysia | 54,390 | 45,041 | 405,293 | 433,361 |
| Vietnam | – | – | 465,267 | – |
| | 168,118 | 183,999 | 1,466,722 | 1,025,100 |

Non-current assets information presented above consist of property and equipment, intangible assets, investment properties, right-of-use assets and investment in a joint venture as presented in the consolidated interim statements of financial position.

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5 Disaggregation of revenue

| | Group | |
|--|-----------------------------------|----------------|
| | 6 months ended 31 December | |
| | 2023 | 2022 |
| | \$'000 | \$'000 |
| <u>Major product or service lines</u> | | |
| Rendering of services, including sale of goods | 166,478 | 182,126 |
| Rental income | 1,640 | 1,873 |
| | 168,118 | 183,999 |
| <u>Timing of revenue recognition</u> | | |
| At a point in time | 164,679 | 179,969 |
| Over time | 3,439 | 4,030 |
| | 168,118 | 183,999 |

6. Profit before taxation

The following items have been included in arriving at profit before taxation:

| | Group | |
|---|-----------------------------------|---------------|
| | 6 months ended 31 December | |
| | 2023 | 2022 |
| | \$'000 | \$'000 |
| Allowance for expected credit losses on trade receivables, net | 151 | 129 |
| Depreciation of property and equipment, investment properties and right-of-use assets | 10,195 | 9,831 |
| Amortisation of intangible assets | 725 | 418 |
| Loss on disposal of property and equipment | 12 | 57 |
| Inventory written off | 25 | 183 |
| Property and equipment written off | 11 | 4 |

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7. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement profit or loss are:

| | Group | |
|---|--|---------------|
| | 6 months ended 31 December 2023 | 2022 |
| | \$'000 | \$'000 |
| Current income tax | | |
| - current income taxation | 4,249 | 7,019 |
| - (over)/under provision in respect of previous years | (1) | 1 |
| | 4,248 | 7,020 |
| Deferred income tax | | |
| - origination and reversal of temporary differences | 2,470 | 1,381 |
| Income tax expense | 6,718 | 8,401 |

8. Related party transactions

There is no significant related party transaction entered into by the Group in the ordinary course of business during the financial period.

9. Net asset value

| | Group | | Company | |
|--|-------------------------|---------------------|-------------------------|---------------------|
| | 31 December 2023 | 30 June 2023 | 31 December 2023 | 30 June 2023 |
| Net asset value per ordinary share (cents) | 2.13 | 2.18 | 8.90 | 8.88 |

The calculation of net asset value per ordinary share was based on 26,441,066,807 shares as at 31 December 2023 (30 June 2023: 26,441,066,807).

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10. Property and equipment

During the period ended 31 December 2023, the Group acquired assets amounting to \$56,473,000 (31 December 2022: \$6,454,000), which includes provisional fair value of property and equipment on the acquisition of FEMVN amounting to \$45,859,000 (31 December 2022: Nil). During the period ended 31 December 2023, the Group disposed of assets with a net book value amounting to \$160,000 (31 December 2022: \$115,000).

Impairment testing of property and equipment attributable to BB Waterfront Sdn Bhd (BBWF)

The property and equipment attributable to BBWF comprises mainly freehold land located within the Iskandar Development Region, 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 were disclosed in the audited financial statements for the year ended 30 June 2023. No indications of impairment were identified as at 31 December 2023.

As at 31 December 2023, the carrying value of BBWF's property and equipment amounted to \$79,309,000 (30 June 2023: \$79,999,000).

