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## EXTRAORDINARY GENERAL MEETING AND SCHEME MEETING TO BE HELD ON 15 JULY 2025

### RESPONSES TO QUESTIONS RECEIVED FROM THE SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

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The board of directors (the “**Board**” or “**Directors**”) of TalkMed Group Limited (the “**Company**”) would like to thank the Securities Investors Association (Singapore) (“**SIAS**”) for submitting their questions in advance of the Company’s Extraordinary General Meeting and Scheme Meeting which will be convened and held at Hotel Royal, 36 Newton Road, Singapore 307964 on Tuesday, 15 July 2025 at 4 p.m. and 4.30 p.m. (or as soon thereafter following the conclusion or adjournment of the Extraordinary General Meeting) respectively.

Please refer to the Appendix for the Company’s responses to the substantial and relevant questions received from SIAS on 4 July 2025.

#### DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement 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. Subject to the paragraph below, the Directors jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source (including the Offeror), the sole responsibility of the Directors 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 do not accept any responsibility for any information relating to the Offeror or any opinion expressed by the Offeror.

#### By Order of the Board

Ang Peng Tiam  
Chief Executive Officer  
11 July 2025

## **APPENDIX**



## Questions from Securities Investors Association (Singapore)

*All capitalised terms not otherwise defined in the responses herein shall have the meaning given to them in the Composite Document dated 30 June 2025 (the “TalkMed Composite Document”).*

**Q1.** At the extraordinary general meeting (EGM) scheduled for 15 July 2025, shareholders are being asked to approve the proposed “Management Arrangements”. If approved, a scheme meeting will be convened immediately after the EGM for shareholders to vote on the proposed acquisition of the company by TW Troy Limited by way of a scheme of arrangement.

As disclosed in the joint announcement, the scheme consideration is \$0.456 per share in cash. Details of the Management Arrangements and scheme of arrangement are available in the composite document.

**(i) Can the independent directors help shareholders better understand their roles and level of involvement in the negotiations with the offeror?**

**(ii) Specifically, how was the offer price of \$0.456 per share determined?**

The founder doctors collectively own 82.99% of the company and are part of the post-transaction management arrangements.

**(iii) How were the interests of minority and non-conflicted shareholders safeguarded during the process, and how did the board manage any potential conflicts of interest in the negotiation process with the offeror?**

### **Response to Q1:**

- (a) Discussions on the proposed Scheme commenced between the board of directors of the Company (the “**Board**” or the “**Directors**”) and the Offeror, following the receipt of an indication of interest from the Offeror who was considering acquiring a stake in the Company. The negotiation of the terms of the Scheme and the Implementation Agreement was overseen by the Independent Directors together with the support of the management team and the legal advisers to the Company.
- (b) As the Undertaking Shareholders hold an aggregate interest of 82.99 per cent. of all the issued Shares as at the Latest Practicable Date, the Board is also aware that their support for (or against any Scheme or offer) is crucial for the execution of the transaction. Accordingly, the Board also engaged with the Founder Doctors on their views on the transaction.
- (c) However, to address any potential conflicts of interest, whether actual or perceived, all decisions on matters relating to whether to have the Company proceed with the Scheme were ultimately determined solely by the Independent Directors. The Conflicted Directors (being Dr Ang Peng Tiam and his alternate Director, Dr Khoo Kei Siong) abstained from voting on the board resolutions for all matters relating to the Scheme. However, the Conflicted Directors still continue to assume and accept responsibility for the information relating to the Scheme. In addition, Dr Ang Peng Tiam and Dr Khoo Kei Siong will also be abstaining from voting on the Management Arrangements Resolution at the EGM.
- (d) In relation to the Scheme Consideration, the Independent Directors have noted that the Scheme Consideration of S\$0.456 represents a premium of approximately 22.6 per cent., 22.9 per cent., 21.6 per cent. and 16.3 per cent. over the volume weighted average price (the “**VWAP**”) per Share for the one-month, three-month, six-month and 12-month periods respectively, up to and including 5 April 2024 (the “**Last Undisturbed Trading Day**” or “**LUTD**”), being the last full trading day of the Shares prior to the announcement released by the Company on 6 April 2024 in relation to the receipt by the Company of an indication of interest from persons who are considering the acquisition of a stake in the Company.

The Scheme Consideration also represents a premium of 28.5 per cent. over the lowest closing price of the Shares in the three (3)-year period prior to and including the Last Undisturbed Trading Day, and a premium of 3.6 per cent. over the highest closing price of the Shares during this period. Having regard to the foregoing, the Independent Directors were of the view that the Scheme should be considered by the Shareholders.

- (e) Thereafter, taking into consideration also the advice given by the IFA in the IFA Letter as set out in Appendix B to the TalkMed Composite Document, the Independent Directors concurred with the recommendation of the IFA in respect of the Scheme and have recommended that Shareholders vote in favour of the Scheme at the Scheme Meeting.

