



TALKMED GROUP LIMITED
(Company Registration No. 201324565Z)

UNAUDITED FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH QUARTER AND THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

PART I - INFORMATION REQUIRED FOR FULL YEAR RESULTS ANNOUNCEMENTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

1(a)(i) The Directors of TalkMed Group Limited (the "Company") are pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the fourth quarter and the financial year ended 31 December 2015 ("Q4 2015" and "FY 2015" respectively).

	Q4 2015	Q4 2014	Increase /	FY 2015	FY 2014	Increase /
	\$'000	\$'000	(Decrease)	\$'000	\$'000	(Decrease)
	(Unaudited)	(Unaudited)	%	(Unaudited)	(Audited)	%
Revenue	17,953	17,347	3.5%	65,716	63,165	4.0%
Other item of income						
Other income	279	141	97.9%	543	226	140.3%
Other items of expense						
Employee benefits	(4,123)	(4,514)	-8.7%	(15,134)	(14,002)	8.1%
Operating lease expenses	(376)	(185)	103.2%	(1,238)	(732)	69.1%
Other operating expenses	(468)	(558)	-16.1%	(1,513)	(2,072)	-27.0%
Share of results of associate	(1,472)	-	N.M.	(2,887)	-	N.M.
Profit before tax	11,793	12,231	-3.6%	45,487	46,585	-2.4%
Income tax expense	(2,289)	(2,068)	10.7%	(8,315)	(8,057)	3.2%
Profit for the period	9,504	10,163	-6.5%	37,172	38,528	-3.5%
Attributable to:						
Owners of the Company	9,581	10,163	-5.7%	37,334	38,528	-3.1%
Non-controlling interests	(77)	-	N.M.	(162)	-	N.M.
	9,504	10,163	-6.5%	37,172	38,528	-3.5%

1(a)(ii) The net profit attributable to owners of the Company includes the following charges:

The Group	Q4 2015 \$'000 (Unaudited)	Q4 2014 \$'000 (Unaudited)	Increase / (Decrease) %	FY 2015 \$'000 (Unaudited)	FY 2014 \$'000 (Audited)	Increase / (Decrease) %
Depreciation of property, plant and equipment	53	8	562.5%	174	32	443.8%
Interest income	243	117	107.7%	439	136	222.8%

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31/12/2015 \$'000 (Unaudited)	31/12/2014 \$'000 (Audited)	31/12/2015 \$'000 (Unaudited)	31/12/2014 \$'000 (Audited)
ASSETS				
Non-current assets				
Plant and equipment	523	25	-	-
Investments in subsidiaries	-	-	4,113	2,313
Investments in associate	8,636	-	11,524	-
Other receivables	15	-	-	-
	<u>9,174</u>	<u>25</u>	<u>15,637</u>	<u>2,313</u>
Current assets				
Trade and other receivables	9,650	9,137	15,734	16,045
Cash and short term deposits	49,562	50,895	7,540	21,426
Prepaid operating expenses	99	41	16	7
	<u>59,311</u>	<u>60,073</u>	<u>23,290</u>	<u>37,478</u>
Total assets	<u>68,485</u>	<u>60,098</u>	<u>38,927</u>	<u>39,791</u>
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables	1,513	1,333	-	8
Other liabilities	1,284	905	153	34
Income tax payable	8,303	8,058	-	-
	<u>11,100</u>	<u>10,296</u>	<u>153</u>	<u>42</u>
Net current assets	<u>48,211</u>	<u>49,777</u>	<u>23,137</u>	<u>37,436</u>
Non-current liabilities				
Other liabilities	31	-	-	-
Total liabilities	<u>11,131</u>	<u>10,296</u>	<u>153</u>	<u>42</u>
Net assets	<u>57,354</u>	<u>49,802</u>	<u>38,774</u>	<u>39,749</u>

