

ALLIANCE HEALTHCARE GROUP LIMITED
(Incorporated in the Republic of Singapore on 6 June 2006)
(UEN. 200608233K)

**RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED
ON THE ANNOUNCEMENT DATED 19 DECEMBER 2019**

The board of directors (“**Board**”) of Alliance Healthcare Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in relation to the Company’s announcement titled “Proposed Acquisition of 55% shareholding interest in Jaga-Me Pte. Ltd.” which was announced on 19 December 2019 (“**Announcement**”). The Company’s responses to the queries are set out below.

Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to in the Announcement.

Query 1:

Please disclose the familiarity of the Board / Key Management with the Vendors, and how the Company got introduced to the Founders, or Jaga-Me?

Company’s response:

Please refer to Section 4 “Rationale for the Transaction” of the Announcement.

Query 2:

Does the Company have the expertise to manage, maintain and enhance the Jaga-Me platform? Please disclose the directors and management of Jaga-Me post-acquisition.

Company’s response:

Please refer to Section 4 “Rationale for the Transaction” of the Announcement.

Query 3:

At consideration of S\$3.5 million for acquisition of 55% in Jaga-Me via the Subscription Agreement and the Purchase Agreement, this represents a valuation of S\$6.37 million for Jaga-Me despite its current NTA of only S\$0.388 million (post-Purchase Agreement, NTA would be S\$2.388m). Please disclose the Board’s consideration and due diligence done in arriving at the considerations given that the Company did not commission any independent valuation on Jaga-Me.

Company’s response:

Please refer to Section 3 “Details of the Transaction (1) Purchase Consideration and Subscription Consideration” of the Announcement.

Query 4:

In the announcement, it was stated that the Company will “partly use the proceeds raised from its initial public offering and is also in the process of obtaining a bank loan which is intended to be drawn down at completion of the Transaction” – We noted in AR for FY2019 that the Company has a balance of S\$3.0 million from proceeds from its initial public offering for the purpose of acquisitions. Please disclose the intended amount of proceeds which will be used towards the completion of the Transaction.

Company's response:

Please refer to Section 3 "Details of the Transaction (1) Purchase Consideration and Subscription Consideration" of the Announcement.

Query 5:

Given that Jaga-Me is only incorporated on 23 Nov 2015, please disclose its historical profit/loss position since incorporation, and the material segments in its balance sheet contributing to the NTA.

Company's response:

Please refer to Section 2 "Information on Jaga-Me" of the Announcement.

By Order of the Board

Dr Barry Thng Lip Mong
Executive Chairman and Chief Executive Officer
19 December 2019

*This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. 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 Ms Tan Cher Ting, Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +6563375115.*