11. Intangible assets

| | Goodwill | Computer software | Software development-in-progress | Brand name | Customer relationship | Non-compete agreements | Hospital management | Total |
|--|----------------|-------------------|----------------------------------|--------------|-----------------------|------------------------|---------------------|----------------|
| Group | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| At 30 June 2023 | | | | | | | | |
| Cost | 474,927 | 9,407 | 245 | 200 | 2,812 | – | 698 | 488,289 |
| Accumulated amortisation and impairment | (146) | (2,786) | – | (200) | (2,812) | – | (698) | (6,642) |
| Net carrying amount | 474,781 | 6,621 | 245 | – | – | – | – | 481,647 |
| Cost | | | | | | | | |
| At 1 July 2023 | 474,927 | 9,407 | 245 | 200 | 2,812 | – | 698 | 488,289 |
| Additions | 411,151 | 1,323 | 63 | – | – | – | – | 412,537 |
| Acquisition of subsidiaries (Note 13) | – | 702 | – | 4,123 | 1,420 | 12 | – | 6,257 |
| Reclassification | – | 214 | (214) | – | – | – | – | – |
| Exchange differences | (821) | (87) | – | (24) | (9) | – | – | (941) |
| At 31 December 2023 | 885,257 | 11,559 | 94 | 4,299 | 4,223 | 12 | 698 | 906,142 |
| Accumulated amortisation and impairment | | | | | | | | |
| At 1 July 2023 | 146 | 2,786 | – | 200 | 2,812 | – | 698 | 6,642 |
| Amortisation | – | 725 | – | – | – | – | – | 725 |
| Exchange differences | – | (53) | – | (2) | (1) | – | – | (56) |
| At 31 December 2023 | 146 | 3,458 | – | 198 | 2,811 | – | 698 | 7,311 |
| Net carrying amount | | | | | | | | |
| At 31 December 2023 | 885,111 | 8,101 | 94 | 4,101 | 1,412 | 12 | – | 898,831 |

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11. 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:

| | Group | |
|--|-----------------------------|-------------------------|
| | 31 December 2023 | 30 June 2023 |
| | \$'000 | \$'000 |
| Thomson Medical Pte Ltd (TMPL) | 379,788 | 379,788 |
| TMC Life Sciences Berhad (TMCLS) | 38,731 | 39,068 |
| BB Waterfront Sdn Bhd (BBWF) | 55,441 | 55,925 |
| Far East Medical Vietnam Limited (FEMVN) | 411,151 | – |
| | 885,111 | 474,781 |

Goodwill is tested for impairment annually, or more frequently when there is an indication that the CGUs may be impaired. The Group performed its annual impairment test in June 2023. The key assumptions used to determine the recoverable amount for the CGU were disclosed in the annual consolidated financial statements for the year ended 30 June 2023.

12. Investment properties

| Group | Freehold land \$'000 | Building \$'000 | Total \$'000 |
|--|---------------------------------|----------------------------|-------------------------|
| At 30 June 2023 | | | |
| Cost | 143,839 | 1,587 | 145,426 |
| Accumulated depreciation and impairment | (53,745) | (367) | (54,112) |
| Net carrying amount as at 30 June 2023 | 90,094 | 1,220 | 91,314 |
| Cost | | | |
| At 1 July 2023 | | | |
| Exchange differences | (1,241) | (14) | (1,255) |
| At 31 December 2023 | 142,598 | 1,573 | 144,171 |
| Accumulated depreciation and impairment | | | |
| At 1 July 2023 | | | |
| Charge for the period | – | 26 | 26 |
| Exchange differences | (464) | (4) | (468) |
| At 31 December 2023 | 53,281 | 389 | 53,670 |
| Net carrying amount | | | |
| At 31 December 2023 | 89,317 | 1,184 | 90,501 |

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12. Investment properties (cont'd)

The investment properties include a piece of freehold land located within the Iskandar Development Region, Johor Bahru, Malaysia.

Impairment testing of freehold land

The investment properties are measured at cost, including transaction costs, on initial recognition. Subsequent to recognition, investment properties, except for freehold land, are carried at cost less accumulated depreciation and accumulated impairment losses.

The recoverable amounts of the freehold land and development property as disclosed in Note 15 were determined based on the fair value 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 fair value measurement was categorised as Level 3 based on the inputs in the valuation technique used were disclosed in the audited financial statements for the year ended 30 June 2023.

The Group obtains independent appraisals on an annual basis. No indications of impairments were identified as at 31 December 2023.

