SINGAPORE MEDICAL GROUP LIMITED
(Company Registration No.: 200503187W)

INCREASE IN INTEREST IN A SUBSIDIARY

The board of directors ("Directors") of Singapore Medical Group Limited (the "Company", and together with its subsidiaries, the "Group") would like to announce that the Company has on 14 May 2014 entered into a sale and purchase agreement to acquire an additional 35% equity interest in The Obstetrics & Gynaecology Centre Pte Ltd ("TOGC") for a cash consideration of S$240,000 from Dr Chee Jing Jie (the "Acquisition").

Following the completion of the Acquisition, TOGC will become a wholly-owned subsidiary of the Company.

As at 31 December 2013, the net tangible assets of TOGC is approximately negative $1,031,000. The consideration of $240,000 was arrived at a willing buyer and willing seller basis and after taking into consideration of the track records, financial performance and potential business growth of TOGC. No valuation was conducted for TOGC in relation to the Acquisition.

The above Acquisition is not expected to have material impact on the consolidated net tangible assets or earnings per share of the Group for the financial year ending 31 December 2014.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Acquisition.

By Order of the Board

Dr Beng Teck Liang
Chief Executive Officer
14 May 2014

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor (the "**Sponsor**"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**Exchange**"). The Sponsor has not independently verified the contents of this announcement, including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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