

REPAYMENT OF CONVERTIBLE LOAN

1. INTRODUCTION

The Board of Directors (the "**Board**") of Singapore Medical Group Limited (the "**Company**") refers to the Company's announcements dated 20 February 2019, 25 April 2019, 3 May 2019 and 4 June 2019 and the Company's circular to shareholders dated 10 April 2019 (collectively, the "**Earlier Announcements**"), in relation to the convertible loan of S\$10 million (the "**Convertible Loan**") extended by CHA Healthcare Singapore Pte. Ltd. ("**CHS**") to the Company pursuant to the terms and conditions of a convertible loan agreement dated 20 February 2019 (the "**Convertible Loan Agreement**").

All capitalised terms used and not defined herein shall have the same meanings given to them in the Earlier Announcements.

2. REPAYMENT OF THE CONVERTIBLE LOAN

CHS has informed the Company that it will not be exercising the conversion right in respect of the Convertible Loan. Pursuant to the terms of the Convertible Loan Agreement, the Convertible Loan, together with interest accrued, is due one year after Drawdown Date (4 June 2019). As such, the Company requested to make an early repayment, with a view to reducing the interest payable under the Convertible Loan (the "**Early Repayment**"). As this was agreed to by CHS, the principal amount of the Convertible Loan, together with interest accrued amounting to S\$325,000, was repaid in full on 8 May 2020. The Early Repayment, being made 26 days before the repayment date stipulated in the Convertible Loan Agreement, has resulted in interest savings to the Company of approximately S\$25,000.

The Early Repayment was satisfied by a combination of the unutilized proceeds of S\$8.9m from the Convertible Loan and internal cash resources of S\$1.4m.

The Independent Directors are of the view that the Early Repayment is in the best interest of the Company as it reduced the finance costs, and that the Early Repayment is not expected to have any adverse effect on the Company's financial position and its operations, after taking into consideration the Company's cash balance.

On behalf of the Board

Dr Beng Teck Liang
Executive Director and Chief Executive Officer
8 May 2020

*This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**") in accordance with Rule 226(2)(b) of the Catalist Rules. This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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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