13. Acquisition of subsidiaries

On 21 December 2023, the Group acquired 100% equity interest in Far East Medical Vietnam Limited ("FEMVN"), an operator of a range of healthcare facilities in Vietnam including a multi-disciplinary hospital and a chain of clinics. Upon the acquisition, FEMVN became a wholly-owned subsidiary of the Group.

Fair values measured on a provisional basis

As at 31 December 2023, purchase price allocation for the acquisition of FEMVN was not completed. Hence, the fair value of material assets acquired was determined and the goodwill was accounted for on a provisional basis. If new information is obtained within one year from the date of acquisition about facts and circumstances that existed at the date of acquisition, adjustments will be identified to the above amounts and revised accordingly.

The provisional fair value of the identifiable assets and liabilities of FEMVN as at the acquisition date were:

| | <u>\$'000</u> |
|---|----------------|
| <u>Assets</u> | |
| Property and equipment | 45,859 |
| Intangible assets | 6,257 |
| Right-of-use assets | 2,290 |
| Inventories | 3,276 |
| Trade and other receivables | 8,342 |
| Cash and short-term deposits | 9,401 |
| | <u>75,425</u> |
| <u>Liabilities</u> | |
| Contract liabilities | 2,730 |
| Trade and other payables | 11,235 |
| Lease liabilities | 2,418 |
| Deferred tax liabilities | 1,122 |
| | <u>17,505</u> |
| Total identifiable net assets at fair value | 57,920 |
| Provisional goodwill arising from acquisition | 411,151 |
| | <u>469,071</u> |

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13. Acquisition of subsidiaries (cont'd)

| | <u>\$'000</u> |
|---|----------------|
| <u>Consideration transferred for the acquisition of FEMVN</u> | |
| Cash paid | 469,071 |
| <u>Effect of acquisition of FEMVN on cashflows</u> | |
| Total consideration settled in cash | 469,071 |
| Less: Cash and cash equivalents of subsidiary acquired | (9,401) |
| Net cash outflow on acquisition | <u>459,670</u> |

Contingent consideration arrangement

As part of the sale and purchase agreement with the previous owners of FEMVN (the "Vendors"), a contingent consideration has been agreed. Additional maximum consideration of United State Dollars 21.8 million shall be payable to the Vendors if FEMVN reaches certain EBITDA target for the financial year ended 31 December 2023 ("2023 EBITDA"). As at the acquisition date, the fair value of the contingent consideration was estimated at Nil. As of 31 December 2023, management assessed that the probability of FEMVN achieving 2023 EBITDA target was remote and hence no adjustment was made to the fair value of the contingent consideration.

14. Other investment

| | <u>Group</u> | |
|--|-----------------------------|-------------------------|
| | <u>31 December 2023</u> | <u>30 June 2023</u> |
| | <u>\$'000</u> | <u>\$'000</u> |
| <i>Equity instrument designated at fair value through OCI</i> | | |
| <u>Non-listed equity investment</u> | | |
| Whitecoat Global Holdings Pte. Ltd. | 2,216 | 2,216 |

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.

Measurement of fair value

(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.

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14. Other investment (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:

| | Group | | | Carrying amount S\$'000 |
|--|--|---|--|------------------------------------|
| | Fair value measurements at the end of the reporting period using | | | |
| | Quoted prices in active markets for identical instruments (Level 1) S\$'000 | Significant observable inputs other than quoted prices (Level 2) S\$'000 | Significant unobservable inputs (Level 3) S\$'000 | |
| 31 December 2023 | | | | |
| <u>Financial assets designated fair value through OCI:</u> | | | | |
| Non-listed equity investment | – | – | 2,216 | 2,216 |
| <u>Derivative financial instruments:</u> | | | | |
| Interest rate swaps | – | 44 | – | 44 |
| | – | 44 | 2,216 | 2,260 |
| 30 June 2023 | | | | |
| <u>Financial assets designated fair value through OCI:</u> | | | | |
| Non-listed equity investment | – | – | 2,216 | 2,216 |
| <u>Derivative financial instruments:</u> | | | | |
| Interest rate swaps | – | 373 | – | 373 |
| | – | 373 | 2,216 | 2,589 |

Level 2 fair value measurements

The interest rate swap contracts are classified within Level 2 as the fair value of these contracts are obtained from reputable financial institution by reference to current interest rates for contracts with similar maturity profiles.