**Q2.** The Management Arrangements involve irrevocable undertakings, service agreements, and reinvestment arrangements in Tamarind-related vehicles by the founder doctors.

**(i) What safeguards are in place to ensure that the founder doctors' new service or employment agreements will not be materially enhanced after the scheme is completed?**

**Response to Q2(i):** As stated in paragraph 10.2 of the Letter from the Offeror to the Shareholders (Appendix C to the TalkMed Composite Document), the Offeror intends for the existing service agreements and/or employment agreements between each of the Founder Doctors and the TalkMed Group to be renewed (the “**New Service Agreements**”) after the Scheme becomes effective and binding, on substantially the same terms as the existing service agreements and/or employment agreements between the Founder Doctors and the TalkMed Group. In particular, the remuneration of the Founder Doctors will be no more favourable than, and they will be entitled to substantially the same benefits and allowance, under their existing service agreements and/or employment agreements. The New Service Agreements will only be effective after the Scheme becomes effective and binding.

The Company understands that the above is the basis upon which the Offeror has obtained specific rulings from the SIC under Rule 10 of the Code in relation to the Management Arrangements. Pursuant to Rule 10 of the Code, no special arrangements or deals can be entered into for a period of six months after completion of the Scheme.

**(ii) With regard to the reinvestment arrangement, is the company providing shareholders with visibility on the subscription price of the preference and ordinary shares, as well as the valuation of Tamarind? How did the independent directors satisfy themselves that these terms do not amount to a “special deal” under the Singapore Code on Take-overs and Mergers?**

**Response to Q2(ii):** As stated in paragraph 5.4 of the Letter to Shareholders of the TalkMed Composite Document, the SIC has confirmed, *inter alia*, that the Management Arrangements will not constitute prohibited special deals for the purposes of Rule 10 of the Code subject to:

- (a) the Management Arrangements being approved by more than 50 per cent. of the votes cast by the Independent Shareholders (present and voting either in person or by proxy), by way of a poll at a general meeting. The Founder Doctors and Ladyhill must abstain from voting on the Management Arrangements; and
- (b) the IFA publicly stating in its opinion that the Management Arrangements are fair and reasonable to the Shareholders in the context of Rule 10 of the Code.

In relation to (b) above, the IFA has opined in the IFA Letter that the Management Arrangements are fair and reasonable to the Shareholders in the context of Rule 10 of the Code. The IFA took into account certain considerations in arriving at its opinion on the Management Arrangements, which include, among others, the valuation of the Tamarind Group. As stated in paragraph 8.3 of the IFA Letter:

*“We are of the opinion that the terms of the Reinvestment Agreement are fair and reasonable to the Independent Shareholders in the context of Rule 10 of the Code based on the following reasons:*

- a) Based on the Valuation Summary Letter of the Tamarind Group prepared by Navi Corporate Advisory Pte Ltd (Company Registration No. 202224784E) (“Navi”), Templewater and 65EP (an independent party from the Offeror or the Founder Doctors), have agreed to subscribe and receive new preference shares and ordinary shares in the capital of Tamarind at an issue price of not more than the issue price offered to the Founder Doctors under the Reinvestment Agreement;*
- b) The Scheme Consideration falls above the implied per Share range of S\$0.323 to S\$0.343, based on the fully vested shareholdings of Founder Doctors in Tamarind and TW Vesting Vehicle under the Reinvestment Agreement, and the range of the Market Value of Tamarind Group, appraised by Navi, which is between S\$1,413.3 million to S\$1,495.4 million;*
- c) Each of the Undertaking Shareholders will only be receiving approximately 32.8% of the proceeds in cash based on the Scheme Consideration, with the remaining consideration being reinvested in Tamarind and TW Vesting Vehicle, which is a show of their commitment to the Group post-Scheme; and*
- d) Unlike the present situation where the Shares are listed and traded on the SGX-ST, the Offeror is a privately held company and there is no public platform to trade the Tamarind Shares and TW Vesting Vehicle Ordinary B Shares. By reinvesting in the Tamarind Shares and TW Vesting Vehicle, each of the Founder Doctors will have to bear the risks associated with the business and financial performance of the Offeror and its subsidiaries going forward and will have to accept the restricted rights of a minority shareholder in a privately held company.”*

Shareholders should read the above extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in Appendix B to the TalkMed Composite Document. As stated in the Composite Document, the Independent Valuer Summary Valuation Letter is also available for inspection by Shareholders at the registered office of the Company up to the Effective Date.

**Q3.** In the report by the independent financial adviser (IFA), the set of comparable companies includes IHH Healthcare Berhad and Livingstone Health Holdings Limited. IHH has an enterprise value over 40 times larger than the company's and net assets more than 100 times greater. On the other end, the smallest “comparable” has only 2% of the company's enterprise value and about one fourteenth of its net assets.