	Group		Company	
	31/12/2015 \$'000 (Unaudited)	31/12/2014 \$'000 (Audited)	31/12/2015 \$'000 (Unaudited)	31/12/2014 \$'000 (Audited)
Equity attributable to owners of the Company				
Share capital	22,273	22,273	22,273	22,273
Merger reserve	(2,311)	(2,311)	-	-
Retained earnings	36,354	29,840	16,501	17,476
	56,316	49,802	38,774	39,749
Non-controlling interests	1,038	-	-	-
Total equity	57,354	49,802	38,774	39,749
Total equity and liabilities	68,485	60,098	38,927	39,791

1(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

(a) the amount repayable in one year or less, or on demand:

None

(b) the amount repayable after one year:

None

(c) whether the amounts are secured or unsecured; and

None

(d) details of any collaterals.

None

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Q4 2015 \$'000 (Unaudited)	Q4 2014 \$'000 (Unaudited)	FY 2015 \$'000 (Unaudited)	FY 2014 \$'000 (Audited)
Operating Activities				
Profit before tax	11,793	12,231	45,487	46,585
Adjustments for:				
Depreciation of plant and equipment	53	8	174	32
Interest income	(243)	(117)	(439)	(136)
Share of result of associate	1,472	-	2,887	-
Operating cash flows before changes in working capital	13,075	12,122	48,109	46,481
Changes in working capital				
(Increase)/decrease in prepaid operating expenses	(34)	343	(58)	548
Increase in trade and other receivables	(2,856)	(2,456)	(465)	(2,208)
Increase / (decrease) in trade and other payables	103	203	180	(6,716)
(Decrease) / increase in accrued operating expenses	(231)	149	410	(3,573)
Net changes in working capital	(3,018)	(1,761)	67	(11,949)

	Q4 2015 \$'000 (Unaudited)	Q4 2014 \$'000 (Unaudited)	FY 2015 \$'000 (Unaudited)	FY 2014 \$'000 (Audited)
Cash flows from operations	10,057	10,361	48,176	34,532
Interest received	136	73	376	92
Income tax paid	(18)	(885)	(8,069)	(7,090)
Net cash flows from operating activities	<u>10,175</u>	<u>9,549</u>	<u>40,483</u>	<u>27,534</u>
Investing Activities				
Purchase of plant and equipment	(75)	-	(672)	(4)
Investment in associates	-	-	(11,524)	-
Net cash used in investing activities	<u>(75)</u>	<u>-</u>	<u>(12,196)</u>	<u>(4)</u>
Financing Activities				
Net cash inflow from non-controlling interests on incorporation of a subsidiary	-	-	1,200	-
Dividends paid on ordinary shares	-	-	(30,820)	(21,488)
Proceeds from share issuance at IPO	-	-	-	21,029
IPO share expenses capitalised	-	-	-	(1,069)
Net cash used in financing activities	<u>-</u>	<u>-</u>	<u>(29,620)</u>	<u>(1,528)</u>
Net increase/(decrease) in cash and cash equivalents	10,100	9,549	(1,333)	26,002
Cash and cash equivalents at beginning of the period/year	<u>39,462</u>	<u>41,346</u>	<u>50,895</u>	<u>24,893</u>
Cash and cash equivalents at end of the period/year	<u>49,562</u>	<u>50,895</u>	<u>49,562</u>	<u>50,895</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group (Unaudited)	Share capital \$'000	Merger reserves \$'000	Retained earnings \$'000	Non- controlling interest \$'000	Total Equity \$'000
Balance at 1 January 2015	22,273	(2,311)	29,840	-	49,802
Profit for the year, representing total comprehensive income for the year	-	-	37,334	(162)	37,172
Incorporation of subsidiary	-	-	-	1,200	1,200
Dividends on ordinary shares	-	-	(30,820)	-	(30,820)
Balance at 31 December 2015	<u>22,273</u>	<u>(2,311)</u>	<u>36,354</u>	<u>1,038</u>	<u>57,354</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group (Unaudited)	Share capital	Merger reserves	Retained earnings	Non- controlling interest	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2014	2,313	(2,311)	12,800	-	12,802
Profit for the year, representing total comprehensive income for the year	-	-	38,528	-	38,528
Proceeds from share issuance at IPO	21,029	-	-	-	21,029
IPO share issuance expenses	(1,069)	-	-	-	(1,069)
Dividends on ordinary shares	-	-	(21,488)	-	(21,488)
Balance at 31 December 2014	22,273	(2,311)	29,840	-	49,802

