

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

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**UPDATE – STRATEGIC AND OPERATIONAL REVIEW OF GROUP’S BUSINESSES POST COMPLETION OF OFFER**

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*Unless otherwise defined herein, capitalised terms used in this announcement shall have the meanings ascribed to them in the announcements released by the Company on 24 December 2013 (“**24 December Announcement**”) and 31 December 2013, both titled “PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 72,868,000 NEW ORDINARY SHARES IN THE ISSUED SHARE CAPITAL OF THE COMPANY, AT AN ISSUE PRICE OF S\$0.105 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES IN THE ISSUED SHARE CAPITAL OF THE COMPANY HELD BY ENTITLED SHAREHOLDERS AS AT THE BOOKS CLOSURE DATE”.*

Following the close of the Offer, Singapore Medical Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) had on 2 December 2013 announced changes to the composition of its board of directors and management. The new management is currently undertaking a strategic and operational review of the businesses of the Group including but not limited to assessing the possible impairment of certain investments and medical equipment and the useful lives of certain property, plant and equipment. These reviews and assessments may result in the Company recognising certain material charges to the income statement of the Group for the financial year ended 31 December 2013 (“**FY2013**”).

In addition, as disclosed in 24 December Announcement, the Company will be required to redeem the RCPS in entirety at S\$0.28 per RCPS and to pay all accrued but unpaid dividends thereunder upon receipt of the notice of redemption served by KC. In view of this, the Company will be recognising a charge of not more than S\$1,557,000 in the income statement of the Group for FY2013.

The abovementioned charges, if and when recognised, will correspondingly further reduce the earnings of the Group for FY2013.

Further details of the Group’s financial performance will be released when the Company announces its financial statements for FY2013 on or before 1 March 2014. Shareholders are advised to exercise caution when dealing with the securities of the Company and to seek professional advice as necessary.

By Order of the Board

Dr Beng Teck Liang  
Chief Executive Officer  
13 January 2014

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor (the "**Sponsor**"), Asian Corporate Advisors Pte. Ltd., 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 statements or opinions made or reports contained in this announcement.*

*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.*

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