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 is estimated with reference to the recent subscription price of shares issued. As the fair value of the equity investment is determined based on unobservable inputs, the fair value is classified as a Level 3 measurement.

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15. Development property

| | Group | |
|-------------------------------|-----------------------------|-------------------------|
| | 31 December 2023 | 30 June 2023 |
| | \$'000 | \$'000 |
| Cost | 134,645 | 135,817 |
| Accumulated impairment losses | (49,889) | (50,324) |
| Carrying amount | 84,756 | 85,493 |

The development property held by the Group relates to the land under development within the Iskandar Development Region, Johor Bahru, Malaysia.

The determination of the recoverable amount of development property is disclosed in Note 12.

16. Interest-bearing loans and borrowings

| | Group | | Company | |
|---|-----------------------------|-------------------------|-----------------------------|-------------------------|
| | 31 December 2023 | 30 June 2023 | 31 December 2023 | 30 June 2023 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Current: | | | | |
| Secured bank loans | 100,815 | 12,129 | 7,500 | 7,500 |
| | 100,815 | 12,129 | 7,500 | 7,500 |
| Non-current: | | | | |
| Secured bank loans | 681,213 | 440,857 | 323,746 | 358,000 |
| Medium-term notes | 324,848 | 294,772 | 324,848 | 294,772 |
| | 1,006,061 | 735,629 | 648,594 | 652,772 |
| Total interest-bearing loans and borrowings | 1,106,876 | 747,758 | 656,094 | 660,272 |

Secured bank loans

Bank loans of the Company are secured by a charge over certain shares and property of the subsidiaries and cross guarantees provided by the Company and subsidiaries of the Company.

Bank loans of the subsidiaries amounting to \$450,781,000 (30 June 2023: \$87,486,000) are secured by a charge over certain shares and property of the subsidiaries and cross guarantee provided by the Company and subsidiaries of the Company.

Medium-term notes

The Company established a \$500 million multicurrency debt issuance programme (MTN programme) on 28 June 2019. In January 2020, the Company issued the 5-year S\$175 million 4.05% notes due January 2025 (Series 2 Notes).

On 21 April 2023, the Company updated and upsized the MTN programme from \$500 million to \$1 billion. In April 2023, the Company updated and upsized the MTN programme from \$500 million to \$1 billion. On 31 May 2023, the Company issued the 5-year S\$120 million 5.5% notes due May 2028 (Series 3 Tranche 1 Notes). In July 2023, the Company issued the 5-year \$30 million 5.5% notes due May 2028 (the Series 3 Tranche 2 Notes, and together with the Series 3 Tranche 1 Notes, the "Series 3 Notes").

The interest is payable semi-annually. The Series 2 Notes is secured by a charge over interest reserve accounts which are equal to 6 months' interest payable on the Series 2 Notes.

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17. Share capital

| | Group and Company | | | |
|---|--------------------------|---------------|----------------------|---------------|
| | 31 December 2023 | | 30 June 2023 | |
| | No. of shares | | No. of shares | |
| | '000 | \$'000 | '000 | \$'000 |
| Issued and fully paid ordinary shares: | | | | |
| At beginning and end of the period | 26,441,067 | 2,364,503 | 26,441,067 | 2,364,503 |

The Company does not hold any treasury shares as at 31 December 2023 and 30 June 2023.

The Company's subsidiaries did not hold any shares in the Company as at 31 December 2023 and 30 June 2023.

18. Subsequent events

There are no subsequent events that have led to adjustments to this set of interim financial statements.

Other Information Required by Listing Rule Appendix 7.2

1. Where the figures have been audit or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

The condensed interim consolidated statement of profit or loss, consolidated statement of other comprehensive income and consolidated statement of cash flows of the Group for the financial period ended 31 December 2023 and condensed interim statements of financial position of the Group and Company as at 31 December 2023 have not been audited or reviewed in accordance with Singapore Standards on Auditing.