The Company (Unaudited)	Share capital	Retained earnings	Total Equity
	\$'000	\$'000	\$'000
Balance as at 1 January 2015	22,273	17,476	39,749
Profit for the year, representing total comprehensive income for the year	-	29,845	29,845
Dividends on ordinary shares	-	(30,820)	(30,820)
Balance at 31 December 2015	22,273	16,501	38,774
Balance at 1 January 2014	2,313	(2,800)	(487)
Profit for the year, representing total comprehensive income for the year	-	41,764	41,764
Proceeds from share issuance at IPO	21,029	-	21,029
IPO share issuance expenses	(1,069)	-	(1,069)
Dividends on ordinary shares	-	(21,488)	(21,488)
Balance at 31 December 2014	22,273	17,476	39,749

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Not applicable.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Number of ordinary shares	
	31/12/2015	31/12/2014
Total number of issued shares excluding treasury shares	657,143,000	657,143,000

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There are no shares held as treasury shares as at 31 December 2015 and 31 December 2014.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by our auditors.

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except for the adoption of the FRSs and Amendments to FRSs applicable for the financial period beginning on or after 1 January 2015, the same accounting policies and methods of computation have been applied. The adoption of new FRSs and Amendments to FRSs did not have any effect on the financial performance or position of the Group and the Company.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group and the Company have adopted all the new FRSs and Amendments to FRSs that are effective for the periods beginning on or after 1 January 2015. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group and the Company.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

The Group	Q4 2015	Q4 2014	FY 2015	FY 2014
Profit attributable to owners of the Company (\$'000)	9,581	10,163	37,334	38,528
Weighted average number of ordinary shares used in the computation of basic and diluted earnings per share	657,143,000	648,501,110	657,143,000	648,501,110
Basic and fully diluted earnings per share (cents)	1.46	1.57	5.68	5.94

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**
 (a) **current financial period reported on; and**
 (b) **Immediately preceding financial year.**

	Group		Company	
	31/12/15 (Unaudited)	31/12/14 (Audited)	31/12/15 (Unaudited)	31/12/14 (Audited)
Net assets value attributable to the shareholders of the Group (\$'000)	56,316	49,802	38,774	39,749
Net assets per ordinary share at end of financial period (cents) *	8.57	7.58	5.90	6.05

* The calculation of net asset value per ordinary share was based on 657,143,000 shares for all periods.

8. **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.**

Performance Review

Q4 2015 and FY 2015

Revenue

In Q4 2015, revenue for the Group grew by \$0.60 million or 3.5% from \$17.35 million in Q4 2014 to \$17.95 million.

The Group's revenue for the financial year ended 31 December 2015 ("FY 2015") was \$65.72 million, an increase of \$2.55 million or 4.0% from \$63.17 million for the financial year ended 31 December 2014 ("FY 2014").

The increase in revenue in both Q4 2015 and FY 2015 was mainly attributed to the increase in revenue from patients requiring higher intensity care.

Revenue derived from our Vietnam operations during the year amounted to \$0.33 million. This was an increase of \$0.25 million or 289.3% over last year.

Other income

The Group's other income comprised interest received on fixed deposit, Government-paid Childcare and Maternity Leave, PIC bonus and grant from Government under the Wage Credit Scheme, Temporary Employment Credit & Special Employment Credit.

In Q4 2015, other income grew by \$0.14 million or 97.9%. The Group's other income for FY 2015 was \$0.54 million, an increase of \$0.31 million or 140.3% from \$0.23 million in FY 2014.

The increase was mainly attributed to interest received on fixed deposits which increase by \$0.30 million or 222.8% over last year.

Other items of expense

Employee benefits

Employee benefits comprised remuneration paid to doctors, nurses as well as other medical and administrative support staff. These include salaries and wages, allowances, bonuses, CPF contributions and staff benefits.

