

VOLUNTARY CONDITIONAL GENERAL OFFER

by

ERNST & YOUNG CORPORATE FINANCE PTE LTD

(Company Registration No.: 199702967E)

(Incorporated in the Republic of Singapore)

for and on behalf of

TLW SUCCESS PTE. LTD.

(Company Registration No.: 202227719Z)

(Incorporated in the Republic of Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

SINGAPORE MEDICAL GROUP LIMITED

(Company Registration No.: 200503187W)

(Incorporated in the Republic of Singapore)

other than any Shares held in treasury and those Shares held, directly or indirectly, by the Offeror as at the date of the Offer

REVISION OF OFFER CONSIDERATION

REVISION OF OPTIONS PRICE

EXTENSION OF CLOSING DATE

LEVEL OF ACCEPTANCES

1. INTRODUCTION

Ernst & Young Corporate Finance Pte Ltd ("**EYCF**") refers to:

- (a) the offer document issued by EYCF, for and on behalf of TLW Success Pte. Ltd. (the "**Offeror**"), dated 4 October 2022 (the "**Offer Document**"), in relation to the voluntary conditional general offer (the "**Offer**") for all the issued and paid-up ordinary shares (the "**Shares**") in the capital of Singapore Medical Group Limited (the "**Company**"), other than any Shares held in treasury and those Shares held, directly or indirectly, by the Offeror as at the date of the Offer (collectively, the "**Offer Shares**" and each, an "**Offer Share**"); and
- (b) the proposal letter issued by EYCF, for and on behalf of the Offeror, dated 4 October 2022 (the "**Options Proposal Letter**"), in relation to the terms of and conditions of the proposal to the holders of outstanding options granted under the SMG Share Option Scheme.

All capitalised terms used and not defined in this announcement (this "**Announcement**") shall have the same meanings given to them in the Offer Document, unless otherwise expressly stated or the context otherwise requires.

2. REVISION OF OFFER CONSIDERATION

EYCF wishes to announce, for and on behalf of the Offeror, that the Offeror is revising the Offer Consideration as follows:

For each Offer Share:

EITHER

(a) \$0.40 in cash (the "Revised Final Cash Consideration**")**

OR

(b) in lieu thereof, one (1) New Offeror Share (the "Share Consideration**"). Following the revision of the initial Cash Consideration, the issue price for each New Offeror Share shall be equivalent to the Revised Final Cash Consideration,**

(the "Revised Final Offer Consideration**").**

EYCF wishes to announce, for and on behalf of the Offeror, that the Offeror does not intend to revise the Revised Final Offer Consideration, save that the Offeror reserves the right to do so in a competitive situation.

Shareholders who have earlier accepted the Offer are entitled to the Revised Final Offer Consideration, subject to the Offer becoming or being declared to be unconditional in all respects in accordance with its terms. Accordingly, no further action in respect of the Offer is required to be taken by Shareholders who have already validly accepted the Offer.

Save as disclosed in this Announcement, all the other terms and conditions of the Offer as set out in the Offer Document remain unchanged.

3. FINANCIAL EVALUATION OF THE REVISED FINAL OFFER CONSIDERATION

The Revised Final Cash Consideration of S\$0.40 represents an increase of approximately 8.1% or S\$0.03 over the initial Cash Consideration of S\$0.37 per Offer Share.

The Revised Final Cash Consideration represents the following premiums over the historical traded prices of the Shares:

Description	Share Price (S\$) ⁽¹⁾	Premium of the Revised Final Cash Consideration over Share Price (%) ⁽²⁾
(a) Last transacted price per Share on 8 September 2022, being the Last Trading Day	0.325	23.1
(b) The volume weighted average price (" VWAP ") of the Shares traded on the SGX-ST for the one (1)-month period up to and including the Last Trading Day	0.313	27.8
(c) VWAP of the Shares for the three (3)-month period up to and including the Last Trading Day	0.311	28.6
(d) VWAP of the Shares for the six (6)-month period up to and including the Last Trading Day	0.319	25.4
(e) VWAP of the Shares for the 12-month period up to and including the Last Trading Day	0.314	27.4

Notes:

- (1) The S\$ figures are rounded to the nearest three (3) decimal places and are sourced from S&P Capital IQ up to and including the Last Trading Day.
- (2) The respective premia are rounded to the nearest one (1) decimal place.