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -

- (a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

1H2024 compared with 1H2023

The Group's revenue decreased by 8.6% to \$168.1 million for the six-month period ended 31 December 2023 ("1H2024") compared to the same period last year of \$184.0 million. Revenue from Singapore decreased by 18.2% while Malaysia grew by 20.8%. The decrease in revenue from Singapore was mainly attributed to the lower income received from project-related services such as managing the vaccination centres and the Transitional Care Facilities ("TCFs") and partially offset by the increasing revenue intensity in Singapore. While in Malaysia, the revenue growth was mainly attributed to the increased operating capacity at Thomson Hospital Kota Damansara ("THKD").

The Group's EBITDA decreased by 30.8% from \$55.5 million to \$38.4 million during 1H2024 mainly due to the lower revenue and the one-off transaction costs and foreign exchange loss incurred in relation to the acquisition of FEMVN. Excluding the one-off transaction costs and foreign exchange loss, the adjusted EBITDA would have been \$44.2 million.

Other income was higher at \$3.0 million during the 1H2024. The increase was mainly due to higher government grant received under the Jobs Growth Incentive and sponsorship income in Singapore.

Other operating expenses were higher at \$42.8 million during 1H2024. The increase was mainly due to transaction costs and foreign exchange loss incurred in relation to the acquisition of FEMVN. Staff costs during 1H2024 were lower by 4.8% compared to the same period last year mainly due to the decrease in headcounts in relation to managing the vaccination centres and TCFs and partially offset by the increase in headcounts in Malaysia, which resulted from the increased operating capacity at THKD. Depreciation and amortisation expenses increased by \$0.7 million as compared to 1H2023. The increase was mainly attributed to the addition of property and equipment and right-of-use assets.

Net finance costs were higher by \$3.4 million in 1H2024 mainly due to the interest expenses arising from the additional loans drawdown to fund the acquisition of FEMVN, which is partially offset by the higher interest income from short-term deposits.

Income tax expense was lower mainly due to lower taxable profits.

As a result of the above, the Group recorded a net profit after tax of \$4.9 million in 1H2024 compared to \$24.3 million for the same period last year.

REVIEW OF STATEMENT OF FINANCIAL POSITION

Total assets of the Group of \$1.89 billion as at 31 December 2023 were higher compared to \$1.45 billion as at 30 June 2023. The increase was mainly attributed to the completion of the acquisition of FEMVN in December 2023 and the purchase of property and equipment in Singapore and Malaysia. The increase is partially offset by the dividends paid to the shareholders of the Company and payment of principals and interests on bank loans during 1H2024.

Total liabilities of the Group of \$1.33 billion as at 31 December 2023 were higher compared to \$872.3 million as at 30 June 2023. The increase was mainly due to the loans drawdown to fund the acquisition of FEMVN, which was partially offset by the payment of loan principals during 1H2024.

Total equity of the Group was \$563.3 million as at 31 December 2023 compared to \$575.4 million as at 30 June 2023. The decrease was mainly due to the movement in foreign currency translation reserve as a result of the depreciation of Ringgit Malaysia against Singapore Dollar, as well as the dividends paid to shareholders of the Company, which is partially offset by the net profit generated during the period.

REVIEW OF STATEMENT OF CASH FLOWS

The Group recorded a net decrease in cash and cash equivalents during 1H2024 of \$14.0 million. The net decrease was mainly due to the net cash flow used in the acquisition of FEMVN amounting to \$459.7 million, purchase of property and equipment amounting to \$10.5 million, payments of loan principals and interests and lease liabilities amounting to \$63.0 million and dividends paid to shareholders of the Company of \$10.6 million. The decrease was partially offset by the increase in net cash flows from operations of \$137.4 million and additional loan drawdown of \$396.1 million in 1H2024.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast was previously disclosed by the Group.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

In the healthcare sector, Singapore's health expenditure is expected to reach a value of \$33 billion, representing a compound annual growth rate of 6.1% by 2025¹. This is driven by government spending and increased healthcare consumption due to an aging population and early chronic condition diagnosis. In Malaysia, the 2024 healthcare outlook is positive, buoyed by inelastic demand, heightened health awareness, and an aging society². Vietnam's healthcare prospects are promising, with the government aiming to increase the share of private hospital beds to 15% by 2030, presently standing at below 10%³.