In Q4 2015, employee benefits decreased by \$0.39 million or 8.7% from \$4.51 million in Q4 2014 to \$4.12 million. The decrease was mainly due to a lower bonus provision in Q4 2015.

Other items of expense

Employee benefits

Employee benefits for FY 2015 increased by \$1.13 million or 8.1% from \$14 million in FY 2014 to \$15.13 million in FY 2015. The increase was mainly due to an increase in staff salary, higher bonuses paid out and additional staff recruited to support growing business activities.

Operating lease expenses

In Q4 2015, operating lease expenses increased by \$0.19 million or 103.2% from \$0.19 million in Q4 2014 to \$0.38 million in Q4 2015.

Operating lease expenses for FY 2015 increased by \$0.51 million or 69.1% from \$0.73 million in FY 2014 to \$1.24 million in FY 2015.

The increase was due to new operating leases that were effected in November 2014, March and June 2015.

Other operating expenses

Other operating expenses comprised mainly audit fees, professional and legal fees, directors' fees, travelling, depreciation and insurance expenses.

In Q4 2015, other operating expenses decreased by \$0.09 million or 16.1% from \$0.56 million in Q4 2014 to \$0.47 million in Q4 2015.

Other operating expenses for FY 2015 decreased by \$0.56 million or 27.0% from \$2.07 million in FY 2014 to \$1.51 million in FY 2015. This decrease was mainly due to lower legal and professional fees.

Share of results of associate

In June 2015, the Group acquired a 30% stake in an associate, Hong Kong Integrated Oncology Centre Holdings Limited for an aggregate consideration of \$11.52 million. The Group's share of loss after tax of associate was \$1.47 million and \$2.89 million in Q4 2015 and FY 2015 respectively.

Income tax expense

Income tax expense increased by \$0.22 million or 10.7% from \$2.07 million in Q4 2014 to \$2.29 million in Q4 2015 due to higher profits in Q4 2015. The effective tax rate for Q4 2015 and Q4 2014 were 19% and 17% respectively.

Income tax expense for FY 2015 increased by \$0.26 million or 3.2% from \$8.06 million in FY 2014 to \$8.32 million due to higher profits in FY 2015. The effective tax rate for FY2015 is 18% as compared to 17% in FY 2014.

Profit after tax

In Q4 2015, the Group recorded a profit after tax of \$9.50 million as compared to \$10.16 million in Q4 2014. This was a decrease of \$0.66 million or 6.5%.

The Group recorded a profit after tax of \$37.17 million in FY 2015 compared to \$38.53 million in FY 2014. This was a decrease of \$1.36 million or 3.5%

The decrease in both periods was mainly due to share of loss in our associate in Hong Kong of \$1.47 million in Q4 2015 and \$2.89 million in FY 2015 and partially offset by increase in revenue.

Review of the Group's financial position

Non-current assets

The Group's non-current assets comprised plant and equipment and investment in an associate. Non-current assets increased by \$9.15 million which was mainly attributable to (i) an increase in plant and equipment of \$0.50 million following the purchases of plant and equipment by our subsidiary, Stem Med Pte Ltd. ("**Stem Med**") and (ii) our investment in associate of \$8.64 million (net of our share of results of associate in FY2015).

Current assets

Current assets comprised trade and other receivables, cash and short-term deposits and prepaid operating expenses. Current assets decreased by \$0.76 million which was mainly attributed to the decrease in cash and short-term deposits of \$1.33 million, partially offset by increases in trade and other receivables and prepaid operating expenses of \$0.51 million and \$0.06 million respectively. The decrease in cash and cash equivalents was mainly due to payment of dividends to shareholders during FY15 while the increase in trade and other receivables was due to the increase in revenue.

Current liabilities

Current liabilities comprised trade and other payables, accrued operating expenses and income tax payable. Current liabilities increased by \$0.80 million. Trade and other payables and other liabilities increased by \$0.18 million and \$0.38 million respectively due to accruals of payables and expenses at year end. Income tax payable increased by \$0.24 million due to increase in tax payable due to higher profits.

