Securities Investors Association (Singapore)
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www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

**Issuer:** TalkMed Group Limited

**Stock code:** 5G3

**Meeting details:**
Date: 20 April 2023
Time: 6.00 p.m.
Venue: Hotel Royal, 36 Newton Road, Singapore 307964

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**Q1**. Revenue for the group increased to $76.6 million, an increase of 26.2%, with the group's flagship oncology services contributing 95.8% of total revenue. The group also recognised significant improvement in the cellular and gene therapy segment, with revenue being generated by CellVec increasing to $3.2 million compared to $0.2 million in 2021.

The stem cell segment was discontinued with the disposal of Stem Med Pte. Ltd.

In the chairman's message, he noted medical tourism being a key recovery driver for the group as connectivity between Singapore and the region is progressively restored to pre-COVID levels.

(i) **Have the group's operations in Singapore returned to pre-COVID-19 levels, or have they exceeded them?**

(ii) **Can management provide additional information regarding the recovery of foreign patients in Singapore operations for 2022? What is the percentage of visits or revenue contributed by foreign patients in 2022 compared to 2019?**

(iii) **Has the group started or restarted the marketing initiatives or partnerships to attract foreign patients to the group's clinics?**

(iv) **Can the company help shareholders better understand the challenges faced by the group in Chongqing and Beijing? How big are the local teams? Can management elaborate further on the market entry strategy and how does it intend to improve the patient volume of TalkMed Shanshui Medical Centre ("TSMC") and Sino-Singapore Cancer Centre ("SSCC")?**

**Q2.** CellVec Pte. Ltd. (CellVec), a 60% subsidiary of the company, recorded revenue of $3.2 million in FY2022. CellVec is primarily engaged in the provision of cellular and gene therapy related products and services, with a focus on the development of novel platform viral vector technologies that strive to advance genetic modification of cellular therapy.

As disclosed in Note 14 (Investment in subsidiaries), during the year ended 31 December 2022, due to the continued losses incurred by the cellular and gene therapy segment, the Ccompany recognised additional impairment loss of $1.8 million (2021: $2.4 million) in respect of the carrying amount of the company's investment in CellVec and the cumulative impairment loss as at 31 December 2022 amounted to $8.9 million (2021: $7.1 million).

(i) **What is the revenue breakdown of CellVec? Who are the major customers?**

(ii) **What are the key objectives for CellVec in 2023? How is the management team concentrating their efforts to achieve profitability?**

(iii) **Given that CellVec is in a net liabilities position of $(6.4) million, does CellVec require additional capital?**

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(iv) **What is the strategic value of CellVec to the group? Has the board established a cap on the funds allocated to support CellVec's growth and development?**

**Q3.** As disclosed in the corporate governance report, the internal audit function of the group is outsourced to HLS Risks Advisory Services Pte. Ltd. ("HLS").

(i) **What were the scope, key findings and recommendations by the internal auditor for FY2022?**

(ii) **Can the audit and risk committee (ARC) confirm that all foreign operating subsidiaries in China, Hong Kong, and Vietnam were included in the internal audit? How was the internal audit conducted for these foreign subsidiaries, particularly for the Chinese entities, given the travel restrictions in place?**

(iii) **What is the level of oversight by the ARC on the actions taken by management to follow up on the recommendations?**

***Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.***

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