The Group maintains a cautious yet optimistic outlook amid global macroeconomic uncertainties and the expanding landscape of healthcare opportunities. It is committed to navigating challenges and actively pursuing opportunities for sustained growth, with the aim of enhancing business performance.

Within Singapore, the Group is actively working to maximise hospital bed capacity, anticipating a rise in deliveries associated with the Chinese Dragon Year. Strategically, the Group is tapping into the growing demand for egg freezing services while continually expanding its specialist clinics. Plans are also in place to further enhance paediatric offerings.

Regionally, the expansion of Thomson Hospital Kota Damansara (THKD), with its newly added wing, has resulted in a 70% increase in the total licensed bed capacity, strategically positioning the Group for sustained growth in Malaysia. In Vietnam, the Group successfully concluded the acquisition of FEMVN, aligning with its broader regional expansion strategy. This move positions the Group to capitalise on the increasing domestic demand and opportunities in medical tourism, reaffirming its commitment to advancing healthcare excellence across the region.

¹ Chart of the Day: SG healthcare spending to reach \$45.9b in 2030
<https://sbr.com.sg/healthcare/news/chart-day-sg-healthcare-spending-reach-459b-in-2030>

² Rosy outlook for healthcare sector
<https://www.thestar.com.my/business/business-news/2023/12/07/rosy-outlook-for-healthcare-sector>

³ Vietnam shaping up to be key growth market for Singapore healthcare listcos: analysts
<https://www.businesstimes.com.sg/international/asean/vietnam-shaping-be-key-growth-market-singapore-healthcare-listcos-analysts>

5. Dividend Information

(a) Current Financial Period Reported on

Any dividend recommended for the current financial period reported on?

No.

(b) Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Book Closure Date

Not applicable.

If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the current financial period as the Company will only consider declaring a final dividend after the end of each financial year.

6. Interested person transactions

The Company did not obtain a general mandate from shareholders for IPTs.

7. Update on use of exercise proceeds from Warrants Issue

The Company has utilised the remaining balance of the proceeds from Bonus Warrants Exercise of \$19.5 million and the proceeds from Piggyback Warrants Exercise of \$5,500 towards the partial purchase consideration and related transaction costs for the acquisition of 100% of the issued charter capital of Far East Medical Vietnam Limited. The use of proceeds is in accordance with the intended use as disclosed in the Company's Circular dated 28 February 2018.

8. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

9. Negative confirmation pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors, which may render the condensed interim financial statements for the six-month period ended 31 December 2023 to be false or misleading in any material aspect.

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10. Additional information required pursuant to Rule 706A

The Company has acquired/incorporated the following subsidiaries during 1H2024:

| No. | Name of entity | Principal activities |
|------------|---|---|
| 1. | Far East Medical Vietnam Limited ("FEMVN") | Operator of healthcare facilities in Vietnam |
| 2. | Asia Fertility Holdings Pte. Ltd. | Investment holding |
| 3. | TMC Fertility Holdings Sdn. Bhd. | Investment holding |
| 4. | TMC Fertility (Ipoh) Sdn. Bhd. | Operator of fertility centre and providing related services |
| 5. | TMC Fertility (Penang) Sdn. Bhd. | Operator of fertility centre and providing related services |
| 6. | Thomson Specialist Clinics (Kepong) Sdn. Bhd. | Operator of specialist medical clinic |

Please refer to the announcement dated 21 December 2023 for further information on the acquisition of FEMVN. Except for FEMVN, the other entities are newly incorporated and funded entirely through internal resources.

BY ORDER OF THE BOARD

Dr Heng Jun Li Melvin
Executive Director and Group Chief Executive Officer

7 February 2024