Extract of Note 31(d) of the audited financial statements of Healthway Medical Corporation Limited for the financial year ended 31 December 2016

Independent review

On 27 February 2017 the Company announced that the Singapore Exchange Securities Trading Limited ("SGX-ST") requested the Company to appoint an independent reviewer ("Independent Reviewer") to look into the extensions of loans by the Group to HME and Wei Yi with the objective of establishing whether there are any breaches of the SGX-ST Listing Manual Section B: Rules of Catalist. As of the date of this report, the Independent Reviewer has yet to complete their review and the Group has not received any reports from the Independent Reviewer.

The directors are of the opinion that the loans extended to HME and Wei Yi were appropriate when remitted and properly authorised and that there has not been a breach of the SGX-ST Listing Manual Section B: Rules of Catalist.