



PROPOSED BONUS ISSUE

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of TalkMed Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing a bonus issue (the “**Proposed Bonus Issue**”) of new ordinary shares in the share capital of the Company (the “**Bonus Shares**”) to the shareholders of the Company (the “**Shareholders**”) on the basis of one (1) Bonus Share for every one (1) existing ordinary share in the share capital of the Company (the “**Share**”) held by Shareholders as at a time and date to be determined by the Directors for the purposes of determining Shareholders’ entitlements under the Proposed Bonus Issue (the “**Books Closure Date**”).

2. TERMS OF THE PROPOSED BONUS ISSUE

The actual number of Bonus Shares to be issued by the Company will depend on the total issued share capital of the Company as at the Books Closure Date. Based on the existing issued and paid-up share capital of the Company comprising 657,143,000 Shares as at the date of this announcement, 657,143,000 Bonus Shares will be issued pursuant to the Proposed Bonus Issue.

The Bonus Shares will be issued as fully paid at no cost to entitled Shareholders without capitalisation of the Company’s reserves, and when allotted and issued, will rank *pari passu* in all respects with the then existing issued Shares, except that the Bonus Shares will not be entitled to any dividends, rights, allotments or other distributions, the record date of which falls before the date of allotment and issue of the Bonus Shares. For this purpose, “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or The Central Depository (Pte) Limited in order to participate in such dividends, rights, allotments or other distributions. For the avoidance of doubt, the Bonus Shares, when allotted and issued, shall not be entitled to the proposed final (tax exempt one-tier) dividend of 2.283 Singapore cents per Ordinary Share, as announced by the Company on 21 February 2017.

The Bonus Shares will be issued to the Shareholders whose names appear in the register of members of the Company or who have Shares entered against their names in the Depository Register as at the Books Closure Date on the basis of the number of such Shares registered in their names or standing to the credit of their securities accounts as at

the Books Closure Date. The Company will make a further announcement on the Books Closure Date after obtaining all the necessary approvals for the Proposed Bonus Issue.

3. RATIONALE FOR THE PROPOSED BONUS ISSUE

The Company is proposing the bonus issue to increase the issued share capital base of the Company, to recognise and reward the Shareholders for their continuing support of and loyalty to the Company and to improve the trading liquidity of the Shares, allowing for greater participation by investors and broadening the Company's shareholder base.

4. APPROVALS FOR THE PROPOSED BONUS ISSUE

The Proposed Bonus Issue is subject to, *inter alia*, the following:

- a. the listing and quotation notice (the "LQN") from the Singapore Exchange Securities Trading Limited (the "SGX-ST") being obtained for the listing of and quotation for the Bonus Shares on the Catalyst Board of the SGX-ST (the "Catalist"), and not having been revoked or amended; and
- b. the approval of Shareholders by way of an ordinary resolution at an extraordinary general meeting of the Company (the "EGM") to be convened.

The sponsor of the Company, Hong Leong Finance Limited, will be submitting an application on behalf of the Company to the SGX-ST for the listing of and quotation for the Bonus Shares on Catalyst. The Company will make the necessary announcement once the LQN has been obtained.

5. CIRCULAR

Subject to receipt of the LQN, a circular, containing, *inter alia*, further information on the Proposed Bonus Issue and the notice of EGM, will be despatched to Shareholders in due course.

6. INTEREST OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Bonus Issue, other than through their respective shareholdings (if any) in the Company.

7. 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 Bonus Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

8. CAUTIONARY STATEMENT

Shareholders and potential investors should note that the Proposed Bonus Issue is subject to, *inter alia*, the necessary approvals being obtained by the Company and are therefore advised to exercise caution when dealing or trading in the Shares. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Ang Peng Tiam
Chief Executive Officer
22 February 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