

SINGAPORE MEDICAL GROUP LIMITED
(Company Registration No.: 200503187W)

CHANGE 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 18 June 2018, unless otherwise expressly stated or the context otherwise requires.

Further to the announcements made on 23 October 2018, 1 November 2018, 5 November 2018 and 10 December 2018, the Board of Directors (the "**Board**") of Singapore Medical Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") would like to announce that there is a change in the use of proceeds from the Rights Issue.

After considering the Group's current financial position, the Board had re-allocated S\$0.8 million of the unutilised proceeds from the Rights Issue, which was originally allocated for growing existing business, to be utilised for merger and acquisitions (the "**Re-allocation**").

Consequent to the Re-allocation, the use of the net proceeds raised from the Rights Issue is as follows:

	Amount Allocated	Amount Re-allocated	Revised Amount Allocated
	S\$ million	S\$ million	S\$ million
(i) Merger and acquisitions	4.6	0.8	5.4
(ii) Growing existing business	2.0	(0.8)	1.2
Total	6.6	-	6.6

After the Re-allocation, the Company has utilised S\$4.0 million of the proceeds for merger and acquisitions for payment of a portion of the final tranche cash consideration relating to the acquisition of Obstetrics and Gynaecology Clinics as announced on 11 October 2016, 6 December 2016, 24 January 2017 and 8 February 2017. The Company has also utilised S\$0.4 million of the proceeds for growing existing business for the purchase of medical equipment and renovation. Accordingly, the Board would like to provide an update on the use of the net proceeds from the Rights Issue as follows:

<u>Use of Net Proceeds</u>	Allocation of Net Proceeds	Net Proceeds utilised as at 10 December 2018	Net Proceeds utilised from 11 December 2018 to 8 February 2019	Balance of Net Proceeds as at 8 February 2019
	S\$ million	S\$ million	S\$ million	S\$ million
(i) Merger and acquisitions	5.4	(1.4)	(4.0)	-
(ii) Growing existing business	1.2	(0.8)	(0.4)	-
	6.6	(2.2)	(4.4)	-

The above use of proceeds is in accordance with the Re-allocation as well as intended use as stated in the OIS dated 18 June 2018 in relation to the Rights Issue.

By Order of the Board

Dr Beng Teck Liang
Executive Director and Chief Executive Officer

8 February 2019

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 Catalyst. 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.

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