
INCORPORATION OF A SUBSIDIARY IN THE PEOPLE'S REPUBLIC OF CHINA – SHANGHAI QIHUA HOSPITAL CO. LTD.

The Board of Directors (the **Board**) of Raffles Medical Group Ltd (the **Company**) is pleased to announce that Shanghai Capital Pte Ltd (**SCPL**), a wholly-owned indirect subsidiary of the Company, has incorporated a new company, Shanghai Qihua Hospital Co. Ltd. (**SQH**), together with Shanghai Qihua Investment Co. Ltd.. The principal activity of SQH will be in the development of hospital.

SQH is registered in the People's Republic of China and SCPL's share of the registered capital of SQH is 188 million Chinese Yuan. The capital contribution by SCPL will be paid in cash and funded through a combination of internal resources and bank borrowings.

Following its incorporation, SQH will be an indirect subsidiary of the Company.

The incorporation of SQH is not expected to have any material impact on the earnings per share and the net tangible assets per share of the Company for the financial year ending 31 December 2015.

None of the Directors or controlling shareholders of the Company have any interest, direct or indirect, in the foregoing, save through their interests in the Company.

BY ORDER OF THE BOARD

Mary Khoo
Company Secretary
7 May 2015