

CHANGE IN USE OF PROCEEDS FROM THE PLACEMENT

*All capitalised terms used and not defined herein shall have the same meanings given to them in the announcement dated 17 February 2017 (the “**Announcement**”) issued by the Company in relation to the Placement, unless otherwise expressly stated or the context otherwise requires.*

Further to the announcements made on 1 July 2017, 3 August 2017, 14 September 2017, 28 September 2017 and 1 November 2017, 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 Placement.

After considering the Group’s current financial position and for the purpose of renewing and expanding the Group’s existing business, the Board had re-allocated S\$1.0 million of the unutilised proceeds from the Placement, which was originally allocated for expansion into other South East Asia countries, to be utilised for growing existing business (the “**Re-allocation**”).

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

	Amount Allocated S\$ million	Amount Re-allocated S\$ million	Revised Amount Allocated S\$ million
(i) Merger and acquisition opportunities	10.0	-	10.0
(ii) Expansion into other South East Asia countries	3.0	(1.0)	2.0
(iii) Growing existing business	2.0	1.0	3.0
Total	15.0	-	15.0

After the Re-allocation, the Company has utilised S\$1.2 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 Placement as follows:

<u>Use of Net Proceeds</u>	Allocation of Net Proceeds	Net Proceeds utilised as at 1 November 2017	Net Proceeds utilised from 2 November 2017 to 16 November 2017	Balance of Net Proceeds as at 16 November 2017
	S\$ million	S\$ million	S\$ million	S\$ million
(i) Merger and acquisition opportunities	10.0	6.4	-	3.6
(ii) Expansion into other South East Asia countries	2.0	0.3	-	1.7
(iii) Growing existing business	3.0	1.4	1.2	0.4
	15.0	8.1	1.2	5.7

The above use of proceeds is in accordance with the Re-allocation as well as intended use as stated in the Announcement in relation to the Placement.

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

On behalf of the Board

Dr Beng Teck Liang
Executive Director and Chief Executive Officer

16 November 2017

*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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