

USE OF PROCEEDS FROM THE PLACEMENT

*All capital terms used and not defined herein shall have the same meanings given to them in the announcements dated 4 November 2014 (the “**Announcement**”) issued by the Company in relation to the Placement, unless otherwise expressly stated or the context otherwise requires.*

The Board of Directors (the “**Board**”) of Singapore Medical Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement dated 6 January 2015 in relation to the subscription of 4,000,000 New Shares at Rp1,000 per share issued by PT. Ciputra SMG (a joint venture company between PT. Ciputra Raya Sejahtera and the Company) (the “**Subscription**”). The Subscription is funded through the proceeds from the issue and allotment of 26,971,000 placement shares on 14 November 2014 (the “**Placement Proceeds**”).

The Board would like to provide an update on the use of the Placement Proceeds as follows:

	<u>Actual</u>	<u>Intended</u>
	S\$ million	S\$ million
Net Proceeds	4.2	4.2
Less:		
(i) Expansion of the Company’s aesthetic business	-	(2.2)
(ii) Potential growth and acquisition opportunities	(0.4)	(2.0)
- Increase in capital of a joint venture entity	(0.4)	N/A
Balance as at 6 January 2015	<u>3.8</u>	

The above use of proceeds is in accordance with the 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.

By Order of the Board

Dr Beng Teck Liang
Executive Director and Chief Executive Officer
6 January 2015

*This document 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 document.*

This document has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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