

CIRCULAR DATED 4 JUNE 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the contents of this Circular or the course of action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately.

If you have sold or transferred all your shares in Raffles Medical Group Ltd, you should immediately hand this Circular, Notice of Annual General Meeting and the accompanying Proxy Form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made or opinions expressed in the Circular.

RafflesMedicalGroup

Company Registration No. 198901967K

(Incorporated in Singapore)

Registered Office: 585 North Bridge Road #11-00 Raffles Hospital Singapore 188770

APPENDIX B TO THE NOTICE OF ANNUAL GENERAL MEETING 2020

IN RELATION TO

- (1) THE PROPOSED ADOPTION OF THE RAFFLES MEDICAL GROUP (2020) PERFORMANCE SHARE PLAN**
- (2) THE PROPOSED ADOPTION OF THE RAFFLES MEDICAL GROUP (2020) SHARE OPTION SCHEME**
- (3) THE PROPOSED GRANT OF OPTIONS AT A DISCOUNT UNDER THE RAFFLES MEDICAL GROUP (2020) SHARE OPTION SCHEME**

This Circular is issued to you together with the Notice of Annual General Meeting of Raffles Medical Group Ltd. The resolutions proposed to be passed in relation to the above matters are set out in the Notice of Annual General Meeting.

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

“2020 AGM”	:	The annual general meeting of the Company to be held on 26 June 2020.
“Acceptance Form”	:	A letter in such form as the Committee shall approve, from a Participant to the Committee confirming the Participant’s acceptance of an Award or grant of Option (as the case may be)
“Act”	:	The Companies Act (Chapter 50 of Singapore), as amended and modified from time to time
“AGM”	:	The annual general meeting of the Company
“Annual Report”	:	The annual report of the Company for the financial year ended 31 December 2019
“Associate”	:	(a) in relation to any Director, chief executive officer, substantial shareholder or Controlling Shareholder (being an individual) means:— (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and in relation to a substantial shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
“Associated Company”	:	A company in which at least 20% but not more than 50% of its shares are held by the Company and/or its subsidiaries, or a subsidiary of such company, and over which the Company has control
“Associated Company Employees”	:	Has the same meaning as the definition of “Group Employee” save that references to “member of the Group” and “Group” shall be replaced with “Associated Company”
“Award”	:	An award of Shares granted under the RMG PSP 2020
“Award Date”	:	In relation to an Award, the date on which the Award is granted pursuant to the RMG PSP 2020
“Award Letter”	:	A letter in such form as the Committee shall approve confirming an Award granted to a Participant by the Committee
“Board”	:	The board of Directors
“CDP”	:	The Central Depository (Pte) Limited
“Chairman of the 2020 AGM”	:	The chairman of the 2020 AGM
“Circular”	:	This circular to Shareholders dated 4 June 2020 in respect of the proposed adoption of the RMG PSP 2020 and RMG ESOS 2020
“Committee”	:	The Nomination & Compensation Committee of the Company for the time being, which will administer the RMG PSP 2020 and RMG ESOS 2020
“Company”	:	Raffles Medical Group Ltd (Company Registration Number: 198901967K), a public company incorporated in Singapore with limited liability
“control”	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company

DEFINITIONS

“Controlling Shareholder”	: A person who:— <ul style="list-style-type: none">(a) holds directly or indirectly 15% or more of the total voting rights in the company. The SGX-ST may determine that a person who satisfies this paragraph (a) is not a controlling shareholder; or(b) in fact exercises control over a company
“Directors”	: The directors of the Company for the time being
“Eligible Shareholders”	: Shareholders who are eligible to participate in the proposed RMG PSP 2020 and proposed RMG ESOS 2020, including the Directors
“EPS”	: Earnings per Share
“ESOS 2010 Award”	: The right to receive Shares pursuant to the RMG ESOS 2010
“Executive Director”	: A director of any member of the Group or Associated Company (as the case may be) who performs an executive function
“Group”	: The Company and its Subsidiaries
“Group Employee”	: An Executive Director or Non-Executive Director of any member of the Group or a full-time or part-time employee of any member of the Group (including any part-time doctor), in particular the expression “part-time doctor” means a doctor who is employed on a regular basis by the Group but whose hours of work are not full-time
“Incentive Option”	: The right to subscribe for Shares granted or to be granted pursuant to the RMG ESOS 2020 and for the time being subsisting, and in respect of which the Subscription Price is determined in accordance with Rule 8.1(b) of the RMG ESOS 2020
“Independent Director”	: An independent Non-Executive Director
“independent Shareholder”	: A shareholder of the Company other than a Controlling Shareholder or its Associate
“Joint Guidance”	: Shall have the meaning ascribed to it in paragraph 9 of this Circular
“Latest Practicable Date”	: 12 May 2020, being the latest practicable date prior to the finalisation of this Circular
“Listing Manual”	: The Listing Manual of the SGX-ST, as amended, modified and supplemented from time to time
“Main Board”	: The Main Board of the SGX-ST
“Market Day”	: A day on which the SGX-ST is open for trading in securities
“Market Price”	: A price equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the SGX-ST for the three (3) consecutive Market Days immediately preceding: <ul style="list-style-type: none">(a) in the case of an Option, the Offer Date of such Option; and(a) in the case of an Award, the Vesting Date
“Market Price Option”	: The right to subscribe for Shares granted or to be granted pursuant to the RMG ESOS 2020 and for the time being subsisting and in respect of which the Subscription Price is determined in accordance with Rule 8.1(a) of the RMG ESOS 2020
“New Shares”	: The new Shares which may be allotted and issued from time to time pursuant to the vesting of Awards granted under the RMG PSP 2020 and/or pursuant to the exercise of the Option(s) granted under the RMG ESOS 2020, as the case may be
“Non-Executive Directors”	: The directors of any member of the Group or Associated Company (as the case may be) other than an Executive Director

DEFINITIONS

“Non-Executive and Non-Independent Director”	: A Non-Executive Director who is not an Independent Director
“Notice of 2020 AGM”	: The notice of AGM of the Company dated 4 June 2020 convening the AGM to be held on 26 June 2020
“NTA”	: Net tangible assets
“Offer Date”	: The date on which an offer to grant an Option is made
“Option”	: A share option to subscribe for new Shares granted pursuant to the RMG ESOS 2010 or the RMG ESOS 2020, as the case may be. In the case of RMG ESOS 2020, an Option may be a Market Price Option or an Incentive Option, as the case may be
“Option Period”	: The period for the exercise of an Option as set out in Rule 9.1 of the RMG ESOS 2020
“Order”	: Shall have the meaning ascribed to it in paragraph 9 of this Circular
“Participant”	: The holder of an Award or Option, as the case may be
“Performance-related Award”	: An Award in relation to which a Performance Condition is specified
“Performance Condition”	: In relation to a Performance-related Award, the condition specified on the Award Date in relation to that Award
“Performance Period”	: In relation to a Performance-related Award, a period, the duration of which is to be determined by the Committee on the Award Date, during which the Performance Condition is to be satisfied
“P&L”	: Shall have the meaning ascribed to it in paragraph 8.4(a) of this Circular
“Record Date”	: The date as at the close of business (or such other time as may have been prescribed by the Company) on which Shareholders must be registered in order to participate in the dividends, rights, allotments or other distributions (as the case may be)
“Release”	: In relation to an Award, the release at the end of the Vesting Period relating to that Award of all or some of the Shares to which that Award relates in accordance with the RMG PSP 2020 and, to the extent that any Shares which are the subject of the Award are not released pursuant to the RMG PSP 2020, the Award in relation to those Shares shall lapse accordingly, and “Released” shall be construed accordingly
“RMG ESOS 2010”	: The Raffles Medical Group (2010) Share Option Scheme, approved and adopted by the Company on 30 April 2010
“RMG ESOS 2020”	: The proposed Raffles Medical Group (2020) Share Option Scheme, as the same may be amended, modified or altered from time to time
“RMG PSP 2020”	: The proposed Raffles Medical Group (2020) Performance Share Plan, as the same may be amended, modified or altered from time to time
“Rules”	: The rules of the RMG PSP 2020 or RMG ESOS 2020, as the case may be, as set out in Appendix A and Appendix B to this Circular respectively, as amended, modified or altered from time to time
“SFRS(I) 2”	: Shall have the meaning ascribed to it in paragraph 8.4 of this Circular
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: Registered holders for the time being of Shares, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the depositors whose securities accounts are credited with Shares
“Shares”	: Ordinary shares in the share capital of the Company