Non-current liabilities

Non-current liabilities comprised other liabilities of \$0.03 million which is mainly deferred revenue in respect of the fees that are charged by our subsidiary, Stem Med for the storage of stem cell which is recognised over the period of storage.

Equity attributable to owners of the Company

The increase was mainly attributable to profits earned during the year.

Non-controlling interests

This related to the 40% non-controlling interests' share of Stem Med's net equity.

Review of the Group's cash flow

Q4 2015

Operating activities

In Q4 2015, net cash flows from operating activities amounted to \$10.18 million. This comprised operating cash flows before changes in working capital of \$13.08 million and interest received of \$0.14 million, less net changes in working capital of \$3.02 million and income tax paid of \$0.02 million. The net increase in working capital of \$3.02 million was mainly due to increase in prepaid operating expenses and trade and other receivables of \$0.03 million and \$2.86 million respectively, a decrease in accrued operating expenses of \$0.23 million offset by an increase in trade and other payables of \$0.10 million.

Investing activities

Net cash used in investing activities was \$0.08 million and was attributable to purchases of plant and equipment by Stem Med.

Net increase in cash and cash equivalent

The above resulted in net increase in cash and cash equivalents of \$10.10 million.

FY 2015

Operating activities

In FY2015, net cash flows from operating activities amounted to \$40.48 million. This comprised operating cash flows before changes in working capital of \$48.11 million, net changes in working capital of \$0.07 million, interest received of \$0.37 million less income tax paid of \$8.07 million. The net decrease in working capital of \$0.07 million was mainly due to increases in trade and other payables and accrued operating expenses of \$0.18 million and \$0.41 million respectively partially offset by increases in prepaid operating expenses and trade and other receivables of \$0.06 million and \$0.46 million respectively.

Investing activities

Net cash used in investing activities was \$12.20 million, of which \$0.68 million was attributable to purchases of plant and equipment by Stem Med and \$11.52 million was for the investment in an associate, Hong Kong Integrated Oncology Centre Holdings Limited.

Financing activities

Net cash used in financing activities was \$29.62 million and is attributable to the payment of dividends to shareholders of \$30.82 million offset by net cash inflow on capital contribution by the non-controlling interest of a subsidiary of \$1.2 million.

Net decrease in cash and cash equivalent

The above resulted in a net decrease in cash and cash equivalents of \$1.33 million. Cash and cash equivalents totalled \$49.56 million as at 31 December 2015.

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

Not applicable

10. 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 reporting period and the next 12 months.

Our business is sustained to a large extent by the good economic performance of Singapore and countries in South East Asia.

The Group is facing pressure on revenue from the appreciation of the Singapore dollar vis-à-vis the currencies of neighbouring countries.

11. If a decision regarding dividend has been made, the required information has been disclosed.

(a) Whether an interim (final) ordinary dividend has been declared or recommended

As set out on page 51 of the Company's offer document dated 17 January 2014, the Group has a dividend policy that recommends an annual dividend of up to 75 per cent of our net profit attributable to shareholders as dividends to our shareholders. However, the Board has recommended a final one-tier tax exempt dividend of \$0.02305 per share in respect of FY 2015 (the "Final Dividend") which, together with the interim dividend of \$0.02260 per share that was paid on 18 September 2015, will constitute 80.4% of FY 2015 net profit attributable to Owners of the Company.

(b) (i) Amount per share

\$0.02305 per share

(ii) Previous corresponding period

\$0.02430 per share

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

The dividend is one-tier tax exempt.

(d) The date the dividend is payable

The proposed Final Dividend, if approved by the shareholders of the Company at the Annual General Meeting to be held on 28 April 2016, will be paid on 13 May 2016.

(e) The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

NOTICE IS HEREBY GIVEN that, subject to the approval of the shareholders of the Company to the proposed Final Dividend at the Annual General Meeting to be held on 28 April 2016, the Share Transfer Books and Register of Members of the Company will be closed at 5:00 p.m. on 6 May 2016 for the purpose of determining entitlements of ordinary shareholders to the tax exempt (one-tier) Final Dividend of 2.305 Singapore cents per ordinary share for the financial year ended 31 December 2015.