4. RATIONALE FOR THE REVISED FINAL CASH CONSIDERATION

The Offeror is of the view that the Revised Final Cash Consideration reinforces the compelling and attractive exit opportunity for Shareholders, to realise their entire investment in cash at an attractive price and a compelling premium amidst the risk of uncertainty in the current global operating and economic environment, a low trading liquidity, and without incurring brokerage and other trading costs. In lieu of the Revised Final Cash Consideration and pursuant to the Offer, the Share Consideration at an issue price equivalent to the Revised Final Cash Consideration provides a viable avenue for Shareholders who continue to believe in the management team and the business model of the Company to remain invested in the Company.

5. REVISION OF OPTION PRICE

Following the revision of the Offer Consideration, the Option Price under the Options Proposal, which is computed on a “see-through” basis, will correspondingly be revised to be the amount of the excess of the Revised Final Cash Consideration over the exercise price of that Company Option. If, however, the exercise price of that Company Option is equal to or more than the Revised Final Cash Consideration, the Option Price for each Company Option will be the nominal amount of S\$0.001 (the “**Revised Final Option Price**”).

Optionholders who have earlier accepted the Options Proposal are entitled to the Revised Final Option Price, subject to the Offer becoming or being declared to be unconditional in all respects in accordance with its terms. Accordingly, no further action in respect of the Options Proposal is required to be taken by Optionholders who have already validly accepted the Options Proposal.

Save as disclosed in this Announcement, all the other terms and conditions of the Options Proposal as set out in the Options Proposal Letter remain unchanged.

6. EXTENSION OF CLOSING DATE AND WRITTEN NOTIFICATIONS OF REVISION

As set out in the announcement issued by EYCF, for and on behalf of the Offeror, on 1 November 2022 in relation to the extension of the Closing Date of the Offer, the Closing Date of the Offer (and consequently the closing date for acceptances of the Options Proposal) has been extended from 5.30 p.m. (Singapore time) on 1 November 2022 to 5.30 p.m. (Singapore time) on 15 November 2022 (or such later date(s) as may be announced from time to time by or on behalf of the Offeror).

Pursuant to Rule 20.1 of the Code, the Offer must be kept open for at least 14 days from the date of posting of the written notification of revision to Shareholders. **A written notification will be posted to all Shareholders in respect of the Revised Final Offer Consideration and the Offer will remain open for acceptance for not less than 14 days from the date of posting of such written notification.** Consequently, the Options Proposal will remain open for acceptance for not less than 14 days from the date of posting of the written notification.

Shareholders should note that pursuant to Rule 22.9 of the Code (and as stated in paragraph 1.2 of Appendix V to the Offer Document), except with the SIC's prior consent, the Offer will not be capable:

- (a) of becoming or being declared unconditional as to acceptances after **5.30 p.m. (Singapore time) on 5 December 2022** (being the next business day after 3 December 2022 (Saturday), which is the 60th day after the date of electronic dissemination of the Offer Document); or
- (b) of being kept open after 5.30 p.m. (Singapore time) on 5 December 2022 unless the Offer has previously become or been declared to be unconditional as to acceptances.

7. **LEVEL OF ACCEPTANCES**

Pursuant to Rule 28.1 of the Code, EYCF wishes to announce, for and on behalf of the Offeror that:

- (a) **Acceptances of the Offer.** As at 6.00 p.m. (Singapore time) on 2 November 2022, based on information available to the Offeror, the Offeror has received valid acceptances amounting to 376,581,311 Shares, representing approximately 77.42%¹ of the total number of issued Shares² and approximately 76.23% of the maximum potential number of issued Shares³, which includes acceptances received from persons acting in concert with the Offeror, amounting in aggregate to 83,003,255 Shares, representing approximately 17.07% of the total number of issued Shares and approximately 16.80% of the maximum potential number of issued Shares.
- (b) **Shares held on or before the Offer Announcement Date.** As at the Offer Announcement Date:
 - (i) the Offeror did not hold any Shares; and
 - (ii) the persons acting in concert with the Offeror collectively owned or controlled an aggregate of 83,003,255 Shares⁴, representing approximately 17.07% of the total number of issued Shares.
- (c) **Shares acquired after the Offer Announcement Date and up to 6.00 p.m. (Singapore time) on 2 November 2022 (other than pursuant to valid acceptances of the Offer).** Following the Offer Announcement Date and up to 6.00 p.m. (Singapore time) on 2 November 2022, the Offeror and persons acting in concert with it have not acquired or agreed to acquire any Shares (other than pursuant to valid acceptances of the Offer).

8. **RESULTANT SHAREHOLDING**

Accordingly, as at 6.00 p.m. (Singapore time) on 2 November 2022, the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror and persons acting in concert with it; and (b) valid acceptances of the Offer, amount to an aggregate of 376,581,311 Shares, representing approximately 77.42% of the total number of issued Shares and approximately 76.23% of the maximum potential number of issued Shares.