DEFINITIONS

- “Subscription Price”** : The price at which a Participant shall subscribe for each Share upon the exercise of an Option as determined in accordance with Rule 8.1(a) of the RMG ESOS 2020 in relation to a Market Price Option, and Rule 8.1(b) of the RMG ESOS 2020 in relation to an Incentive Option, as adjusted in accordance with Rule 12 of the RMG ESOS 2020 (where applicable)
- “Subsidiary”** : A company (whether incorporated within or outside Singapore and wheresoever resident) being a subsidiary for the time being of the Company within the meaning of Section 5 of the Act
- “Vesting”** : (a) In relation to Shares in respect of which the Vesting Period (if any) relating to the Shares has ended and which have vested in accordance with the RMG PSP 2020; and
(b) in relation to Options in respect of which the Vesting Period (if any) relating to the Options has ended and which have vested in accordance with the RMG ESOS 2020
and **“Vest”** and **“Vested”** shall be construed accordingly
- “Vesting Date”** : (a) In relation to Shares which are the subject of an Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares shall be Vested pursuant to Rule 9 of the RMG PSP 2020; and
(b) in relation to Options, the date (as determined by the Committee and notified to the relevant Participant) on which those Options shall be Vested pursuant to the relevant Offer Letter
- “Vesting Period”** : (a) In relation to an Award, a period or periods (if any), the duration of which is to be determined by the Committee at the Award Date, after the expiry of which Shares which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date, subject to the RMG PSP 2020; and
(b) in relation to an Option, a period or periods (if any), the duration of which is to be determined by the Committee at the Offer Date, after the expiry of which Options which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date, pursuant to the relevant Offer Letter
- “S\$” and “cents”** : Singapore dollars and cents respectively
- “%” or “per cent.”** : Percentage or per centum

The terms **“depositor”**, **“depository agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289 of Singapore). The term **“subsidiary”** shall bear the meaning ascribed to it in Section 5 of the Act. The term **“treasury shares”** shall have the meaning ascribed to it in Section 4 of the Act.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Act or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it in the Act or any statutory modification thereof, as the case may be. Summaries of the provisions of any laws and regulations contained in this Circular are of such laws and regulations as at the Latest Practicable Date.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in this Circular between the listed amounts and the totals thereof and/or the respective percentages are due to rounding.

RafflesMedicalGroup

Company Registration No. 198901967K
(Incorporated in Singapore)

LETTER TO SHAREHOLDERS

Directors

Dr Loo Choon Yong (Executive Chairman)
Mr Koh Poh Tiong (Lead Independent Director)
Mr Kee Teck Koon (Independent Director)
Mr Eric Ang Teik Lim (Independent Director)
Dr Wee Beng Geok (Independent Director)
Professor Lim Pin (Independent Director)
Mr Raymond Lim Siang Keat (Independent Director)
Mr Png Cheong Boon (Independent Director)
Mr Tan Soo Nan (Executive and Non-Independent Director)
Mr Olivier Lim Tse Ghow (Non-Executive and Non-Independent Director)
Dr Sarah Lu Qinghui (Executive and Non-Independent Director)

Registered Office

585 North Bridge Road
Raffles Hospital #11-00
Singapore 188770

4 June 2020

To: The Shareholders of Raffles Medical Group Ltd

Dear Sir / Madam

- (1) THE PROPOSED ADOPTION OF THE RAFFLES MEDICAL GROUP (2020) PERFORMANCE SHARE PLAN
- (2) THE PROPOSED ADOPTION OF THE RAFFLES MEDICAL GROUP (2020) SHARE OPTION SCHEME
- (3) THE PROPOSED GRANT OF OPTIONS AT A DISCOUNT UNDER THE RAFFLES MEDICAL GROUP (2020) SHARE OPTION SCHEME

1. INTRODUCTION

1.1 2020 AGM

The Directors wish to refer Shareholders to:

- (a) the Notice of 2020 AGM convening the 2020 AGM;
- (b) the proposed adoption of the RMG PSP 2020;
- (c) the proposed adoption of the RMG ESOS 2020; and
- (d) the proposed grant of options at a discount under the RMG ESOS 2020.

1.2 Circular

The purpose of this Circular is to provide Shareholders with information relating to the above proposals and to seek Shareholders' consent to the same at the 2020 AGM, and may not be relied upon by any persons (other than Shareholders) or for any other purpose. The SGX-ST takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Circular.

1.3 Listing of New Shares

The SGX-ST has on 5 May 2020 granted in-principle approval for the listing and quotation of the New Shares to be allotted and issued pursuant to the RMG PSP 2020 and RMG ESOS 2020 on the Main Board of the SGX-ST, subject to separate independent Shareholders' approval being obtained for each of the RMG PSP 2020 and RMG ESOS 2020, and the Company's compliance with SGX-ST's listing requirements and guidelines.

Such in-principle approval, and the admission to, and quotation of the New Shares on the Main Board of the SGX-ST is not to be taken as an indication of the merits of the RMG PSP 2020, the RMG ESOS 2020, the New Shares, the Company and/or its subsidiaries.

2. THE EXPIRED RMG ESOS 2010

2.1 The Expired Share Option Scheme

The RMG ESOS 2010, which was adopted at the annual general meeting of the Company held on 30 April 2010 for a 10 year term, expired on 30 April 2020. Save for the expired RMG ESOS 2010, the Company does not have any other employee share scheme or employee share option scheme in place. No further grants can be made under the RMG ESOS 2010 as it has expired.

The Company wishes to adopt the RMG PSP 2020 and RMG ESOS 2020 to replace the expired RMG ESOS 2010, subject to, and upon, approval of Shareholders being obtained for each of the RMG PSP 2020 and RMG ESOS 2020 respectively at the 2020 AGM. As the RMG ESOS 2010 has expired, following the conclusion of the 2020 AGM, the RMG PSP 2020 (if approved) and RMG ESOS 2020 (if approved), will be the only share incentive schemes of the Company in force.

As at the Latest Practicable Date, 118,850,000 Options have been granted under the expired RMG ESOS 2010.

The terms of the expired RMG ESOS 2010 will continue to apply to the outstanding RMG ESOS 2010 Awards. For the avoidance of doubt, the expiration of the RMG ESOS 2010 is without prejudice to the rights of the holders of the Options under the RMG ESOS 2010 in respect of whom Options thereunder have been made and accepted.

The Rules of the RMG ESOS 2010 are set out in Appendix A to the Company's Circular to Shareholders dated 8 April 2010 which is available on the Company's website. A summary of the principal terms are set out in Appendix C to this Circular.

2.2 RMG ESOS 2010 Awards

As at the Latest Practicable Date:

- (a) a total of 34,268,000 Shares have been allotted and issued pursuant to the exercise of the Options under the expired RMG ESOS 2010, and there remain outstanding and unexercised Options for an aggregate 69,093,000 Shares representing approximately 3.78% of the total number of issued Shares (including the lapsing of Options for 1,828,911,757 Shares);
- (b) there are 1,092 participants under the expired RMG ESOS 2010 and Options granted thereunder for 118,850,000 Shares;
- (c) the aggregate number of Shares available (issued or issuable) under the expired RMG ESOS 2010 against the total number of issued Shares forming the existing share capital of the Company is approximately 5.65%; and
- (d) the Options granted under the expired RMG ESOS 2010 are subject to the conditions set out in the rules of the expired RMG ESOS 2010.