More fundamentally, it is arguable that the client base, geographical focus, service offering, track record and profitability of the selected comparables diverge significantly from TalkMed's, raising questions over the appropriateness of the benchmarking.

**(i) What input or feedback did the independent directors provide to the IFA regarding the selection of comparable companies?**

**Response to Q3(i):** The Independent Directors carefully considered the rationale behind the IFA's selection of the Comparable Companies and were satisfied with the IFA's selection after taking into account the following:

- (a) The Company operates in a niche segment, providing specialist oncology services primarily in Singapore. As such, there are no directly comparable listed peers.
- (b) The selected Comparable Companies include (i) hospital operators with oncology departments and (ii) clinics offering specialised healthcare services. These companies share

similar characteristics in terms of engaging in specialised healthcare businesses and their presence in geographies where the Company operates.

- (c) Given the absence of exact comparables, a mix of both larger and smaller healthcare companies were included in the Comparable Companies. This balanced approach reflects a reasonable spectrum of valuation multiples.

In paragraph 6.8 of the IFA letter, the offer price of \$0.456 per share was shown to be below both the mean and median takeover premia observed in past SGX privatisations when measured against volume-weighted average prices over various periods.

*Exhibit 18: Comparison of the Privatisation Transactions with that of the premium/(discount) implied by the Scheme Consideration*

Company	Type	Announcement date	Price (\$)	Premium/(Discount) of price offered over to				
				Last closing price	1-month VWAP	3-month VWAP	6-month VWAP	12-month VWAP
Minimum				2.4%	4.7%	5.0%	(14.5%)	(13.2%)
Median				25.0%	30.9%	28.8%	30.6%	30.7%
Mean				36.8%	40.5%	40.3%	39.5%	39.4%
Maximum				169.5%	173.4%	171.1%	168.9%	152.4%
Company (implied by the Scheme Consideration) - up to and including the LUTD				20.0%	22.6%	22.9%	21.6%	16.3%
Company (implied by the Scheme Consideration) - up to and including the LTD				4.8%	2.0%	1.1%	5.1%	9.6%

(Source: Abridged version of Exhibit 18; emphasis added)

**(ii) How do the independent directors justify recommending the offer to shareholders when the premium offered appears lower than what has been accepted in comparable privatisation deals, particularly when the founder doctors are reinvesting in the company with the offeror?**

#### **Response to Q3(ii):**

The Independent Directors have considered the financial evaluation undertaken by the IFA and noted that while the premia of the Scheme Consideration over the last closing price as of the LUTD, 1-month, 3-month, 6-month and 12-month VWAP of the Shares up to and including the LUTD are lower than the mean and median premia observed in the Privatisation Transactions, they remain within the overall range of such premia. More consideration was given to LUTD as a reference point given the significant share price increase since that date.

The Independent Directors recognise that the premium in Privatisation Transactions can vary widely depending on multiple factors, including but not limited to the nature of the company's business, the strategic value to the offeror, the existence of competing offers and market conditions at the time of the transaction.

Accordingly, while comparison with the premium in Privatisation Transactions is one relevant consideration, it should not be viewed in isolation. In forming their recommendation, the Independent Directors also considered the below factors:

- (a) Scheme Consideration represents a premium over various historical traded price references, including as of the LUTD, as of the LTD, as of the LPD, as well as the median daily closing and lowest daily closing price for the 3-year period prior to the LTD, and up to and including the LPD.

- (b) Scheme Consideration represents a premium over the last closing price as of the LUTD, 1-month, 3-month, 6-month and 12-month VWAP of the Shares up to and including the LUTD.
- (c) The implied multiples (EV/EBITDA, P/E and P/NAV) based on the Scheme Consideration all exceed the mean and median multiples observed for Comparable Companies and Precedent Transactions.

The Scheme hence provides an opportunity for Shareholders to realise their investment at a premium over historical traded prices, historical VWAP and valuation benchmarks.

With regard to the reinvestment by the Founder Doctors, the Independent Directors note that while the Founder Doctors are reinvesting alongside the Offeror, the IFA has determined that the Management Arrangements are fair and reasonable to the Independent Shareholders in the context of Rule 10 of the Code, and the Founder Doctors are subject to the continued investment risks in their reinvestment in an unlisted stock with no assurance of liquidity or upside.

**(iii) Can the independent directors walk shareholders through the process it undertook to independently evaluate the IFA's conclusions, including any external benchmarks, scenario analyses, or dissenting views that were considered?**

**Response to Q3(iii):** The Independent Directors undertook their own review of the IFA's analysis and conclusions. As part of this process, they held discussions with the IFA to understand key methodologies used (including, among other things, key assumptions and analysis, as well as relevant documents used to arrive at the opinion).

The decision to recommend the Scheme was made after due deliberation and based on the collective assessment of all relevant factors.