¹ In this Announcement, unless otherwise stated, all percentage figures are rounded to the nearest two (2) decimal places.

² In this Announcement, unless otherwise stated, all references to the percentage shareholding interest are based on the Company's issued and paid-up capital of 486,382,109 Shares (excluding 232,729 Shares held in treasury) as at the date of this Announcement.

³ In this Announcement, unless otherwise stated, all references to "maximum potential number of issued Shares" are based on total number of Shares (excluding treasury Shares) of 494,037,109 which would be in issue had all outstanding Company Options and Company Awards (if any) been validly exercised.

⁴ Further details of the holdings in Company Securities of the persons acting in concert with the Offeror are set out in paragraph 1.1 of Appendix IV to the Offer Document.

9. PROCEDURES FOR ACCEPTANCE OF OFFER

Shareholders who have validly accepted the Offer prior to the date of this Announcement are not required to take any further action in relation to the Offer.

Shareholders who wish to accept the Offer but have not done so should complete, sign and submit their relevant Acceptance Form(s) and all other relevant documents as soon as possible so as to reach the Offeror no later than 5.30 p.m. (Singapore time) on the Closing Date. Further details on the procedures for the acceptance of the Offer are set out in **Appendix VI** to the Offer Document, the accompanying relevant Acceptance Form(s) and (where applicable, in respect of Shareholders that are depository agents who wish to elect the Share Consideration in respect of Offer Shares held on behalf of its sub-account holder(s)) the Sub-Account Holders Form and the DA Letter.

Depositors who have not received or who have misplaced the FAA may obtain a copy of such FAA, upon production of satisfactory evidence that they are Shareholders, by submitting a request to CDP via telephone (+65 6535 7511) during their operating hours or email services (asksgx@sgx.com). Electronic copies of the FAA may also be obtained on the website of the SGX-ST at <https://www.sgx.com> and on the website of the Company at <https://smg.sg/>.

Shareholders whose Offer Shares are not deposited with CDP and who have not received or who have misplaced the FAT may obtain a copy of such FAT, upon production of satisfactory evidence that they are Shareholders, from TLW Success Pte. Ltd. c/o Tricor Barbinder Share Registration Services at its office located at 80 Robinson Road, #11-02, Singapore 068898. Electronic copies of the FAT may also be obtained on the website of the SGX-ST at <https://www.sgx.com> and on the website of the Company at <https://smg.sg/>.

SRS Investors who wish to accept the Offer but have not done so should contact their respective SRS Agent Banks as to the deadline, which may be earlier than the Closing Date, by which such banks would need to receive instructions in order to tender their acceptances of the Offer.

Shareholders who are in any doubt about the Offer should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

10. PROCEDURES FOR ACCEPTANCE OF OPTIONS PROPOSAL

Optionholders who have validly accepted the Options Proposal prior to the date of this Announcement are not required to take any further action in relation to the Options Proposal.

Optionholders who wish to accept the Options Proposal but have not done so should complete, sign and return the Options Proposal Acceptance Letter as soon as possible so as to reach the Offeror no later than 5.30 p.m. (Singapore time) on the Closing Date. Further details on the procedures for the acceptance and other details of the Options Proposal are set out in the Options Proposal Letter and in the Options Proposal Acceptance Letter enclosed therein.

11. CONFIRMATION OF FINANCIAL RESOURCES

EYCF, as the sole financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the holders of the Offer Shares on the basis of the Revised Final Cash Consideration, excluding the quantum which would otherwise have been required under the Promoter Irrevocable Undertakings and the Relevant Shareholder Irrevocable Undertakings had the Revised Final Cash Consideration been payable for the acceptance of the Offer under the Promoter Irrevocable Undertakings and the Relevant Shareholder Irrevocable Undertakings.

12. DIRECTOR'S RESPONSIBILITY STATEMENT

The directors of the Offeror (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement (other than those relating to the Company) are fair and accurate and that there are no other material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the directors of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

The directors of the Offeror jointly and severally accept responsibility accordingly.

Issued by

ERNST & YOUNG CORPORATE FINANCE PTE LTD

For and on behalf of

TLW SUCCESS PTE. LTD.

2 November 2022

Any inquiries relating to this Announcement or the Offer should be directed during office hours to:

Ernst & Young Corporate Finance Pte Ltd

Tel: (65) 6239 4417

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "shall", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor EYCF undertakes any obligation to update publicly or revise any forward-looking statements.