Details of Options granted to Directors, the Controlling Shareholders and/or their Associates under the expired RMG ESOS 2010 as at the Latest Practicable Date are as follows:

Relevant participant of RMG ESOS 2010	Date of grant of Options	Number of Shares offered under the Options*	Number of Shares already allotted upon exercise of the Options	Number of Options remaining unexercised
Mr Koh Poh Tiong	02/04/2012	60,000	60,000	–
	01/04/2013	180,000	180,000	–
	01/04/2014	180,000	180,000	–
	01/04/2015	210,000	–	–
	01/04/2016	150,000	–	150,000
	03/04/2017	100,000	–	100,000
	03/09/2018	150,000	–	150,000
	01/07/2019	225,000	–	225,000
Mr Kee Teck Koon	02/04/2012	60,000	60,000	–
	01/04/2013	180,000	–	–
	01/04/2014	240,000	240,000	–
	01/04/2015	210,000	–	–
	01/04/2016	120,000	–	120,000
	03/04/2017	75,000	–	75,000
	03/09/2018	100,000	–	100,000
	01/07/2019	150,000	–	150,000

LETTER TO SHAREHOLDERS

Relevant participant of RMG ESOS 2010	Date of grant of Options	Number of Shares offered under the Options*	Number of Shares already allotted upon exercise of the Options	Number of Options remaining unexercised
Dr Wee Beng Geok	01/04/2011	210,000	210,000	–
	02/04/2012	240,000	240,000	–
	01/04/2013	240,000	–	–
	01/04/2014	240,000	–	–
	01/04/2015	210,000	–	–
	01/04/2016	120,000	–	120,000
	03/04/2017	75,000	–	75,000
	03/09/2018	100,000	–	100,000
	01/07/2019	125,000	–	125,000
Professor Lim Pin	01/04/2011	180,000	180,000	–
	02/04/2012	210,000	210,000	–
	01/04/2013	180,000	180,000	–
	01/04/2014	180,000	180,000	–
	01/04/2015	180,000	–	–
	01/04/2016	90,000	–	90,000
	03/04/2017	50,000	–	50,000
	03/09/2018	75,000	–	75,000
	01/07/2019	125,000	–	125,000
Mr Raymond Lim Siang Keat	01/04/2014	150,000	150,000	–
	01/04/2015	180,000	–	–
	01/04/2016	90,000	–	90,000
	03/04/2017	50,000	–	50,000
	03/09/2018	75,000	–	75,000
	01/07/2019	125,000	–	125,000
Mr Tan Soo Nan	01/04/2011	210,000	210,000	–
	02/04/2012	240,000	240,000	–
	01/04/2013	240,000	–	–
	01/04/2014	240,000	–	–
	01/04/2015	210,000	–	–
	01/04/2016	150,000	–	150,000
	03/04/2017	100,000	–	100,000
	03/09/2018	125,000	–	125,000
	01/07/2019	200,000	–	200,000
Mr Olivier Lim Tse Ghow	01/04/2015	60,000	–	–
	01/04/2016	90,000	–	90,000
	03/04/2017	50,000	–	50,000
	03/09/2018	75,000	–	75,000
	01/07/2019	100,000	–	100,000
Dr Sarah Lu Qinghui	01/07/2019	100,000	–	100,000

*After adjustment for share split which took effect on 11 May 2016.

Save as disclosed, no other Director, Controlling Shareholders and/or their Associates has been granted Options under the expired RMG ESOS 2010.

3. RATIONALE FOR AND BENEFITS OF THE RMG PSP 2020 AND RMG ESOS 2020

- 3.1** The purpose of adopting the RMG PSP 2020 and RMG ESOS 2020 is to provide an opportunity for directors and employees of the Group and Associated Companies (including talented physicians/medical professionals) to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to their contributions and services.
- 3.2** The RMG PSP 2020 and RMG ESOS 2020 are proposed on the basis that it is important to acknowledge the contribution made by such directors and employees (including talented physicians/medical professionals). By adopting the RMG PSP 2020 and RMG ESOS 2020, the Company will give such directors and employees (including talented physicians/medical professionals) a stake in the Company and will help to achieve the following objectives:
- (a) to motivate Participants to optimise performance standards and efficiency and to maintain a high level of contribution to the Group and Associated Companies and achieve sustainable growth for the Company in the changing business environment;
 - (b) to retain key employees (including talented physicians/medical professionals) whose contributions are pivotal to the long-term growth and profitability of the Group and Associated Companies;
 - (c) to attract more potential employees (including talented physicians/medical professionals) with the relevant skills to contribute to the Group and Associated Companies in line with the Group's and Associated Companies' goals in expansion;
 - (d) to foster a greater ownership culture within the Group and Associated Companies by aligning the interests of Participants with the interests of Shareholders; and
 - (e) to develop a participatory style of management which promotes greater commitment and dedication amongst Group Employees and Associated Company Employees and instill loyalty and a stronger sense of identification with the long-term prosperity of the Group and Associated Companies.
- 3.3** The purpose of adopting more than one share plan is to give the Company greater flexibility to design appropriate incentive packages. The RMG PSP 2020 and RMG ESOS 2020 will complement each other as tools to reward, retain and motivate the Participants whose services and contributions are vital to the well-being and success of the Group.
- 3.4** While the RMG ESOS 2020 is designed to provide its Participants with an opportunity to participate in the equity of the Company through Options which they may exercise to subscribe for Shares upon payment of the Subscription Price, the RMG PSP 2020 is designed to reward Participants by the award of Shares, through the Vesting of such Awards according to the extent to which the Performance Conditions (if any) imposed on the Award are achieved at the end of a specified Performance Period. The duration of each Performance Period (if applicable) will serve to align the Participants' performance goals with the corresponding performance cycle of the Company, and the strategies and objectives for the Group over the short to medium term.
- 3.5** The RMG PSP 2020 thus seeks to focus Participants on short to medium term critical performance targets, to develop a reward-for-performance culture in the Group and Associated Companies, and to encourage Participants to continuously improve their performance. As the actual number of Shares which the Participant will receive under the RMG PSP 2020 will depend ultimately on the extent to which he satisfies the Performance Condition(s) set for each Performance Period, this creates a strong incentive for the Participant to focus on assigned tasks and to excel.
- 3.6** Although the RMG PSP 2020 and RMG ESOS 2020 are available to all Group Employees and Associated Company Employees, it is contemplated that the RMG PSP 2020 and RMG ESOS 2020 will be utilised to reward and motivate those holding middle to senior management/physician/medical professional positions (including Executive Directors and Non-Executive Directors) in the Group and Associated Companies, while the RMG PSP 2020 will also target other employees of grade Officer and above in the Group and Associated Companies. The operation of both the RMG PSP 2020 and RMG ESOS 2020 in tandem will thus allow the Group and Associated Companies to blend and package the Options and Awards as part of a comprehensive incentive and reward system.
- 3.7** When deciding on the number of Shares or Options to award or grant (as the case may be) to a Participant at any one point in time, the Committee will also take into consideration the number of Shares or Options to be awarded or granted (as the case may be) to that Participant under any other share scheme at that time, if any.

4. THE PROPOSED ADOPTION OF THE RMG PSP 2020

4.1 Background

The Company proposes to implement the RMG PSP 2020 which is known as the “Raffles Medical Group (2020) Performance Share Plan” with the objective of, amongst others, aligning the interests of the Participants with the interests of the Shareholders, motivating Participants to achieve performance targets of the Company and offering a total compensation package sufficiently competitive to attract and retain talent to help achieve the Company’s corporate objectives.

The RMG PSP 2020 will be subject to Shareholders’ approval at the 2020 AGM. A summary of the principal Rules of the PSP 2020 is set out in paragraph 4.2 of this Circular.

4.2 Summary of Rules

The following are summaries of the principal Rules of the RMG PSP 2020:

4.2.1 Limitation on the Size of the RMG PSP 2020

The aggregate number of Shares over which the Committee may issue or deliver pursuant to all Awards granted under the RMG PSP 2020 and in respect of all other share-based incentive schemes of the Company then in force (if any), shall not exceed 15% of the total issued Shares of the Company (excluding treasury shares and subsidiary holdings) on the date preceding the Award Date.

4.2.2 Eligibility

Group Employees and Associated Company Employees who hold such rank as may be designated by the Committee from time to time and who have contributed to or will contribute to the success and development of the Company are eligible to participate in the RMG PSP 2020 at the absolute discretion of the Committee provided that each such person is:

- (a) at least 21 years of age;
- (b) not an undischarged bankrupt; and
- (c) not a Controlling Shareholder or an Associate of a Controlling Shareholder,

provided further that the Committee shall be entitled at its absolute discretion to allow any other employee or personnel of the medical profession contracted or engaged by the Group or an Associated Company on a full-time or part-time employment basis not otherwise mentioned above who is at least 21 years of age, is not an undischarged bankrupt and is not a Controlling Shareholder or an Associate of a Controlling Shareholder to participate in the RMG PSP 2020.

It is currently contemplated that the Group Employees and Associated Company Employees who will be eligible to participate in the RMG PSP 2020 will be limited to those of grade Officer and above and those in middle to senior management/physician/medical professional positions in the Group and Associated Companies respectively, including Executive Directors and Non-Executive Directors.

Awards to Associated Company Employees will be subject to Rule 844(1) of the Listing Manual. The basis for Awards to Associated Company Employees, as required by Rule 855(4) of the Listing Manual, is set out in Section 7.1 of this Circular.

4.2.3 Duration of the RMG PSP 2020

The RMG PSP 2020 shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the date on which the RMG PSP 2020 is adopted by the Company in general meeting. Subject to compliance with any applicable laws and regulations, the RMG PSP 2020 may be extended for a further period thereafter with the approval of Shareholders by way of an ordinary resolution passed at a general meeting and of any relevant authorities (if required).

