# HEALTHWAY MEDICAL CORPORATION LIMITED

(Company Registration Number: 200708625C**)**
(Incorporated in the Republic of Singapore)

**CORRIGENDUM – PROPOSED ISSUANCE OF NOTES**

*Unless otherwise defined, all capitalised terms used herein shall bear the same meanings ascribed to them in the announcement dated 17 January 2017 in relation to the proposed issuance of notes for an aggregate principal amount of S$70 million.("**Announcement**").*

The Board of Directors ("**Board**") of Healthway Medical Corporation Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Section 8 of the Announcement and wishes to inform shareholders that Section 8 of the Announcement should be deleted in its entirety and replaced with the following:

"**8. FINANCIAL EFFECTS OF THE NOTES**

The financial effects of the issuance and/or conversion of the Initial Notes and the issuance and conversion of CN B are **for illustrative purposes only** and do not reflect the actual financial performance or position of the Group after their issuance and/or conversion. The financial effects set out below have been prepared based on the audited financial statements of the Group for the full year ended 31 December 2015 and on the following key assumptions:

(a) The effect on the Group's earnings per ordinary share in the capital of the Company ("**Shares**") ("**EPS**") or loss per Share ("**LPS**") is based on the assumption that (i) the issuance of the Initial Notes had been effected on 1 January 2015 ("**Assumed Issue Date**"); and (ii) the exchange of all the Initial Notes to CN B ("**Exchange to CN B**") had been effected upon receipt of shareholders' approval 6 months after the Assumed Issue Date.

(b) The effect on the Group's net tangible assets ("**NTA**") per Share is based on the assumption that (i) the issuance of the Initial Notes had been effected on 1 January 2015; and (ii) the Exchange to CN B had been effected upon receipt of shareholders' approval 6 months after the Assumed Issue Date.

(c) The sale of 18,698,000 treasury shares and issuance of 133,300,000 Shares pursuant to the placement exercise completed on 26 September 2016 has been excluded from the number of issued shares in the calculations below.

(d) The financial effects of the Notes is limited to a period of 12 months from the Assumed Issue Date.

EPS/(LPS)

| | | Shareholder Approval Not Granted | Shareholder Approval Granted | |
|---|---|---|---|---|
| | **As at 31 December 2015** | **After issuance of Initial Notes but no conversion of CN A at end of Year 1** | **After Exchange to CN B but no conversion of CN B at end of Year 1** | **After Exchange to CN B and full conversion of CN B** |
| Earnings/loss [(1)] (S$'000) | 1,683 | (10,052) [(2)] | (6,000) [(3)] | (3,731) [(4)] |
| Weighted average number of issued shares ('000) | 2,308,236 | 2,308,236 | 2,308,236 | 3,426,605 [(5)] |
| **EPS/(LPS) (Singapore cents)** | **0.073** | **(0.436)** | **(0.260)** | **(0.109)** |

**Notes:**

(1) Excludes impact of tax shield from interest expense arising from the Initial Notes and CN B.
(2) Assumes S$11.395 million of accrued interest for 12 months and S$340,000 from the S$1.7 million of estimated transaction expenses which is amortized over a 5 year period.
(3) Assumes aggregate of S$7.343 million of accrued interest comprising 6 months from the Initial Notes and redemption premium of 6 months from CN B and S$340,000 from the S$1.7 million of estimated transaction expenses which is amortized over a 5 year period.
(4) Assumes S$5.074 million of accrued interest for 6 months from the Initial Notes prior to Exchange to CN B and S$340,000 from the S$1.7 million of estimated transaction expenses which is amortized over a 5 year period.
(5) Assumes the weighted average of pre-conversion shares (2,308,236,000) and post-conversion shares (4,526,739,000). The post-conversion share count assumes 2,218,503,000 of converted shares based on the aggregate amount of principal of CN B plus accrued interest for 6 months from the Initial Notes prior to Exchange to CN B.

NTA per Share

| | | Shareholder Approval Not Granted | Shareholder Approval Granted | |
|---|---|---|---|---|
| | **As at 31 December 2015** | **After issuance of Initial Notes but no conversion of CN A at end of Year 1** | **After Exchange to CN B but no conversion of CN B at end of Year 1** | **After Exchange to CN B and full conversion of CN B** |
| NTA (S$'000) [(1)] | 69,824 | 56,729 [(2)] | 60,781 [(3)] | 133,050 [(4)] |
| Number of issued shares ('000) | 2,308,236 | 2,308,236 | 2,308,236 | 4,526,739 [(5)] |
| **NTA per Share (Singapore cents)** | **3.02** | **2.46** | **2.63** | **2.94** |

**Notes:**

(1) Excludes impact of tax shield from interest expense arising from the Initial Notes and CN B.
(2) Assumes S$1.7 million of estimated transaction expenses and S$11.395 million of accrued interest for 12 months.
(3) Assumes S$1.7 million of estimated transaction expenses and aggregate of S$7.343 million of accrued interest comprising 6 months from the Initial Notes and redemption premium of 6 months from CN B.
(4) Assumes S$1.7 million of estimated transaction expenses, S$5.074 million of accrued interest for 6 months from the Initial Notes prior to Exchange to CN B and $70.0 million of converted shares from CN B.
(5) Assumes 2,218,503,000 of converted shares based on the aggregate amount of principal of CN B plus accrued interest for 6 months from the Initial Notes prior to Exchange to CN B."

Save as set out above, all other information in the Announcement remains unchanged.

Shareholders and potential investors should note that the Proposed Issuance of Notes remains subject to the fulfilment of the conditions precedent and there is no assurance that the Proposed Issuance of Notes will be completed. Shareholders and potential investors should exercise caution when trading in shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other professional adviser immediately.

**BY ORDER OF THE BOARD**

Veronica Chan Wee Ping
President
19 January 2017

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*This announcement has been prepared by Healthway Medical Corporation Limited (the "**Company**") and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not 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 accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.*