



HMI's renounceable non-underwritten rights issue draws healthy demand with 145.7% subscription rate

- S\$18.5 million raised to partially fund HMI's S\$183.2 million consolidation exercise to increase its ownership in Mahkota Medical Centre and Regency Specialist Hospital to 100% each

SINGAPORE – 15 March 2017 – Health Management International Ltd (“HMI” or the “Group”), a growing regional private healthcare provider, today announced that its renounceable non-underwritten 11-for-200 rights issue (the “**Rights Issue**”) received strong interest from investors with an approximately 145.7% subscription rate, raising gross proceeds of approximately S\$18.5 million.

The Rights Issue was launched on 23 February 2017, following shareholder approval obtained at an extraordinary general meeting on 10 February 2017. A total of 32,376,432 rights shares were offered at S\$0.57 per share, on the basis of 11 rights shares for every 200 existing shares held. When the offer closed on 9 March 2017, the Rights Issue received applications for a total of 47,179,656 rights shares, representing approximately 1.5 times of the number of rights shares offered.

On 11 November 2016, HMI announced that it had agreed to increase its ownership in its two hospitals in Malaysia, 48.9%-owned Mahkota Medical Centre (“**MMC**”) and 60.8%-owned Regency Specialist Hospital (“**RSH**”), to 100% each, for an agreed aggregate purchase price of RM556.5 million (equivalent to S\$183.2 million) (“**Consolidation**”). The net proceeds from the Rights Issue will help the Group partially pay the cash purchase price for the Consolidation.

The remainder of the purchase price for the Consolidation will be funded by a combination of cash derived primarily from a senior secured five-year term loan facility and 199.8 million new shares to be issued to non-controlling shareholders of MMC and RSH, at the issue price of S\$0.57 each.

Commenting on the successful Rights Issue, HMI Group Chief Executive Officer, Ms Chin Wei Jia, said, “*We are pleased with the encouraging results of the Rights Issue exercise and would like to thank our valued shareholders for their support and confidence in our Group. We remain committed to creating an enlarged listed healthcare platform with the ultimate objective of becoming a leading regional healthcare service provider.*”

As Malaysia evolves to become a recognised medical tourism destination with its advanced healthcare infrastructure and quality medical services provided at a very competitive cost in the region, our Group is well-poised to capture the opportunities that lie ahead with our presence in Malaysia. This Consolidation will enhance operational and financial flexibility to grow the Group’s business in the region. Our valued shareholders are also expected to benefit from an immediate accretion to earnings per share and net profit attributable to shareholders.”

The 32,376,432 rights shares are expected to be listed and quoted on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) with effect from 9.00 a.m. on or about 17 March 2017.

Oversea-Chinese Banking Corporation Limited is the sole manager for the Rights Issue. Credit Suisse (Singapore) Limited is the sole financial advisor to HMI for the Consolidation.

About Health Management International Ltd

Health Management International Ltd (“**HMI**” or the “**Group**”) is a growing regional private healthcare provider with presence in Singapore, Malaysia and Indonesia. The Group owns two tertiary hospitals in Malaysia, a healthcare training centre in Singapore and a network of representative offices in Indonesia, Malaysia and Singapore.

Established in 1994, Mahkota Medical Centre (“**Mahkota**”) is HMI’s flagship hospital located in the heart of Malacca, a UNESCO World Heritage Site and a popular destination for medical care and leisure. The 288-bed hospital is the largest private tertiary hospital in South Malaysia, offering a comprehensive suite of healthcare services, and is the first and only hospital in Malacca to offer nuclear medicine services. It is also a leader in Malaysia medical tourism, serving over 80,000 international patients per year and named the “Malaysia Medical Tourism Hospital of the Year” by Frost & Sullivan in 2015 and 2016.

The Group’s second hospital, Regency Specialist Hospital (“**Regency**”), operational since 2009, is one of the fastest growing private tertiary hospitals in Malaysia. Strategically located within the fast-developing and vibrant Iskandar Malaysia, the special economic zone in the state of Johor, the 218-bed Regency is easily accessible via land, sea or air from Singapore, Indonesia and the region. It is the only private hospital in Malaysia with a 24-hour Emergency & Trauma Centre, providing round-the-clock specialist attention and medical care to both local and international patients.

HMI’s healthcare training centre, the HMI Institute of Health Sciences, is a SkillsFuture Singapore accredited Continuing Education and Training Centre for the healthcare support sector. It has trained over 110,000 individuals in healthcare and life-saving skills.

For more information, please refer to our website at www.hmi.com.sg.

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Disclaimer

This press release should be read in conjunction with the full text of the announcements dated 11 November 2016, 23 January 2017, 26 January 2017, 10 February 2017, 21 February 2017 and 15 March 2017, the circular to the shareholders of the company dated 26 January 2017 and the offer information statement dated 21 February 2017 in relation to the Rights Issue. Shareholders of HMI are advised to read all the documents relating to the Rights Issue that are filed with the SGX-ST because they contain important information. Copies of the documents may be obtained from the SGX-ST website (www.sgx.com).

Each of the directors of HMI (including any who may have delegated detailed supervision of this press release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this press release are fair and accurate and that no material facts have been omitted from this press release, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or publicly available sources, the sole responsibility of the directors of HMI has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this press release.

Forward-looking Statements

All statements other than statements of historical facts included in this press release are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “aim”, “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” or “might”.

These statements reflect HMI’s current expectations, beliefs, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements. Neither HMI, Credit Suisse (Singapore) Limited nor Oversea-Chinese Banking Corporation Limited guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.

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