HEALTHWAY MEDICAL CORPORATION LIMITED
Registration No.: 200708625C

PROPOSED ACQUISITION BY INTERNATIONAL HEALTHWAY CORPORATION LIMITED OF ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF HEALTHWAY MEDICAL CORPORATION LIMITED BY WAY OF A SCHEME OF ARRANGEMENT

-PROGRESS OF THE SCHEME

1. INTRODUCTION

The board of directors (the "**Board**" or "**Directors**") of Healthway Medical Corporation Limited (the "**Company**") refers to the following announcements:

(a) the announcement dated 19 June 2015 (the "**19 June Announcement**") in relation to:

  (i) the proposed acquisition by International Healthway Corporation Limited ("**IHC**") of all the issued and paid-up ordinary shares in the capital of the Company (the "**Shares**") by way of a scheme of arrangement (the "**Scheme**") under Section 210 of the Companies Act, Chapter 50 of Singapore and in accordance with the Singapore Code on Take-overs and Mergers (the "**Code**"); and

  (ii) IHC's and the Company's entry into an implementation agreement (the "**First Agreement**") to implement the Scheme;

(b) the announcement dated 3 September 2015 in relation to the entry into a supplemental agreement to the First Agreement (the "**First Supplemental Agreement**") with IHC to amend certain terms of the First Agreement;

(c) the announcement dated 21 September 2015 in relation to IHC's and the Company's entry into a second supplemental agreement (the "**Second Supplemental Agreement**") to revise the First Agreement as amended by the First Supplemental Agreement (the "**Implementation Agreement**"); and

(d) the announcement dated 30 December 2015 in relation to IHC's and the Company's entry into a third supplemental agreement (the "**Third Supplemental Agreement**") to revise the First Agreement as amended by the First Supplemental Agreement and the Second Supplemental Agreement (the "**Implementation Agreement**").

Unless otherwise defined, all capitalised terms used herein shall bear the same meaning as ascribed to them in the 19 June Announcement.

2. PROGRESS OF THE SCHEME

As announced previously, a meeting of Shareholders will be convened at the direction of the Court for Shareholders to vote on the Scheme ("**Scheme Meeting**"). Barring unforeseen circumstances, the Scheme Meeting is expected to be convened on or about end May 2016. The Company has been preparing relevant materials for the document to be despatched to Shareholders in respect of the Scheme ("**Scheme Document**") containing, *inter alia*, the notice of the Scheme Meeting, IFA's opinion and details of the Scheme. The Scheme Document will be despatched to Shareholders as soon as practicable.

3. RESPONSIBILITY STATEMENT

The Directors (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 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

Yeow Ming Ying
Executive Director
23 February 2016

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*This announcement has been prepared by Healthway Medical Corporation Limited (the "**Company**") and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (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.