HEALTHWAY MEDICAL CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200708625C)

ANNOUNCEMENT
VOLUNTARY CONDITIONAL CASH OFFER
FOR HEALTHWAY MEDICAL CORPORATION LIMITED
DESPATCH OF CIRCULAR

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1. Introduction

The Board of Directors (the "**Board**") of Healthway Medical Corporation Limited (the "**Company**") wishes to refer shareholders of the Company ("**Shareholders**") to the announcement dated 28 February 2017 made by RHB Securities Singapore Pte. Ltd. ("**RHBSEC**"), for and on behalf of Gentle Care Pte. Ltd. (the "**Offeror**"), regarding the despatch of the formal offer document dated 28 February 2017 (the "**Offer Document**") containing the terms and conditions of the voluntary conditional cash offer (the "**Offer**") by the Offeror for all the issued and paid-up ordinary shares in the capital of the Company (the "**Shares**") (which shall, for the avoidance of doubt, include any Shares issued pursuant to the exercise of instruments convertible into, rights to subscribe for, and options in respect of, Shares, convertible securities or securities which carry voting rights during the offer period), including all the Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror.

All capitalised terms used and not defined herein shall have the same meanings given to them in the Circular (as defined herein), unless otherwise expressly stated or the context otherwise requires.

2. Despatch of the Circular

The Board wishes to inform Shareholders that the Company has today despatched the circular dated 14 March 2017 in relation to the Offer (the "**Circular**").

The Circular contains, amongst other things, the advice of Provenance Capital Pte. Ltd. (the "**IFA**"), the independent financial adviser to the directors of the Company who are considered independent for the purposes of the Offer and the Convertible Notes Offer (the "**Independent Directors**"), the recommendation of the Independent Directors in respect of the Offer and the Convertible Notes Offer, and other information pertaining to the Offer and the Convertible Notes Offer, in compliance with the Singapore Code on Take-overs and Mergers ("**Code**").

The Circular requires the immediate attention of Shareholders. Shareholders should read and carefully consider the information and the recommendations of the Independent Directors as well as the advice of the IFA to the Independent Directors in relation to the Offer set out in the Circular before deciding whether to accept or reject the Offer. Shareholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers immediately.

3. Closing Date

Shareholders should note that, as stated in the Offer Document, the Offer will close at 5.30 p.m. (Singapore time) on 28 March 2017, or such later dates(s) as may be announced from time to time by or on behalf of the Offeror.

4. Copies of the Circular

Any Shareholder who has not received the Circular within a week from the date of this announcement may contact The Central Depository (Pte) Limited (the "**CDP**"), if he is a Depositor, or the Company's share registrar (the "**Share Registrar**"), if he is a scripholder, as the case may be, at the addresses and telephone numbers set out below to obtain a copy of the Circular:

CDP	Share Register
The Central Depository (Pte) Limited	**Boardroom Corporate & Advisory Services Pte. Ltd.**
9 North Buona Vista Drive #01-19/20 The Metropolis Singapore 138588	50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
Tel: (65) 6535 7511	Tel: (65) 6536 5355

A copy of the Circular is also available on the website of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") at www.sgx.com.

5. Clarification to the unaudited financial statements and dividends announcement for the financial year ended 31 December 2016

The Board also refers to page 1 of the announcement by the Company dated 24 February 2017 in relation to the unaudited results of the Company and its subsidiaries for the financial year ended on 31 December 2016 (the "**FY2016 Results Announcement**") which states the following:

"Shareholders and potential investors should note that the contents of this announcement has not been reported on pursuant to the requirements of Rule 25 of the Singapore Code on Take-overs and Mergers ("Code"). The auditor or reporting accountant report and financial adviser report for this announcement to the extent required by the Code [emphasis added] will be published as soon as possible, but no later than the date of the offeree circular to be despatched to shareholders of the Company in accordance with the Code."

The Board wishes to clarify that the FY2016 Results Announcement is not required to be reported on pursuant to Rule 25 of the Code and accordingly, no auditor or reporting accountant report or financial adviser report will be published in respect thereof.

6. Directors' Responsibility Statement

The Directors of the Company (including those who have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate, and that there are no material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

Veronica Chan Wee Ping
President
14 March 2017

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*This announcement has been prepared by the Company and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with 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.