Duly completed registrable transfers received by the Company's Share Registrar, B.A.C.S. Private Limited at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, up to 5:00 p.m. on 6 May 2016 will be registered before entitlements to the Final Dividend are determined. Members whose securities accounts with The Central Depository (Pte) Ltd. are credited with the Company's ordinary shares as at 5:00 p.m. on 6 May 2016 will be entitled to the Final Dividend. Payment of the Final Dividend, if approved by the members at the Annual General Meeting to be held on 28 April 2016, will be made on 13 May 2016.

12. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

13. If the Group has obtained a general mandate from the shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from its shareholders for Interested Person Transactions pursuant to Rule 920(1)(a)(ii).

14. Interested Persons Transactions

The Company and its subsidiaries had the following Interested Persons Transactions during FY 2015.

Name of Interested Persons	Aggregate value of all IPTs during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all IPTs during the financial year under review conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
Dr. Ang Peng Tiam	202	N.A.
P.T. Ang Medical Services Pte Ltd	590	N.A.
StemCord Pte Ltd ⁽¹⁾	747	N.A.

Note:

⁽¹⁾ Dr Ang is a Director and holding 17.35% in StemCord Pte Ltd. Pursuant to Rule 904 of the Catalist Rules, charges by and payments made by StemCord Pte Ltd on behalf of Stem Med Pte Ltd, a subsidiary of the Company, constitutes an interested person transaction.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. Segmented revenue and results for operating segments (of the group) presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Revenue by Geographical segment	FY 2015 \$'000 (Unaudited)	FY 2014 \$'000 (Audited)
Provision of medical oncology services		
- Singapore	65,286	63,080
- Vietnam	331	85
Stem Cell Services		
- Singapore	99	-
	65,716	63,165

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to item 8.

17. Breakdown of sales as follows:-

	Group		Increase/ (decrease) %
	31/12/2015 \$'000 (Unaudited)	31/12/2014 \$'000 (Audited)	
Sales reported for the first half year	32,091	30,233	6.1
Operating profit after tax reported for first half year	19,811	18,796	5.4
Sales reported for the second half year	33,625	32,932	2.1
Operating profit after tax reported for second half year	17,361	19,732	(12.0)

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Please refer to item 11 for the Final Dividend declared in respect of FY 2015.

		For the year ended 31 st December	Actual payment date	FY 2015 \$'000	FY 2014 \$'000
Dividends declared and paid to the Company's shareholders					
Final dividend	One-tier tax exempt	2013	15 May 2014		7,491
		2014	15 May 2015	15,969	
1 st interim dividend	One-tier tax exempt	2014	22 Aug 2014		13,997
		2015	18 Sep 2015	14,851	
				30,820	21,488
Proposed dividend to the Company's shareholders but not recognised as a liability as at					
				31/12/2015 \$'000	31/12/2014 \$'000
Final dividend				15,147	15,969

19. Use of IPO proceeds

As at the date of this announcements, the use of IPO proceeds are as follows:-

Use of proceeds from the IPO	Amount allocated \$'000	Amount Utilised \$'000	Amount Unutilised \$'000
Expanding repertoire of talent pool / healthcare services	10,381	6,404 ⁽¹⁾	3,977
Overseas expansion / improving quality of medical services	6,920	6,920 ⁽²⁾	0
Total	17,301	13,324	3,977

Note:

- (1) Comprised investments in Stem Med and HKIOC of \$1.80 million and \$4.60 million ⁽²⁾ respectively
(2) Total investment in HKIOC by the Company amounted to \$11.52 million

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10).

The Group does not have any person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

21. Confirmation pursuant to Rule 720(1)

TalkMed Group Limited confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in form Appendix 7H.

BY ORDER OF THE BOARD

Ang Peng Tiam
Chief Executive Officer
25 February 2016

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. Telephone number: (65) 6415 9886