

**MEMORANDUM OF UNDERSTANDING - PROPOSED JOINT VENTURE**

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The Board of Directors (the “**Board**”) of Singapore Medical Group Limited (the “**Company**” together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 7 October 2015 entered into a non-binding memorandum of understanding (“**MOU**”) with Cardioscan Pty Ltd (“**Cardioscan**”) in relation to a proposed joint venture (the “**Joint Venture**”).

Cardioscan is a company incorporated in Australia in 1984 and is principally engaged in the provision of cardiac monitoring and reporting services in Australia. Cardioscan specialises in ambulatory cardiac monitoring, ambulatory blood pressure monitoring, ECG interpretation, and cardiac event monitoring. Cardioscan reports on almost 500,000 individual tests per annum and is currently the largest private cardiac monitoring company in Australia and its customers include leading pathology groups and hospitals in Australia. Cardioscan recently launched services in Hong Kong.

Pursuant to the MOU, the Company and Cardioscan have agreed to explore the formation of a joint venture entity (the “**Joint Venture Entity**”) in Singapore which will engage in the provision of cardiac monitoring and reporting services in Singapore, Malaysia and Indonesia. The Company and Cardioscan will each hold 50% equity interest in the Joint Venture Entity.

The entry into the MOU is not expected to have material effects on the net tangible assets per share and earnings per share of the Group for the financial year ending 31 December 2015.

The MOU is valid for 90 days and is subject to the completion of the following matters:

- 1) Registration of hotler equipment in Singapore;
- 2) Formalisation of business plan; and
- 3) Entry into a definitive shareholders’ agreement by the Company and Cardioscan (collectively, the “**MOU Matters**”).

Shareholders and potential investors of the Company are advised to exercise caution in dealing with the securities of the Company as there is no certainty or assurance that as at the date of this announcement the MOU Matters will be completed or the Joint Venture will be undertaken.

None of the directors or substantial shareholders has or will have any interest, directly or indirectly, in the Joint Venture (other than through their shareholdings in the Company).

The Company will make further announcements on the SGXNet to keep shareholders informed and updated upon execution of the definitive shareholders’ agreement and/or when there are material developments in respect of the Joint Venture.

**By Order of the Board**

Dr Beng Teck Liang  
Executive Director and Chief Executive Officer  
7 October 2015

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor (the "**Sponsor**"), CIMB Bank Berhad, Singapore Branch, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**Exchange**"). The Sponsor has not independently verified the contents of this announcement, including the correctness of any of the figures used, statements or opinions made.*

*This announcement has not been examined or approved by the Exchange and the Exchange 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.*

*The contact person for the Sponsor is Mr. Eric Wong, Director, Investment Banking, Singapore. The contact particulars are 50 Raffles Place #09-01 Singapore Land Tower Singapore 048623, Telephone: +65 6337 5115.*