The RMG PSP 2020 may be terminated or suspended at any time by the Committee or by an ordinary resolution passed by the Shareholders at a general meeting, subject to all other relevant approvals which may be required and if the RMG PSP 2020 is so terminated, no further Awards shall be offered by the Company pursuant to the terms of the RMG PSP 2020.

4.2.4 Administration of the RMG PSP 2020

The RMG PSP 2020 shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board. In accordance with the provisions of the Listing Manual and the Rules of the RMG PSP 2020, a member of the Committee must not be involved in the deliberations in respect of any Awards to be granted to him.

4.2.5 Categories of Awards

The RMG PSP 2020 has two (2) categories of Awards, being the Performance-related Awards and time-related Awards, which are briefly discussed below:

- (a) The Performance-related Awards provide that Shares which are the subject of that Award shall only be Released to the Participant at the end of the relevant Vesting Period or on the relevant Vesting Date (as the case may be), subject to the Committee having determined that the Performance Condition applicable to the Award has been satisfied at the end of the relevant Performance Period.
- (b) The time-related Awards provide that Shares which are the subject of the Award shall be Released to the Participant at the end of the relevant Vesting Period or on the relevant Vesting Date (as the case may be), subject to the Committee having determined that the conditions (if any, which may include the Participant's individual performance as an employee, his/her service criteria and contribution to the Group) applicable to the Award have been satisfied.

Awards under the RMG PSP 2020 represent the right of a Participant to receive fully paid Shares, their equivalent cash value or combinations thereof, free of charge, provided that certain Performance Conditions (if any) or other conditions (if any) are met and upon the expiry of the Vesting Periods (if any) which will be determined by the Committee on the Award Date.

It is the Company's current intention to grant Performance-related Awards based on specified short to medium term critical targets based on criteria such as total shareholders' returns, return on sales and profits being met over a short period of one (1) to three (3) years. The Board believes that the setting of short to medium term performance targets is in the Company's interests since Participants will be more highly motivated to obtain immediate rewards in a faster time frame thereby benefiting the Company in achieving accelerated performance and growth.

Further, it is the Company's current intention that:

- (a) the Group Employees and Associated Company Employees holding middle to senior management/physician/medical professional positions may be granted Performance-related Awards and/or time-related Awards; and
- (b) the other employees of the Group or the Associated Companies of grade Officer and above (including those holding physician/medical professional positions) may be granted time-related Awards, as they may not have as significant an impact on the Group's performance as the Group Employees and Associated Company Employees holding middle to senior management/physician/medical professional positions.

4.2.6 Grant of Awards

The number of Shares comprised in Awards shall be determined at the absolute discretion of the Committee which shall take into consideration criteria such as rank, past performance, years of service, contribution and potential contribution of the Participant. The potential contribution of the Participant shall be assessed based on factors which may include the Participant's performance as an employee of the Group or Associated Company (as the case may be) and the Group's financial performance. The assessment process adopted by the Committee under the RMG PSP 2020 will be similar to that of the assessment process adopted by the Committee under the RMG ESOS 2020.

The Committee may grant Awards in its absolute discretion at any time during the period when the RMG PSP 2020 is in force. However, in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, the Committee may only grant Awards on or after the second Market Day following the day on which such announcement is released. In addition, no offer to grant Options shall be made during the period of one (1) month before the announcement of its half-year financial results (if applicable) and full-year financial results and the period of two (2) weeks before the announcement of the financial results of the Company for each of the first, second and third quarters of its financial year (if applicable).

4.2.7 Acceptance of Award

The grant of an Award must be accepted within 30 days from the Award Date of that Award, and in any event, not later than 5.00 p.m. on the 30th day from such Award Date. The Participant must return the duly completed and signed Acceptance Form to the Company.

4.2.8 Lapse of Award

4.2.8.1 Unless the Committee otherwise determines in its absolute discretion, an Award shall, to the extent not yet Released, lapse and the Participant shall have no claim whatsoever against the Company:

- (a) subject to paragraphs 4.2.8.2 and 4.2.8.3, upon the Participant ceasing to be in the employment of the Group or Associated Company (as the case may be), or in the case of a Participant who is an Executive Director or Non-Executive Director, ceasing to be a director of such company, for any reason whatsoever;
- (b) upon the bankruptcy of the Participant or the happening of any other event which results in him being deprived of the legal or beneficial ownership of such Award;

- (c) in the event of any misconduct on the part of the Participant as determined by the Committee in its sole and absolute discretion or any breach of any regulation of the Group or Associated Company (as the case may be), such breach being regarded as serious by the Committee in its absolute discretion; or
- (d) upon the company by which the Participant is employed ceasing to be a company within the Group or Associated Company (as the case may be), or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group or Associated Company (as the case may be).

4.2.8.2 If a Participant ceases to be employed by the Group or Associated Company (as the case may be) or in the case of a Participant who is an Executive Director or Non-Executive Director of a company within the Group or Associated Company (as the case may be), ceases to be a director of such company, by reason of his:

- (a) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
- (b) redundancy;
- (c) retirement at or after the legal retirement age;
- (d) retirement before the legal retirement age with the consent of the Committee; or
- (e) any other reason approved in writing by the Committee,

an Award then held by that Participant may, to the extent not yet Released, at the absolute discretion of the Committee be Released.

4.2.8.3 If a Participant dies and at the date of his death holds any Award which has not yet been Released, such Award may, at the absolute discretion of the Committee, be Released to the duly appointed legal personal representatives of the Participant.

4.2.8.4 In the case of a Performance-related Award, the Committee shall have the absolute discretion to waive the full compliance of the Performance Condition on the part of the Participant upon the occurrence of any of the events provided in paragraphs 4.2.8.2 or 4.2.8.3 of this Circular. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant, the proportion of the Performance Period which has elapsed and the extent to which the Performance Condition has been satisfied.

4.2.9 Rights of Shares

Shares which are allotted and issued or treasury shares which are transferred on the Release of an Award shall be subject to all the provisions of the Constitution of the Company, and shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which falls after the relevant exercise date of the Option, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

The Committee has the flexibility and power to, if the circumstances require, make a Release of an Award wholly or partly in the form of cash (at the aggregate Market Price of the relevant Shares) rather than Shares.

4.2.10 Variation of Capital

If a variation in the issued ordinary share capital of the Company (whether by way of rights issue, bonus issue, reduction of capital, subdivision, consolidation or distribution of Shares or otherwise) shall take place:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested and the rights attached thereto; and/or
- (b) the class and/or number of Shares over which future Awards may be granted under the RMG PSP 2020,

may be adjusted in such manner as the Committee may deem to be appropriate. For the avoidance of doubt, the issue of securities as consideration for an acquisition of any assets by the Company will not be regarded as a circumstance requiring adjustment.

Any adjustment (except in relation to a bonus issue) must be confirmed in writing by the auditors of the Company (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable. No adjustment shall be made in such a way that any Participant receives a benefit that a Shareholder does not receive.

Upon any adjustment being made, the Committee shall notify the Participant in writing informing him of the number of Shares thereafter to be issued or transferred on the Vesting of an Award. Any adjustment shall take effect upon such written notification being given.

4.2.11 Modifications to the RMG PSP 2020

Any or all the provisions of the RMG PSP 2020 may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) no modification or alteration shall alter adversely the rights attaching to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who would be allotted, issued or transferred no less than 75% of the Shares which would be allotted, issued or transferred if the affected Awards were Released upon the expiry of all the Vesting Periods applicable to those Awards;
- (b) any modification or alteration which would be to the advantage of Participants under the RMG PSP 2020 shall be subject to the prior approval of the Shareholders in general meeting; and
- (c) no modification or alteration shall be made without the prior approval of the SGX-ST, or any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities, in each case, as may be necessary.

5. THE PROPOSED ADOPTION OF THE RMG ESOS 2020

5.1 Background

The Company proposes to implement the RMG ESOS 2020 which is known as the “Raffles Medical Group (2020) Share Option Scheme” to replace the expired RMG ESOS 2010 with the objective of, amongst others, aligning the interests of the Participants with the interests of the Shareholders, motivating Participants to achieve performance targets of the Company and offering a total compensation package sufficiently competitive to attract and retain talent to help achieve the Company’s corporate objectives.

The RMG ESOS 2020 will be subject to Shareholders’ approval at the 2020 AGM. A summary of the principal Rules of the RMG ESOS 2020 is set out in paragraph 5.2 of this Circular.

