

AGREEMENT TO ESTABLISH A CORD BLOOD STEM CELL BANKING JOINT VENTURE COMPANY

1. INTRODUCTION

The Board of Directors of AsiaMedic Limited (the “**Company**”) is pleased to announce that AsiaMedic CytoLife Pte Ltd (“**Subsidiary**”), a wholly owned subsidiary of the Company has on 2 July 2013 entered into a Share Subscription and Shareholders’ Agreement (the “**JV Agreement**”) with Cryoviva International Pte Ltd (“**Cryoviva**”) for the purposes of establishing a joint venture company in Singapore (“**JV Co**”) to carry out the business of stem cell banking (which includes the processing ,harvesting and storage of stem cells derived from umbilical cord blood) in Singapore, China, Indonesia, Malaysia and Myanmar (“**Territory**”).

2. JOINT VENTURE

Under the terms of the JV Agreement:-

(a) Purpose of JV Co

The JV Co will carry out the business of cord blood and stem cell banking in the Territory (“**Project**”).

(b) Shareholding Structure of JV Co

The total issued and paid-up shares of the JV Co shall be held by the Subsidiary and Cryoviva initially in the proportion of 25% : 75% respectively. Upon incorporation, the JV Co is expected to have an initial issued and paid-up share capital of S\$100,000 divided into 100,000 ordinary shares.

3. INFORMATION ON THE JOINT VENTURE PARTNER

Cryoviva is a private company incorporated in Singapore having its registered office at 72, South Bridge Road, #01-00, MMI Building, Singapore 058702. Further information of Cryoviva is set out in the appendix to this announcement.

4. OTHER SALIENT TERMS OF THE JV AGREEMENT

- (a) It is anticipated that the cost of the Project is S\$1,800,000. The Project will be funded by share capital, shareholders’ loans and bank borrowings. The shareholders’ loans will be proportionate to the parties’ respective shareholdings.
- (b) The JV Co shall enter into a sub-licence agreement with Cryobanks International India Private Limited (“**CII**”), a company incorporated under the laws of India, whereby CII shall grant the JV Co a licence for utilising CII’s technical know-how and technology for setting up and operating the Project, on terms and conditions as may be approved by the JV Co, the Subsidiary and Cryoviva.
- (c) CII has been in turn granted a licence by Lifeforce Cryobanks Inc. (“**LCUSA**”), a company incorporated in the United States. CII uses the technology of LCUSA and has the right to operate in Asia and Africa.

- (d) Upon incorporation, the JV Co will grant the Subsidiary an option to subscribe for additional equity shares in the JV Co so as to increase the Subsidiary's shareholdings in the JV Co to 49%. The option may be exercised by the Subsidiary within a period of two years from the date of incorporation of the JV Co. The subscription price for the additional equity share will be a fair market value to be determined at the time of exercising the option.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the aforementioned joint venture, other than through their shareholdings in the Company (if any).

6. RATIONALE

The Group views the proposed joint venture with Cryoviva as an opportunity and in line with the Group's plans to expand into new businesses complementary to its current business through acquisitions, joint ventures and/or strategic alliances with parties who create synergistic values with the Company's existing business.

7. FINANCIAL EFFECT OF THE JOINT VENTURE

The Group's investment in the joint venture will be funded via internally generated funds and/or bank borrowings.

The joint venture is not expected to have any material impact on the earnings per share or net tangible assets per share of the Group for the financial year ending 31 December 2013.

By Order of the Board

Foo Soon Soo
Company Secretary

Date: 2 July 2013

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Asiasons WFG 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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About Cryoviva International Pte Ltd

Cryoviva International Pte Ltd was set up to invest in stem cord banking in Singapore, South East Asia and China. Its major shareholder is Mr Ravi Kant Jaipura, who is the founder and owner RJ Corp India (RJC). RJC has interests in education, healthcare, food & beverage and real estate in the Indian sub-continent, South East Asia and Africa. The group's vision is "to excel in everything we touch and handle" and is dedicated to meet the genuine needs of the society and community through science and latest technology. This gave birth to Cryobanks International India in 2006 which is engaged in the cryo-storage of stem cells from umbilical cord blood under a perpetual licence from Lifeforce Cryobanks USA. Cryobanks India is the largest private cord blood bank in India.

In 2008, Cryobanks India and Indorama Group Thailand set up Cryoviva Thailand. Despite being the third entrant into the Thai market, Cryoviva Thailand is now the leading private cord blood bank in Thailand.

Cryoviva International Pte Ltd Singapore has two Directors who are also the shareholders of Singapore entity - Mr Ravi Jaipuria and Mr T. Chandroo (Chairman of Modern Montessori Group (London)).

About Lifeforce Cryobanks USA

Lifeforce Cryobanks USA was established in 1993 by Dwight C Brunoehler as a cryocenter. They are pioneers in storing of stem cells from umbilical cord blood. They have proprietary technology for processing and cryo-storage of stem cells and an inventory of more than 15,000 cord blood units. Technology is constantly upgraded, reflecting latest developments which take place in the USA in the field of stem cells. Lifeforce Cryobanks was picked as a Top 10 Global Cord Blood Bank by the World Cord Blood Congress 2013, based on profitability, innovative business models and marketing strategies.

About AsiaMedic Limited (Bloomberg: AMAT:SP / Reuters: ASIM.SI)

Headquartered in Singapore and listed on the Catalist Board of the Singapore Exchange, AsiaMedic Limited is a premier healthcare provider that focuses on the management of clinical services in the fields of disease prevention, early illness detection and advanced diagnostics. Its team of highly qualified and reputable professionals provides clinical and management services both in Singapore and overseas.

The core services provided by AsiaMedic include but are not limited to health-risk assessments and screening, general and subspecialty imaging such as MRI and CT Scans for cardiovascular, neuroradiological, ENT and musculoskeletal imaging, PET/CT imaging for diagnosis, staging, localisation and monitoring progress of cancer.

In 2013, the Group augmented its healthcare service portfolio through acquiring Astique The Aesthetic Clinic and Complete Healthcare International. The Group also expanded its presence in the region by providing tele-radiology services to two hospitals in Myanmar. In addition, it operates a post-natal care centre and a medical centre in China.

Driven by its commitment to the core values of competence, care, convenience and collaboration, AsiaMedic has built up a strong brand name for delivering positive patient outcomes and high-quality care for its patients from Singapore and around the region.

As an endorsement of its strengths and track record in the regional healthcare services industry, AsiaMedic was awarded two high-profiled turnkey projects in Abu Dhabi by Mubadala Healthcare, a division of Mubadala Development Co. and owned by the Government of the Emirate of Abu Dhabi. The projects were successfully completed and handed over in early 2012.

Having tested and proven its healthcare services business model in Singapore and the region, AsiaMedic is developing more innovative healthcare services in selected markets for its next stage of growth.