

USE OF PROCEEDS FROM THE RIGHTS ISSUE

All capital terms used and not defined herein shall have the same meanings given to them in the Offer Information Statement (the “OIS”) dated 9 December 2014, unless otherwise expressly stated or the context otherwise requires.

Further to the announcements made on 2 February 2015, 29 May 2015, 31 August 2015, 20 November 2015 and 15 March 2016, the Board of Directors (the “**Board**”) of Singapore Medical Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to provide an update on the use of the net proceeds from the Rights Issue as follows:

	<u>Actual¹</u>	<u>Intended¹</u>
	S\$ million	S\$ million
Net Proceeds	3.6	3.6
Less:		
(i) Strengthen the Company's working capital & capital base	(0.3)	(0.8)
(ii) Growing existing medical specialist business	(1.3)	(2.0)
(iii) Potential growth and acquisition	(0.8)	(0.8)
Balance as at 1 April 2016	<u>1.2</u>	

The above additional use of proceeds for potential growth and acquisition of approximately S\$0.4 million is in relation to the acquisition of a subsidiary, Novena Radiology Pte Ltd (“**NRPL**”), as announced by the Company via SGXNET on 23 March 2016 and 1 April 2016 respectively.

The above use of the net proceeds is in accordance with the intended use as stated in the change of use and re-allocation of the proceeds from the Rights Issue as stated in the announcement dated 15 March 2016.

The Company will continue to make periodic announcements via SGXNET upon utilisation of the remaining Rights Issue Proceeds as and when the funds are materially disbursed.

By Order of the Board

Dr Beng Teck Liang
Executive Director and Chief Executive Officer

1 April 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the “Sponsor”), for compliance with the relevant rules of the SGX-ST, this being the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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.

¹ The actual and intended use of proceeds from the Rights Issue are in accordance to the re-allocation and change in use as announced on 15 March 2016