



THOMSON MEDICAL GROUP LIMITED

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

RESPONSE TO SHAREHOLDER QUERIES ON THE CIRCULAR TO SHAREHOLDERS DATED 5 SEPTEMBER 2023

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 a shareholder with respect to the Company’s Circular to shareholders dated 5 September 2023 (the “**Circular**”).

Q1. The total consideration for the proposed acquisition of the Far East Medical Vietnam Limited (the **Target**) and its subsidiaries (the “**Target Group**”) is over S\$0.5 billion and the net profit after tax of the Target Group for the financial year ended 31 December 2022 is S\$15 million.

- (i) What will be the cost of the borrowings for Thomson Medical to fund this?
- (ii) How long is the projected returns based on the acquisition?

Response from Company

- (i) The total consideration for the proposed acquisition shall be wholly satisfied by cash, funded from the Group’s internal resources and external borrowings from financial institutions and debt capital markets. The interest rate for our latest Series 003 Notes issued in 2023 pursuant to our S\$1,000,000,000 Multicurrency Debt Issuance Programme is fixed at 5.50% while debt from financial institution will be on floating rates based on compounded Singapore Overnight Rate Average (“**SORA**”) plus the bank’s interest margin.
- (ii) The Group takes a long-term view to growing the business with the goal of enhancing shareholders’ return. The acquisition of the Target Group contributes immediately to the revenue and earnings before interest, tax, depreciation and amortisation (“**EBITDA**”) of the Group. Furthermore, it provides financial scale and geographical diversification for the Group to ensure long-term growth. The Target Group is a leading hospital platform in Vietnam with favourable demographic and economic prospects, with a strong and consistent two-decade track record of growth. The Group is optimistic that the Target Asset will add value and growth to the overall performance of the Group over the mid- to long-term.

By Order of the Board
THOMSON MEDICAL GROUP LIMITED

Dr Heng Jun Li Melvin
Executive Director and Group Chief Executive Officer
15 September 2023