5.2 Summary of Rules

The following are summaries of the principal Rules of the RMG ESOS 2020:

5.2.1 Limitation on the Size of the RMG ESOS 2020

The aggregate number of Shares over which the Committee may grant Options on any date, when added to the number of Shares issued and issuable in respect of all Options granted under the RMG ESOS 2020 and in respect of all other share-based incentive schemes of the Company then in force (if any), shall not exceed 15% of the total issued Shares of the Company (excluding treasury shares and subsidiary holdings) on the date preceding the Offer Date of an Option.

5.2.2 Eligibility

Group Employees and Associated Company Employees who hold such rank as may be designated by the Committee from time to time and who have contributed to or will contribute to the success and development of the Company are eligible to participate in the RMG ESOS 2020 at the absolute discretion of the Committee provided that each such person is:

- (a) at least 21 years of age;
- (b) not an undischarged bankrupt; and
- (c) not a Controlling Shareholder or an Associate of a Controlling Shareholder,

provided further that the Committee shall be entitled at its absolute discretion to allow any other employee or personnel of the medical profession contracted or engaged by the Group or an Associated Company on a full-time or part-time employment basis not otherwise mentioned above who is at least 21 years of age, is not an undischarged bankrupt and is not a Controlling Shareholder or an Associate of a Controlling Shareholder to participate in the RMG ESOS 2020.

It is currently contemplated that the Group Employees and Associated Company Employees who will be eligible to participate in the RMG ESOS 2020 will be limited to those holding middle to senior management/physician/medical professional positions in the Group and Associated Companies respectively, including Executive Directors and Non-Executive Directors.

Options granted to Associated Company Employees will be subject to Rule 844(1) of the Listing Manual. The basis for Options granted to Associated Company Employees, as required by Rule 855(4) of the Listing Manual, is set out in Section 7.1 of this Circular.

5.2.3 Duration of the RMG ESOS 2020

The RMG ESOS 2020 shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the date on which the RMG ESOS 2020 is adopted by the Company in general meeting. Subject to compliance with any applicable laws and regulations, the RMG ESOS 2020 may be extended for a further period thereafter with the approval of Shareholders by way of an ordinary resolution passed at a general meeting and of any relevant authorities (if required).

The RMG ESOS 2020 may be terminated or suspended at any time by the Committee or by an ordinary resolution passed by the Shareholders at a general meeting, subject to all other relevant approvals which may be required and if the RMG ESOS 2020 is so terminated, no further Options shall be offered by the Company pursuant to the terms of the RMG ESOS 2020.

5.2.4 Administration of the RMG ESOS 2020

The RMG ESOS 2020 shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board. In accordance with the provisions of the Listing Manual and the Rules of the RMG ESOS 2020, a member of the Committee must not be involved in the deliberations in respect of any Options to be granted to him.

5.2.5 Categories of Options

Similar to the expired RMG ESOS 2010, the RMG ESOS 2020 has two (2) categories of Options, being the Market Price Option and the Incentive Option, which are briefly discussed below:

- (a) The Market Price Option provides for a Participant to exercise the Option at a price ("**Market Price**") equal to the average of the last dealt prices for a Share as determined by reference to the daily official list published by the SGX-ST for the three (3) consecutive Market Days immediately preceding the Offer Date of that Option, rounded to the nearest whole cent.
- (b) The Incentive Option provides for a Participant to exercise the Option at a price which is set at a discount to the Market Price provided that the maximum discount shall not exceed 20% of the Market Price (or such other percentage or amount as may be prescribed or permitted by the SGX-ST). In determining the quantum of such discount, the Committee shall take into consideration such criteria as the Committee may, in its absolute discretion, deem appropriate, which may include but are not limited to:
 - (i) the performance of the Company and/or the Group and/or the Associated Company (as the case may be);
 - (ii) the individual performance of the Participant; and
 - (iii) the contribution of the Participant to the success and development of the Company and/or the Group and/or the Associated Company (as the case may be).

The Committee must seek the prior approval of the Shareholders in general meeting before making offers and grants of Options under the RMG ESOS 2020 at a discount not exceeding the maximum discount as aforesaid. Such prior approval shall be required to be obtained only once for the duration of the RMG ESOS 2020.

The Company currently contemplates that a Participant who is eligible to participate in the RMG ESOS 2020 may be granted Market Price Options and/or Incentive Options.

5.2.6 Grant of Options

The number of Shares comprised in Market Price Options or Incentive Options shall be determined at the absolute discretion of the Committee which shall take into consideration criteria such as rank, past performance, years of service, contribution and potential contribution of the Participant. The potential contribution of the Participant shall be assessed based on factors which may include the Participant's performance as an employee of the Group or Associated Company (as the case may be) and the Group's financial performance. The assessment process adopted by the Committee under the RMG ESOS 2020 will be similar to that of the assessment process adopted by the Committee under the RMG PSP 2020.

The Committee may offer to grant Options in its absolute discretion at any time during the period when the RMG ESOS 2020 is in force. However, in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, the Committee may only offer to grant Options on or after the second Market Day following the day on which such announcement is released. In addition, no offer to grant Options shall be made during the period of one (1) month before the announcement of its half-year financial results (if applicable) and full-year financial results and the period of two (2) weeks before the announcement of the financial results of the Company for each of the first, second and third quarters of its financial year (if applicable).

5.2.7 Acceptance of Offer

The grant of an Option must be accepted within 30 days from the Offer Date of that Option, and in any event, not later than 5.00 p.m. on the 30th day from such Offer Date. The Participant must return the duly completed and signed Acceptance Form to the Company, accompanied by payment of S\$1.00 as consideration.

5.2.8 Exercise of Options

A Market Price Option can be exercised during the period commencing on the day immediately following the first anniversary of the Offer Date and expiring on the tenth anniversary of such Offer Date, and an Incentive Option can be exercised during the period commencing on the day immediately following the second anniversary of the Offer Date and expiring on the tenth anniversary of such Offer Date, except that any Option granted to a Participant who is not an employee of the Company or its Subsidiary (i.e. including a person who is an Associated Company Employee or a Non-Executive Director) will expire on the fifth anniversary of such Offer Date.

Options can be exercised in whole or in part (only in respect of 1,000 Shares or any multiple thereof). If any Option is exercised in part only, the balance of the Option shall continue to be exercisable until such time as it lapses in accordance with the RMG ESOS 2020.

5.2.9 Lapse of Option

5.2.9.1 Unless the Committee otherwise determines in its absolute discretion, an Option shall, to the extent unexercised, lapse and the Participant shall have no claim whatsoever against the Company:

- (a) subject to paragraphs 5.2.9.2 and 5.2.9.3, upon the Participant ceasing to be in the employment of the Group or Associated Company (as the case may be), or in the case of a Participant who is an Executive Director or Non-Executive Director, ceasing to be a director of such company, for any reason whatsoever;
- (b) upon the bankruptcy of the Participant or the happening of any other event which results in him being deprived of the legal or beneficial ownership of such Option;
- (c) in the event of any misconduct on the part of the Participant as determined by the Committee in its sole and absolute discretion or any breach of any regulation of the Group or Associated Company (as the case may be), such breach being regarded as serious by the Committee in its absolute discretion; or
- (d) upon the company by which the Participant is employed ceasing to be a company within the Group or Associated Company (as the case may be), or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group or Associated Company (as the case may be).

For the purpose of this paragraph, the Committee may in its absolute discretion determine that such Option shall not lapse and may continue to be exercised by the holder of the Option (subject to any terms and conditions as the Committee may impose), and upon the expiry of the applicable Option Period, the Option shall lapse and become null and void.

5.2.9.2 Subject to paragraph 5.2.8, if a Participant ceases to be employed by the Group or Associated Company (as the case may be) or in the case of a Participant who is an Executive Director or Non-Executive Director of a company within the Group or Associated Company (as the case may be), ceases to be a director of such company, by reason of his:

- (a) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
- (b) redundancy;
- (c) retirement at or after the legal retirement age;
- (d) retirement before the legal retirement age with the consent of the Committee; or
- (e) any other reason approved in writing by the Committee,

the Committee may at its absolute discretion, permit any un-Vested Option the Participant holds to be Vested on an accelerated basis, and/or permit the Participant to exercise any unexercised Option within the relevant Option Period, and upon the expiry of such period, the Option shall lapse.

5.2.9.3 Subject to paragraph 5.2.8, if a Participant dies and at the date of his death holds any unexercised Option, the Committee may at its absolute discretion, permit any un-Vested Option the Participant holds to be Vested on an accelerated basis, and/or permit the duly appointed legal personal representatives of the Participant to exercise any unexercised Option within the relevant Option Period, and upon the expiry of the Option Period, the Option shall lapse.

