ASIAMEDIC LIMITED
(Incorporated in the Republic of Singapore)
Company Registration No.: 197401556E

INCREASE IN EQUITY INTEREST IN COMPLETE HEALTHCARE INTERNATIONAL PTE LTD PURSUANT TO EXERCISE OF PUT OPTION BY MINORITY SHAREHOLDER

INTRODUCTION

The Board of Directors of AsiaMedic Limited (the "**Company**") refers to the announcement dated 6 May 2013 in respect of the acquisition of 80% of the issued share capital of Complete Healthcare International Pte Ltd ("**CHI**") by the Company from Dr Kim Alana Hayes ("**KAH**") (the "**Acquisition**").

Pursuant to the Acquisition, CHI became an 80%-owned subsidiary of the Company. The remaining 20% equity interest in CHI is held by KAH. Pursuant to the share purchase agreement dated 6 May 2013 entered into between the Company, KAH and CHI (the "**SPA**"), the Company had granted a put option to KAH under which KAH would be entitled to require the Company to purchase all of the ordinary shares in CHI held by KAH (the "**Put Option**"). The Put Option is exercisable within the period of 2 years commencing after 31 December 2015.

THE EXERCISE OF PUT OPTION BY KAH

KAH has given notice to exercise the Put Option. Accordingly, the Company will acquire the twenty (20) ordinary shares representing 20% equity interest in CHI (the "**Option Shares**") from KAH at a total cash consideration of S$439,412 ("**Option Price**"). The Option Price has been defined in the SPA, and has been determined by reference to the latest available audited accounts of CHI for the financial year ended 31 December 2015 ("**FY2015**") in accordance with the following formula:

$$\text{Option Price} = \frac{OS}{T} \times (NTA + (PAT \times 6.5))$$

Where:

OS	means the number of ordinary shares in CHI held by KAH, i.e. the Option Shares
T	means the total number of issued and paid up ordinary shares in the capital of CHI
PAT	means the net profit after income tax of CHI's Rochester Park clinic for FY2015
NTA	means the net tangible assets of CHI's Rochester Park clinic as the end of FY2015

CLAWBACK OF CONTINGENT CONSIDERATION PAID TO KAH

Pursuant to the terms of the Acquisition, the Company and KAH had agreed to the following adjustments in respect of the consideration paid by the Company to KAH for the Acquisition:

(a) If the aggregate profit before tax ("**PBT**") of CHI's Rochester Park clinic in respect of all of the financial years ended 31 December for 2013, 2014 and 2015 is positive and is less than S$957,920, KAH shall pay to the Company an amount equal to the shortfall between the sum of $957,920 and the 3 years' PBT ("**Aggregate 3 Years' PBT**") (subject to a cap of S$957,920); and

(b) If the Aggregate 3 Years' PBT is positive and is more than S$957,920, the Company shall pay to KAH an amount equal to the Aggregate 3 Years' PBT (subject to a cap of S$1,140,000).

As the actual Aggregate 3 Years' PBT was S$677,333, the Company is entitled to receive an amount of S$280,587 from KAH pursuant to the terms of the Acquisition as set out above (the "**Claw-back**").

SETTLEMENT

Pursuant to the exercise of the Put Option and the Claw-back, the Company and KAH have entered into a settlement agreement (the "**SA**") on 23 February 2017. Under the terms of the SA, the Company and KAH have agreed to set-off a portion of the Option Price against the Claw-back. As a result, the Company shall pay S$158,825 to KAH under the SA, which will be funded by the Group's internal resources.

Upon the completion of the SA, CHI will become a wholly-owned subsidiary of the Group.

INFORMATION ON CHI

As at the date of this announcement, the issued and paid-up capital of CHI is S$100 and represented by one hundred (100) ordinary shares. CHI operates an international medical clinic in Singapore.

CHI has a shareholders' equity and a net tangible asset value of S$138,556 as at 30 June 2016. Therefore, the book value and net tangible asset value of the Option Shares were S$27,711 as at 30 June 2016. As there is no open market for the Option Shares, there is no ascertainable open market value for the Option Shares.

RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited are as follows:

(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable as this transaction is not a disposal.
(b)	The net profits attributable to the assets acquired or disposed of, compared with the group's net profits.	Based on the share of profit of CHI of S$34,850 and the Group's loss before income tax of S$167,219 for the six months ended 30 June 2016, the relative figure is approximately 20.8%.
(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	Based on the consideration of S$439,412 and the Company's market capitalisation of approximately S$29.2 million (determined by multiplying the total number of issued shares of Company (excluding treasury shares) of 390,488,125 shares and the volume-weighted average price of the Company's shares of S$0.0749 on 22 February 2017, being the market day preceding the date

		of the SA), the relative figure is approximately 1.5%.
(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable as no equity securities issued.
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves.	Not applicable as not a mineral, oil and gas company.

As the relative figure for Rule 1006(b) above exceeds 5% but is less than 75%, the acquisition of the Option Shares and the corresponding increase in the Group's interest in CHI (from 80% to 100%) constitutes a discloseable transaction under Chapter 10 of the Catalist Rules.

FINANCIAL EFFECTS

Assuming the acquisition of the Option Shares has been effected on 1 January 2015, it will not have any material effect on the earnings per share of the Group for FY2015. Assuming the acquisition of the Option Shares has been effected on 31 December 2015, it will not have any material impact on the net tangible assets per share of the Group as at 31 December 2015. There will be no material impact as the Group holds 80% interest of CHI prior to this acquisition and accordingly, CHI's income statement and balance sheet had been consolidated with the Group for FY2015.

INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the transaction, other than through their shareholdings in the Company (if any).

DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with this transaction.

DOCUMENT FOR INSPECTION

The SA will be available for inspection during normal business hours at the Company's registered address at 350 Orchard Road, #08-00 Shaw House, Singapore 238868 for 3 months from the date hereof.

FURTHER UPDATES

The Company will release such further announcements as may be necessary and/or appropriate to update shareholders of any material updates to the transaction.

BY ORDER OF THE BOARD

Ms Foo Soon Soo
Company Secretary

23 February 2017

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Xandar Capital Pte Ltd (the "**Sponsor**"), for compliance with the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement including the accuracy or completeness of any of the information disclosed or the correctness of any of the statements made, opinions expressed or reports contained in this announcement. This announcement has not been examined or approved by the SGX-ST. The SGX-ST and the Sponsor assume no responsibility for the contents of this announcement including the correctness of any of the statements made, opinions expressed or reports contained in this announcement.*
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