



INCORPORATION OF NEW SUBSIDIARY

The Board of Directors (the “**Board**” or “**Directors**”) of TalkMed Group Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) wishes to announce that the Company had, on 8 August 2018, entered into a shareholders’ agreement (the “**Shareholders’ Agreement**”) with StemCord Pte Ltd (“**StemCord**”) and Dr Lim Zi-Yi to incorporate CellVec Pte. Ltd. (“**CellVec**”) on 8 August 2018 with a paid-up capital of S\$1,000.

The total commitment by the Company in CellVec represents 57 per cent of the paid-up capital of CellVec (S\$570) (“**Investment**”). The remaining 43 per cent of the paid-up capital of CellVec (S\$430) is contributed by StemCord and Dr. Lim Zi-Yi with shareholdings of 38 per cent (S\$380) and 5 per cent (S\$50) respectively.

The principal activity of CellVec is to provide cellular and gene therapy services. Subsequent to the incorporation of CellVec, the cellular and gene therapy division (including all the related assets) of Stem Med Pte. Ltd. (“**Stem Med**”), a subsidiary of the Group, will be transferred to CellVec on 1 September 2018 for a consideration equivalent to the net book value of the assets to be transferred of approximately S\$1.6 million. Following this transfer, Stem Med will continue to focus on the provision of services that are related to the processing, cryopreservation and storage of stem cells as well as regenerative medicine.

As the Company’s shareholding percentage in CellVec is the same as that of Stem Med, the transfer will have no impact on the net tangible assets of the Group.

The Company’s share of the Investment is funded through internal resources and is not expected to have any material impact on the net tangible assets and earnings per share of the Group for the current financial year ending 31 December 2018.

Save for Dr Ang Peng Tiam, an Executive Director, Chief Executive Officer and a controlling shareholder of the Company and Dr Teo Cheng Peng, a substantial shareholder of the Company, who are also directors and substantial shareholders of StemCord, holding 17.35% and 35.66% interests respectively in StemCord, none of the other Directors, controlling shareholders or other substantial shareholders of the Company has any interest, direct or indirect, in the above incorporation of the subsidiary company.

By Order of the Board

Ang Peng Tiam
Chief Executive Officer
10 August 2018

*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.*

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