5.2.10 Rights of Shares

Shares which are allotted and issued or treasury shares which are transferred on the exercise of an Option shall be subject to all the provisions of the Constitution of the Company, and shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which falls after the relevant exercise date of the Option, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

5.2.11 Variation of Capital

If a variation in the issued ordinary share capital of the Company (whether by way of rights issue, bonus issue, reduction of capital, subdivision, consolidation or distribution of Shares or otherwise) shall take place:

- (a) the Subscription Price for the Shares, and/or the class and/or number of Shares comprised in an Option to the extent unexercised; and/or
- (b) the number of Shares over which additional Options may be granted under the RMG ESOS 2020,

may be adjusted in such manner as the Committee may deem to be appropriate. For the avoidance of doubt, the issue of securities as consideration for an acquisition of any assets by the Company will not be regarded as a circumstance requiring adjustment.

Any adjustment (except in relation to a bonus issue) must be confirmed in writing by the auditors of the Company (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable. No adjustment shall be made in such a way that any Participant receives a benefit that a Shareholder does not receive.

Upon any adjustment being made, the Committee shall notify the Participant in writing informing him of the Subscription Price thereafter in effect and the number of Shares thereafter to be issued on the exercise of the Option. Any adjustment shall take effect upon such written notification being given.

5.2.12 Modifications to the RMG ESOS 2020

Any or all the provisions of the RMG ESOS 2020 may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) no modification or alteration shall alter adversely the rights attaching to any Option granted prior to such modification or alteration except with the consent in writing of such number of Participants who would be allotted, issued or transferred no less than 75% of the Shares which would be allotted, issued or transferred if the affected Options were exercised in full;
- (b) any modification or alteration which would be to the advantage of Participants under the RMG ESOS 2020 shall be subject to the prior approval of the Shareholders in general meeting; and
- (c) no modification or alteration shall be made without the prior approval of the SGX-ST, or any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities, in each case, as may be necessary.

6. THE AUTHORITY TO GRANT OPTIONS AT A DISCOUNT UNDER THE RMG ESOS 2020

In accordance with the provisions of the Listing Manual, the making of offers and grants of Incentive Options at a discount not exceeding 20% of the Market Price is subject to the approval of Shareholders in general meeting. For the avoidance of doubt, such prior approval shall be required to be obtained only once and, once obtained, shall, unless revoked, authorise the making of offers and grants of Incentive Options at such discount for the duration of the RMG ESOS 2020.

Under the RMG ESOS 2020, the Subscription Price of Options granted shall be determined by the Committee at its absolute discretion. The Committee has the discretion to grant Options with a Subscription Price set at a discount to the Market Price on a case-by-case basis, taking into consideration, amongst others, the criteria set out under Rule 8.2 of the RMG ESOS 2020, which may include but are not limited to:

- (a) the performance of the Company and/or the Group and/or the Associated Company (as the case may be);
- (b) the length of service, designation and individual performance of the Participant; and
- (c) the contribution and potential contribution of the Participant to the success and development of the Company and/or the Group and/or the Associated Company (as the case may be).

In the event that Options are granted at a discount, the discount shall not exceed 20% of the Market Price. This discount limit is unchanged from that under the expired RMG ESOS 2010.

The ability to offer Incentive Options will allow flexibility in structuring the Options granted, and ensures that the Company maintains the competitiveness of its compensation strategy. Being able to offer Incentive Options allows the Company to acknowledge a Participant's contributions where such means is more meaningful than just paying a cash bonus, as Incentive Options operate as a form of cashless reward from the Company, with a greater potential for capital appreciation than Market Price Options, or in situations where more compelling motivation is required in order to attract new talents and/or retain existing employees.

With the discretion to grant Options at market price or at a discount, the Company would be able to utilise up to the maximum discount allowed for Options to structure remuneration packages to respond fairly rapidly to the employees' circumstances, the market conditions and practices and the economic situation at the time of granting Options. For example, Incentive Options may be used to compensate employees and keep them motivated during economic downturns when wages (including cash bonuses) are frozen or cut, or they could be used to supplement cash rewards in lieu of larger cash bonuses.

7. PARTICIPATION BY ASSOCIATED COMPANY EMPLOYEES AND NON-EXECUTIVE DIRECTORS IN THE RMG PSP 2020 AND RMG ESOS 2020

7.1 Participation by Associated Company Employees in RMG PSP 2020 and RMG ESOS 2020

While the RMG PSP 2020 and RMG ESOS 2020 cater principally to the Group Employees, it is recognised that there may be individuals who are able to make significant contributions to the Group through their close working relationship with the Group, even though they are not employed within the Group. Such persons include the Associated Company Employees.

Associated Company Employees are expected to work closely with the Group to provide services, knowledge, expertise, assistance and support to the Group on a continuing basis in the development and implementation of business strategies, investments and projects in which the Company or the Group has interests. The extension of the RMG PSP 2020 and RMG ESOS 2020 to Associated Company Employees allows the Group to have a fair and equitable system to reward Associated Company Employees who have made and who continue to make significant contributions to the long-term growth of the Group and provides another means of rewarding such persons apart from the usual cash remuneration.

It is currently contemplated that Associated Company Employees will constitute less than 5% of the total number of Participants eligible to participate in the RMG PSP 2020 and RMG ESOS 2020. The Executive Directors and senior management of the Company will consider, amongst others, the contributions of the relevant Associated Company Employees to the success and development of the Company and/or the Group before recommending that such individuals be selected by the Committee to participate in the RMG PSP 2020 and RMG ESOS 2020. In assessing the eligibility of the Associated Company Employees under the RMG PSP 2020 and RMG ESOS 2020 respectively, the Committee will adopt the same criteria as the criteria adopted by it in relation to other Group Employees. Further details on the criteria which will be applied by the Committee in relation to all persons in determining the eligibility of such persons to participate in the RMG PSP 2020 and RMG ESOS 2020 are set out in paragraphs 4.2.2 and 5.2.2 of the Circular respectively.

In deciding whether to grant Award(s) or Option(s) to the recommended Associated Company Employees, the Committee may assess the contributions of these individuals by adopting a performance framework which incorporates financial performance criteria such as the Group's financial performance and/or non-financial performance criteria such as the Participant's performance as an Associated Company Employee and take into consideration the same criteria as the criteria adopted by it in relation to other Group Employees, including criteria such as rank, past performance, years of service and potential contribution of the Participant. Further details on the criteria which will be applied by the Committee in relation to all Participants in determining the number of Awards and/or Options to be granted under the RMG PSP 2020 and RMG ESOS 2020 are set out in paragraphs 4.2.6 and 5.2.6 of the Circular respectively.

It is the Company's current intention for Associated Company Employees to be granted Awards under the RMG PSP 2020 and Options under the RMG ESOS 2020.

In particular, in relation to the RMG PSP 2020, it is the Company's current intention that:

- (a) the Associated Company Employees holding middle to senior management/physician/medical professional positions may be granted Performance-related Awards and/or time-related Awards; and
- (b) the other employees of the Associated Companies of grade Officer and above (including those holding physician/medical professional positions) may be granted time-related Awards, as they may not have as significant an impact on the Group's performance as the Associated Company Employees holding middle to senior management/physician/medical professional positions.

7.2 Participation by Non-Executive Directors (including Independent Directors) in the RMG PSP 2020 and RMG ESOS 2020

Similar to the expired RMG ESOS 2010, the RMG PSP 2020 and RMG ESOS 2020 shall also extend to Non-Executive Directors (including Independent Directors). Although the Non-Executive Directors are not involved in the day-to-day management, these Directors serving in a non-executive capacity bring to the table their wealth of knowledge, business expertise and contacts in the business community. They play a crucial role in helping the Group shape its business strategy and further its business interest by allowing the Group to draw on their different backgrounds and diverse working experience.

The Company recognises that the services and contribution of these persons cannot be measured in the same way as those who are employees of the Group (including talented physicians/medical professionals) due to the different nature of their contribution. Whilst the employees of the Group (including talented physicians/medical professionals) are remunerated through monthly salaries and annual discretionary bonuses, the Non-Executive Directors (including Independent Directors) do not receive any monthly salary from the Group. Instead, they are remunerated for their services by way of directors' fees generally payable on an annual basis after the close of the Group's financial year and subject to the approval of Shareholders in the annual general meeting.

Certain of these Non-Executive Directors also sit on the Nomination & Compensation Committee and Audit & Risk Committee of the Company. They serve an important function in ensuring good corporate governance of the Group.

