

Singapore Medical Group acquires 85% of SW1 Clinic for up to S\$6.5 million

- Independently set up and founded by the renowned team previously behind The Sloane Clinic, SW1 is one of the largest aesthetic, plastic surgery and medical spa clinics in Singapore with five medical aesthetics practitioners and one plastic surgeon at its 7,000 square feet center in Paragon
- Total consideration of up to S\$6.5 million, funded via the issuance of new shares at S\$0.578/share and the payment of S\$3 million in three tranches
- Establishes the Group's new aesthetics practice which is highly complementary to its women's health segment, presents enormous cross-selling opportunities within SMG's network
- Advanced plans in place to scale this industry leading aesthetics practice out into the region in markets such as Vietnam, Malaysia and Indonesia

Singapore, 1 March 2018 – SGX-listed Singapore Medical Group (“SMG” or “the Group”), a multi-disciplinary specialist healthcare services provider has announced the signing of an agreement to acquire an 85.0% stake in Pheniks Pte. Ltd. (“Pheniks”) which operates the SW1 Clinic (“SW1”) for up to S\$6.5 million.

Backed by a history of astute, value-driven acquisitions, the Group's latest acquisition marks a quantum expansion into medical aesthetics, a highly complementary specialist vertical that will provide synergies and cross-selling opportunities to the Group's burgeoning women's health segment, where it is currently one of the largest in the private sector.

Strategically located in Paragon Medical Centre, SW1 is one of the largest aesthetic, plastic surgery and medical spa clinics in Singapore with five medical aesthetics practitioners and one plastic surgeon at its 7,000 square feet aesthetics center. The clinic offers a wide range of services and treatments spanning non-invasive dermatology to cutting edge plastic surgery.



SW1 commenced operations in December 2017 and has seen growing demand for its services. The consideration amount will be funded via the issuance of approximately 6,055,364 new shares at S\$0.578 per share and the payment of up to S\$3 million in cash over three years.

Commenting on the Group's latest development, Executive Director and CEO Dr Beng Teck Liang said, *"As one of the largest private sector players in women's health, this acquisition to grow our aesthetics practice is a natural evolution for the Group. Highly synergistic and complementary to our women's health segment, we expect to reap enormous cross-selling opportunities with SW1 as we follow our patients' lifelong journey in health and wellness.*

Having known SW1's founders Dr Low Chai Ling and Dr Kenneth Lee personally for many decades, I have grown to admire the tremendous work they have done in the field of aesthetic medicine. Dr Low and Dr Lee have forged a longstanding reputation for excellence and are trailblazers in both aesthetic medicine and cosmetic surgery. It will be a privilege for us to work with them as we see a huge opportunity to grow their platform. As a Pan-Asian private healthcare specialist, we will empower SW1 with an established network to grow not just in Singapore but in the region. Our immediate next steps would be to scale the business starting with neighbouring countries such as Vietnam and Indonesia where we already have a footprint. We also have plans to penetrate into new geographies such as Malaysia which will serve as another gateway for regional expansion.

This value-driven deal will accelerate our growth trajectory and profitability, while bringing further value-add to our patients by widening our scope of specialist healthcare offerings."

Dr Kenneth Lee, cofounder of SW1 said, *"We are delighted to be partnering with SMG as we seek to realize our vision of creating an empowering space for wellness and beauty that is not constrained by boundaries. More importantly, we are glad to be finally working with a tried and tested organisation such as SMG who can provide us with the impetus to grow and scale as there is great potential in the region. Already, we see patients from neighbouring countries such as Indonesia and Malaysia at our clinic. The synergies that we will be able to reap in terms of broadening our outreach while tapping on SMG's network are immense. As a one-stop aesthetic destination, we are not limiting our growth to Singapore alone. In time to come, we hope to see the SW1 flag flying high across the region."*

– The End –

About Singapore Medical Group Limited

Incorporated in 2005 and listed on the Singapore Exchange Securities Trading Limited (SGX) since 2009, Singapore Medical Group (SMG) is a private specialist healthcare provider with an extensive network of 25 specialities, 36 clinics and SMG Associates clinics. The Group is committed to its promise of providing patient centred medical care and experience to every individual.

SMG's practices are strategically and conveniently located at Paragon Medical Centre, Mount Elizabeth Medical Center, Mount Elizabeth Novena Specialist Centre, Novena Medical Center, OUE Downtown Gallery, Gleneagles Medical Centre, Farrer Park Medical Centre @ Connexion, Mount Alvernia Hospital and other locations at Bishan, Hougang, Jurong, Toa Payoh, and Tiong Bahru.

SMG Clinics: The Lasik Surgery Clinic, The Dental Studio, Lifescan Medical Centre, Lifescan Imaging, SMG Vision Centre, The Cancer Centre, The Obstetrics & Gynaecology Centre, SMG Specialist Centre, SMG Orthopaedic Group, SMG Urology Centre with Beng Surgery, Wellness & Gynaecology Centre by Dr Julinda Lee, and the Astra Women's Specialists Group and Kids Clinic.

SMG Specialties: Aesthetic Medicine, Age Management, Anaesthesiology, Cardiology, Cardiothoracic Surgery, Dentistry, Dermatology, Endocrinology, General Medicine & Health Screening, Gastroenterology, General Surgery Infectious Diseases, Medical Oncology, Neurosurgery, Obstetrics & Gynaecology, Ophthalmology, Orthopaedic and Sports Surgery, Otorhinolaryngology (ENT), Paediatric Medicine, Pain Management, Plastic and Reconstruction Surgery, Psychology, Radiology, Traditional Chinese Medicine (TCM), and Urology.

About SW1 Clinic

SW1 Clinic is a one-stop aesthetic destination offering a variety of non-invasive cosmetic dermatology as well as cutting edge plastic surgery. Backed by a team of five medical aesthetics practitioners and one plastic surgeon, the clinic creates the most pleasing aesthetic outcomes for its patients using a wide range of services and treatments.

At the forefront of new technologies; SW1 offers one of the widest range of FDA approved lasers, ultrasound and radiofrequency aesthetic technology in Singapore. The clinic's medical aesthetics practitioners are pioneers in the use of Fraxel, Ultherapy, Thermage and Silhouette Soft threadlifts in Singapore. Its plastic surgery team specialise not only in cosmetic surgery but reconstructive surgery such as ear reconstruction and cleft lip repair. By using advanced cosmetic dermatology and plastic surgery techniques, delivered using the latest FDA approved lasers and aesthetic innovation, SW1 empowers its patients to bring out the best of their beauty potential, freeing them from the boundaries set by age and society.

For more information, please visit <https://www.sw1clinic.com/>

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