

For Immediate Release

TLW Success revises the Offer Consideration by raising the Cash Consideration for each Offer Share in Singapore Medical Group Limited to S\$0.40 as the final offer

*All capitalised terms used and not defined in this press release (this “**Press Release**”) shall have the same meanings given to them in the announcement of the revision of Offer Consideration dated 2 November 2022 or the Offer Document dated 4 October 2022, unless otherwise expressly stated or the context otherwise requires.*

- **The Offeror extends its gratitude to the Shareholders in appreciation for their support and raises the Cash Consideration for each Offer Share**
- **Revised Final Cash Consideration of S\$0.40 per Offer Share** represents an increase of approximately 8.1% or S\$0.03 over the initial Cash Consideration of S\$0.37 per Offer Share, and represents an attractive premium ranging between approximately 25.4% to 28.6% over the VWAP per Share over the past 12 months and premia of approximately 16.8% and 357.1% over the net asset value and net tangible asset value per Share respectively, as of 31 December 2021
- 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, low trading liquidity, without incurring brokerage and other trading costs
- As of 2 November 2022, the Offeror has received valid acceptances representing approximately 77.42% of the total number of issued Shares and approximately 76.23% of the maximum potential number of issued Shares
- The Offer remains, at present, the only offer available for acceptance by Shareholders to realise their entire investment in the Company
- Shareholders who have earlier accepted the Cash Consideration are entitled to the Revised Final Cash Consideration, subject to the Offer becoming or being declared to be unconditional. Accordingly, no further action in respect of the Offer is required to be taken by Shareholders who have already accepted the Offer

Singapore, 2 November 2022 – Ernst & Young Corporate Finance Pte Ltd (“**EYCF**”), for and on behalf of TLW Success Pte. Ltd. (the “**Offeror**” or “**TLW Success**”) has today announced that the Offeror has revised the Offer Consideration for each Share in the capital of Singapore Medical Group Limited (“**SMG**” or the “**Company**”), other than any Shares held in treasury and those Shares held, directly or indirectly, by the Offeror (the “**Offer Shares**”, and each, an “**Offer Share**”).

The revised Offer Consideration for each Offer Share shall, at the option of each accepting Shareholder, be:

- (a) S\$0.40 in cash for each Offer Share (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**”).

The Offeror does not intend to revise the Revised Final Offer Consideration, save that the Offeror reserves the right to do in a competitive situation. As of 2 November 2022, the Offeror has received valid acceptances representing approximately 77.42% of the total number of issued Shares and approximately 76.23% of the maximum potential number of issued Shares, and remains the only offer made to Shareholders.

The Offer remains conditional upon the Offeror having received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and persons acting in concert with it, will result in the Offeror and persons acting in concert with it holding not less than 90% of total Shares (excluding any Shares held in treasury) as at the close of the Offer. 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.

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.

The Revised Final Cash Consideration presents Shareholders with an opportunity to realise their entire investment in cash at a premium of approximately 27.8%, 28.6%, 25.4% and 27.4% over the VWAP per Share for the one (1)-month, three (3)-month, six (6)-month and 12-month periods respectively, up to and including the Last Trading Day.

As set out in the table below, based on the Revised Final Cash Consideration and the net assets of the Company and its subsidiaries as of 31 December 2021, the implied price-to-NAV (as defined below) per Share ratio is 1.2 times, while the implied price-to-NTA (as defined below) per Share ratio is 4.6 times:

Audited Net Asset Value (“NAV”) (S\$m)	166.5
Revised Final Cash Consideration-to-NAV per Share (times)	1.2x
Audited Net Tangible Assets (“NTA”) (S\$m)	42.6
Revised Final Cash Consideration-to-NTA per Share (times)	4.6x

Source: Company 2021 Annual Report

Note: Numeric figures are rounded to the nearest one (1) decimal place.

Rationale for the Revision of the Offer 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 SMG.

Dr Beng Teck Liang, CEO and Executive Director of SMG said, *“The Offeror would like to thank each Shareholder for their continued support in the Company and their participation in this Offer. The persistence of an uncertain global and economic environment coupled with the backdrop of a challenging business landscape within the healthcare industry continues to underscore the critical need to privatise SMG to provide the Company with greater management flexibility to deal with significant macroeconomic and operational headwinds and ensure the long-term competitiveness of the Company.”*

*Following the release of the offeree circular on 18 October 2022 and the announcement of the level of acceptances of the Offer on 1 November 2022, the Offeror has decided to raise the Offer Consideration in appreciation to the Shareholders for their continued support. Notwithstanding that, in view of the prevailing market conditions and business environment to date, the Offeror has also decided taking into account, amongst others, rising interest rates, operating expenses and the additional debt assumed following the completion of the Offer that the revised Offer Consideration is **final**. This decision is made to ensure that the operations of the Company will not be unduly constrained and can continue to be managed prudently after this privatisation is successfully achieved.*

The Offeror believes that the Revised Final Cash Consideration provides an attractive and compelling premium to Shareholders who wish to exit from their investment in cash. Nevertheless, Shareholders who continue to believe in the management team and business model of the Company retain the ability to accept the Share Consideration to ensure their participation in SMG as a shareholder.”

Financial Adviser

Ernst & Young Corporate Finance Pte Ltd (“EYCF”) is the financial adviser to the Offeror in connection with the Offer. Any inquiries relating to this Press Release or the Offer should be directed during office hours to:

– The End –

About the Offeror

The Offeror is an investment holding vehicle equally-owned by Singapore Medical Group's Non-Executive Chairman, Mr Tony Tan Choon Keat, Executive Director and Chief Executive Officer, Dr Beng Teck Liang and Executive Director, Dr Wong Seng Weng. Mr Tan and Dr Beng were appointed to the Board of Directors of SMG in December 2013 and were instrumental in turning around the then loss-making company, identifying value-driven earnings accretive acquisitions to complement organic growth initiatives and entering new markets such as Indonesia and Vietnam. Under Mr Tan's and Dr Beng's leadership, the Group's revenue has increased from S\$22.9 million for the financial year ended 31 December 2013 ("FY2013") to S\$100.8 million for the financial year ended 31 December 2021 ("FY2021"), representing a cumulative average growth rate of 20.4% over the period. Profitability also grew from a S\$6.4 million loss for FY2013 to a record S\$15.6 million for FY2021. Executive Director, Dr Wong Seng Weng, is currently the Medical Director and Consultant Medical Oncologist of The Cancer Centre at the Paragon and Mount Elizabeth Novena Specialists' Centres and has been a Board Member of SMG since August 2015.

About Singapore Medical Group Limited ("SMG")

The Company was incorporated in Singapore on 10 March 2005 and was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited on 23 July 2009. The principal activities of the Company lie in the provision of multi-disciplinary specialist healthcare services across the fields of ophthalmology, aesthetic medicine, sports medicine and oncology.

Responsibility Statement

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

The Directors jointly and severally accept responsibility accordingly.

Forward-Looking Statements

All statements other than statements of historical facts included in this Press Release 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.