Before granting any Options or Awards to a Non-Executive Director, the Committee will take into careful consideration relevant factors such as his contributions to the growth of the Group, his attendance and participation in meetings of the Company and the years of service of such person. Although certain of these Non-Executive Directors may sit on the Committee, the rules of the RMG PSP 2020 and RMG ESOS 2020 provide that a member of the Committee shall not be involved in the deliberations of the Committee in respect of any grant of Awards or Options to him.

In order to minimise potential conflicts of interest and not to compromise the independence of the Non-Executive Directors who are Independent Directors, the Company does not intend to grant Awards or Options of significant sizes to Independent Directors. As the RMG PSP 2020 and RMG ESOS 2020 are intended to cater primarily to employees of the Group (including talented physicians/medical professionals), the Awards or Options granted to the Non-Executive Directors would not comprise (whether on an individual or collective basis) a significant portion of the Shares available under the RMG PSP 2020 or RMG ESOS 2020 respectively as the Non-Executive Directors would continue to be remunerated for their services mainly by way of directors' fees. It is currently contemplated that no more than 20% of the Shares issuable under the RMG PSP 2020 and RMG ESOS 2020 in aggregate will be issued as Awards or Options to the Independent Directors (on a collective basis).

8. FINANCIAL EFFECTS OF THE RMG PSP 2020 AND RMG ESOS 2020

The financial effects of the Company granting Awards under the RMG PSP 2020 and granting Options under the RMG ESOS 2020 are as follows:

8.1 Share Capital

The RMG PSP 2020 and RMG ESOS 2020 will result in an increase in the Company's issued share capital only if the new Shares are issued to Participants upon the exercise of the Options or pursuant to the Awards, as the case may be. This will in turn depend on, amongst others, in the case of Options, the number of Shares comprised in the Options, the number of Options that are exercised and the Subscription Price of the Shares comprised in the Options and in the case of Awards, the number of Awards granted and the prevailing market price of the Shares on the SGX-ST. However, if existing Shares are purchased for delivery to Participants or if treasury shares are transferred and delivered to Participants in lieu of issuing new Shares, the RMG PSP 2020 and RMG ESOS 2020 will have no impact on the Company's issued share capital.

8.2 EPS

The RMG PSP 2020 and RMG ESOS 2020 are likely to have a dilutive impact on the Company's consolidated EPS following the increase in the Company's number of issued Shares to the extent that new Shares are allotted and issued in relation to the Awards or upon the exercise of the Options.

8.3 NTA

The issue of new Shares upon the exercise of the Options will increase the Company's consolidated NTA by the aggregate Subscription Price of the new Shares issued. On a per Share basis, the effect on the NTA of the Company will be accretive if the Subscription Price is above the Company's consolidated NTA per Share, but dilutive otherwise.

When new Shares are issued under the RMG PSP 2020, there would be no effect on the NTA. However, if instead of issuing new Shares to the Participants under the RMG PSP 2020, existing Shares are purchased for delivery to Participants, the NTA would be impacted by the cost of the Shares purchased.

8.4 Cost of Awards

The grant of any Awards and Options under the RMG PSP 2020 and RMG ESOS 2020 respectively, is considered a share-based payment that falls under the scope of the Singapore Financial Reporting Standards (International) (in particular, the Singapore Financial Reporting Standards (International) 2 ("**SFRS(I) 2**") or such other accounting standards that are currently in force.

Under SFRS(I) 2, the recognition of an expense in respect of Options granted under the RMG ESOS 2020 is required, as described in the following paragraphs:

- (a) The expense will be based on the fair value of the Options at each date of grant of the Options and will be recognised over the Vesting Period. This fair value is normally estimated by applying the option pricing model at the date of grant of the Options, taking into account the terms and conditions of the grant of the Options and recognised as a charge to the Company's consolidated profit and loss statement ("**P&L**") over the Vesting Period.

LETTER TO SHAREHOLDERS

- (b) Before the end of the Vesting Period and at the end of each accounting year, the estimate of the number of Options that are expected to vest in each Participant by the Vesting Date is revised, and the impact of the revised estimate is recognised in the consolidated P&L. After the Vesting Date, no adjustment of the charge to the consolidated P&L is made.

With respect to the Awards, as Participants will receive Shares in settlement of the Awards, the Awards would be accounted for as equity-settled share-based transactions, as described in the following paragraphs:

- (a) The fair value of employee services received in exchange for the grant of the Awards would be recognised as a charge to the consolidated income statement over the period between the Award Date and the Vesting Date of an Award. For Awards, the total amount of charge over the Vesting Period is determined by reference to the fair value of each Award granted at the Award Date and the number of Shares Vested at the Vesting Date, with a corresponding credit to reserve account. Before the end of the Vesting Period, at each accounting year end, the estimate of the number of Awards that are expected to Vest by the Vesting Date is revised, and the impact of the revised estimate is recognised in the consolidated income statement with a corresponding adjustment to the reserve account. After the Vesting Date, no adjustment to the charge to the consolidated income statement is made.
- (b) The amount charged to the income statement also depends on whether or not the Performance Condition attached to an Award is measured by reference to the market price of the Shares. This is known as a market condition. If the Performance Condition is a market condition, the probability of the Performance Condition being met is taken into account in estimating the fair value of the Award granted at the Award Date, and no adjustments to the amounts charged to the income statement are made whether or not the market condition is met. However, if the Performance Condition is not a market condition, the fair value per Share of the Awards granted at the Award Date is used to compute the amount to be charged to the income statement at each accounting date, based on an assessment at that date of whether the non-market conditions would be met to enable the Awards to Vest. Thus, where the Vesting conditions do not include a market condition, there would be no cumulative charge to the income statement if the Awards do not ultimately Vest.

9. ANNUAL GENERAL MEETING

The 2020 AGM will be conducted wholly by electronic means in accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the “**Order**”) and the Joint Statement of the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation issued on 13 April 2020 (and updated on 27 April 2020) titled “Additional Guidance on the Conduct of General Meetings During Elevated Safe Distancing Period” (the “**Joint Guidance**”) on 26 June 2020 at 10.30 a.m. for the purpose of considering and, if thought fit, passing the ordinary resolutions set out in the Notice of 2020 AGM.

10. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders will only be able to vote at the 2020 AGM by appointing the Chairman of the 2020 AGM as proxy to vote on their behalf. Duly completed Proxy Forms must be deposited with the Company (a) via post, to be deposited at the office of the Company’s Share Registrar, M & C Services Private Limited, at 112 Robinson Road #05-01 Singapore 068902; or (b) via electronic mail to gpb@mncsingapore.com (e.g. enclosing a clear scanned completed and signed Proxy Form), and must be received by the Company by **Tuesday, 23 June 2020, 10.30 a.m. Singapore time** (being 72 hours before the time appointed for the holding of the 2020 AGM). Proxy Forms can be downloaded from SGXNET or the Company’s website.

A Depositor shall not be regarded as a member of the Company entitled to attend the 2020 AGM to speak and vote thereat unless his name appears in the Depository Register as at 72 hours before the 2020 AGM.

11. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the proposed RMG PSP 2020 and proposed RMG ESOS 2020, including the Directors (collectively, the “**Eligible Shareholders**”) shall abstain from voting in respect of ordinary resolution 13 as set out in the Notice of 2020 AGM and in respect of ordinary resolutions 14 and 15 as set out in the Notice of 2020 AGM respectively. The Company shall disregard any votes cast by any Eligible Shareholder in respect of the aforementioned ordinary resolutions.

Pursuant to the Order and the Joint Guidance, Shareholders will only be able to vote at the 2020 AGM by appointing the Chairman of the 2020 AGM as proxy to vote on their behalf. In the Proxy Form, a Shareholder should specifically direct the proxy on how he/she is to vote for or against (or abstain from voting on) the resolutions to be tabled at the 2020 AGM. If no specific direction as to voting for ordinary resolutions 13, 14 and 15 is given in a Proxy Form, the Chairman of the 2020 AGM (being a Director) will abstain from voting on this resolution in respect of the Shares to which that Proxy Form relates. Any votes cast by such persons in contravention of this requirement will be disregarded.

12. DIRECTORS' RECOMMENDATION

As all the Directors (save for Dr Loo Choon Yong, who is a Controlling Shareholder and Dr Sarah Lu Qinghui, who is an Associate of a Controlling Shareholder) are eligible to participate in, and are therefore interested in, the RMG PSP 2020 and the RMG ESOS 2020, they have refrained from making any recommendation as to how Shareholders should vote in respect of ordinary resolutions 13, 14 and 15 as set out in the Notice of 2020 AGM.

