



**HEALTH MANAGEMENT INTERNATIONAL LTD**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 199805241E)

**THE INCREASE OF THE COMPANY'S OWNERSHIP IN 48.9%-OWNED  
MAHKOTA MEDICAL CENTRE AND 60.8%-OWNED REGENCY SPECIALIST HOSPITAL TO  
100% EACH**

**SUPPLEMENTAL ANNOUNCEMENT**

**Introduction**

The Board of Directors (the "**Board**") of Health Management International Ltd (the "**Company**" and together with its subsidiaries, the "**Group**") refers to its announcements dated 11 November 2016, 23 January 2017, 26 January 2017, 10 February 2017 and 27 March 2017 (the "**Announcements**"), the circular to Shareholders dated 26 January 2017 (the "**Circular**") and the offer information statement dated 21 February 2017 (the "**Offer Information Statement**") in relation to the increase of the Company's ownership in 48.9%-owned Mahkota Medical Centre and 60.8%-owned Regency Specialist Hospital to 100% each for an aggregate consideration of SGD183.2 million (the "**Acquisition**").

*Capitalised terms used herein, unless otherwise defined, shall bear the same meanings given to them in the Announcements, the Circular and the Offer Information Statement.*

**Background**

The Company acquired 64,280 ordinary shares in the capital of Senipuri Emas Sdn. Bhd. ("**Senipuri**") (or 25.7% of the total issued share capital of Senipuri) and 1,000 ordinary shares in the capital of 2M Medical Consultants Pte. Ltd. ("**2M**") (or 16.7% of the total issued share capital of 2M) from Dr Cheah Way Mun, and accepted an assignment of non interest-bearing shareholder's loans amounting to SGD555,222.12 owing to him from 2M (or 16.7% of the total outstanding non interest-bearing shareholders' loans of approximately SGD3,331,334.74 from the 2M Shareholders).

The aggregate consideration for the above acquisition was SGD12,405,302, being the SGD equivalent of RM37,687,308, which was satisfied by a combination of cash amounting to SGD6,202,651 and 10,881,843 Consideration Shares issued at an issue price of SGD0.57 per Consideration Share.

The above acquisition constituted an "interested person transaction" requiring the approval of the Shareholders under Rule 906 of the Listing Manual as:

- (a) Dr Cheah is an independent non-executive Director of the Company; and

- (b) the purchase price represents 16.2% of the Group's latest audited consolidated net tangible assets ("NTA") as at 30 June 2016 of RM232.3 million (SGD76.5 million).

### **Additional Disclosure**

As disclosed in the Circular, the Company also acquired 500 ordinary shares in the capital of 2M (or 8.3% of the total issued share capital of 2M) from Dr Fong Chiu Yan, and accepted an assignment of non interest-bearing shareholder's loans amounting to SGD277,611.06 owing to her from 2M (or 8.3% of the total outstanding non interest-bearing shareholders' loans of approximately SGD3,331,334.74 from the 2M Shareholders).

The aggregate consideration for the above acquisition was SGD739,436, being the SGD equivalent of RM2,246,406, which was satisfied by a combination of cash amounting to SGD369,718 and 648,628 Consideration Shares issued at an issue price of SGD0.57 per Consideration Share. The purchase price for all eleven 2M Shareholders (including Dr Cheah and Dr Fong) was determined on the same basis.

The Board wishes to additionally disclose that Dr Fong is the spouse of Dr Cheah, and is therefore considered to be his associate under Chapter 9 of the Listing Manual. Accordingly, the acquisition from Dr Fong is an interested person transaction.

The purchase price for the acquisition from Dr Fong represents approximately 0.4% of the total consideration for the Acquisition, and approximately 1.0% of the Group's latest audited consolidated NTA as at 30 June 2016 of RM232.3 million (SGD76.5 million).

The acquisition from Dr Fong will be aggregated with future interested person transactions with Dr Cheah for this financial year (if any) for the purposes of Chapter 9 of the Listing Manual.

The abovementioned acquisition from Dr Cheah has already been approved by Shareholders at an extraordinary general meeting of the Company held on 10 February 2017 ("EGM"). Dr Cheah and his associates (as defined under the Listing Manual) abstained from voting on all the ordinary resolutions tabled at the EGM. As at the date of the EGM, he held 16,422,602 Shares, representing approximately 2.8% of all the issued and outstanding Shares, and Dr Fong did not hold any Shares.

By Order of the Board of  
**Health Management International Ltd**

Dr. Gan See Khem  
Executive Chairman and Managing Director  
30 March 2017, Singapore