Dr Loo Choon Yong and Dr Sarah Lu Qinghui, who are each not eligible to participate in the proposed RMG PSP 2020 or the proposed RMG ESOS 2020, are of the view that the RMG PSP 2020 and the RMG ESOS 2020 are in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of ordinary resolutions 13, 14 and 15 as set out in the Notice of 2020 AGM.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed RMG PSP 2020 and RMG ESOS 2020, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources and/or reproduced in this Circular in its proper form and context.

14. INSPECTION OF DOCUMENTS

Copies of the proposed Rules of the RMG PSP 2020 and RMG ESOS 2020, appended as Appendix A and Appendix B to this Circular respectively are available for inspection at the registered office of the Company at 585 North Bridge Road, Raffles Hospital #11-00 Singapore 188770 during normal business hours on any weekday (public holidays excluded) from the date of this Circular up to and including the date of the 2020 AGM¹.

Yours faithfully
For and on behalf of the Board of Directors of
RAFFLES MEDICAL GROUP LTD



Dr Loo Choon Yong
Executive Chairman

¹ *Inspection shall not be available during the period for which the COVID-19 (Temporary Measures) (Control Order) Regulations 2020 is in force, and shall be further subject to any other applicable control order or regulatory restriction relating to safe distancing which may be issued by the relevant authorities.*

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**RULES OF THE RAFFLES MEDICAL GROUP (2020)
PERFORMANCE SHARE PLAN**

1. NAME OF THE SCHEME

The Raffles Medical Group (2020) Performance Share Plan shall be referred to as the “**RMG PSP 2020**”.

2. DEFINITIONS

2.1 In this RMG PSP 2020, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Acceptance Form”	A letter in such form as the Committee shall approve, from a Participant to the Committee confirming the Participant’s acceptance of an Award
“Acceptance Period”	The period within which a grant of Award may be accepted, as described in Rule 7.1
“Act”	The Companies Act (Chapter 50 of Singapore), as amended and modified from time to time
“Adoption Date”	The date on which the RMG PSP 2020 is adopted by the Company in general meeting
“Associate”	Has the meaning ascribed to it in the Listing Manual
“Associated Company”	A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group, and over which the Company has control
“Associated Company Employee”	Has the same meaning as the definition of “Group Employee”, save that references to “member of the Group” and “Group” shall be replaced with “Associated Company”
“Auditors”	The auditors for the time being of the Company
“Award”	An award of Shares granted under the RMG PSP 2020
“Award Date”	In relation to an Award, the date on which an Award is granted pursuant to Rule 6
“Award Letter”	A letter in such form as the Committee shall approve, confirming an Award granted to a Participant by the Committee
“Board”	The board of Directors for the time being of the Company
“CDP”	The Central Depository (Pte) Limited
“Committee”	The Nomination & Compensation Committee of the Company for the time being, which will administer the RMG PSP 2020
“Company”	Raffles Medical Group Ltd (Company Registration Number: 198901967K), a public company incorporated in Singapore with limited liability
“Constitution”	The Constitution of the Company, as amended, modified and altered from time to time
“control”	Has the meaning ascribed to it in the Listing Manual
“Controlling Shareholder”	Has the meaning ascribed to it in the Listing Manual
“CPF”	Central Provident Fund

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“Director”	A director of the Company for the time being
“Executive Director”	A director of any member of the Group or Associated Company (as the case may be) who performs an executive function
“Group”	The Company and its Subsidiaries
“Group Employee”	An Executive Director or Non-Executive Director of any member of the Group or a full-time or part-time employee of any member of the Group (including any part-time doctor), in particular the expression “part-time doctor” means a doctor who is employed on a regular basis by the Group but whose hours of work are not full-time
“Independent Director”	An independent Non-Executive Director
“independent Shareholder”	A shareholder of the Company other than a Controlling Shareholder
“Listing Manual”	Listing Manual of the SGX-ST, as may be amended, modified or altered from time to time
“Market Day”	A day on which the SGX-ST is open for trading of securities
“Market Price”	A price equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the SGX-ST for the three (3) consecutive Market Days immediately preceding the Vesting Date
“Non-Executive Directors”	The directors of any member of the Group or Associated Company (as the case may be) other than an Executive Director
“Participant”	The holder of an Award
“Performance-related Award”	An Award in relation to which a Performance Condition is specified
“Performance Condition”	In relation to a Performance-related Award, the condition specified on the Award Date in relation to that Award
“Performance Period”	In relation to a Performance-related Award, a period, the duration of which is to be determined by the Committee on the Award Date, during which the Performance Condition is to be satisfied
“Record Date”	The date as at the close of business (or such other time as may have been prescribed by the Company) on which Shareholders must be registered in order to participate in the dividends, rights, allotments or other distributions (as the case may be)
“Release”	In relation to an Award, the release at the end of the Vesting Period relating to that Award of all or some of the Shares to which that Award relates in accordance with Rule 9 and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 9, the Award in relation to those Shares shall lapse accordingly, and “Released” shall be construed accordingly
“Release Schedule”	In relation to an Award, a schedule (if any) in such form as the Committee shall approve, in accordance with which Shares which are the subject of that Award shall be Released
“RMG PSP 2020”	The Raffles Medical Group (2020) Performance Share Plan, as the same may be amended, modified or altered from time to time
“Rules”	The rules of the RMG PSP 2020, as may be amended, modified or altered from time to time

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“ securities accounts ”	The securities account maintained by a depositor with CDP
“ SGX-ST ”	Singapore Exchange Securities Trading Limited
“ Shareholders ”	Registered holders for the time being of Shares, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the depositors whose securities accounts are credited with Shares
“ Shares ”	Ordinary shares in the capital of the Company
“ Subsidiary ”	A company (whether incorporated within or outside Singapore and wheresoever resident) being a subsidiary for the time being of the Company within the meaning of Section 5 of the Act
“ Vesting ”	In relation to Shares in respect of which the Vesting Period (if any) relating to the Shares has ended and which have vested in accordance with the RMG PSP 2020 and “ Vest ” and “ Vested ” shall be construed accordingly
“ Vesting Date ”	In relation to Shares which are the subject of an Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares shall be Vested pursuant to Rule 9
“ Vesting Period ”	In relation to an Award, a period or periods (if any), the duration of which is to be determined by the Committee at the Award Date, after the expiry of which Shares which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date, subject to Rule 9
“ S\$ ”	Singapore dollars
“ % ”	Per centum or percentage

- 2.2 The terms “**depositor**”, “**depository agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289 of Singapore). The term “**subsidiary**” shall bear the meaning ascribed to it in Section 5 of the Act. The term “**treasury shares**” shall have the meaning ascribed to it in Section 4 of the Act.
- 2.3 Any reference in the RMG PSP 2020 to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or the Listing Manual (or any modification thereof) and used in these Rules shall, where applicable, have the meaning assigned to it under the Act or the Listing Manual (or any modification thereof), as the case may be unless otherwise provided.
- 2.4 Words importing the singular number shall include the plural number where the context so admits and vice versa. Words importing the masculine gender shall include the feminine and neuter genders where the context so admits and vice versa. References to persons shall include corporations.
- 2.5 Any reference to a time of a day in the Rules is a reference to Singapore time unless otherwise stated.

3. OBJECTIVES OF THE PLAN

The RMG PSP 2020 is a share incentive scheme. The purpose of adopting the RMG PSP 2020 is to provide an opportunity for directors and employees of the Group and Associated Companies (including talented physicians/medical professionals) to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to past contributions and services. The RMG PSP 2020 is proposed on the basis that it is important to acknowledge the contribution made by such directors and employees (including talented physicians/medical professionals). By adopting the RMG PSP 2020, the Company will give such directors and employees (including talented physicians/medical professionals) a stake in the Company and will help to achieve the following objectives:

- (a) to motivate Participants to optimise performance standards and efficiency and to maintain a high level of contribution to the Group and Associated Companies and achieve sustainable growth for the Company in the changing business environment;
- (b) to retain key employees (including talented physicians/medical professionals) whose contributions are pivotal to the long-term growth and profitability of the Group and Associated Companies;
- (c) to attract more potential employees (including talented physicians/medical professionals) with the relevant skills to contribute to the Group and Associated Companies in line with the Group’s and Associated Companies’ goals in expansion;

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- (d) to foster a greater ownership culture within the Group and Associated Companies by aligning the interests of Participants with the interests of Shareholders; and
- (e) to develop a participatory style of management which promotes greater commitment and dedication amongst Group Employees and Associated Company Employees and instill loyalty and a stronger sense of identification with the long-term prosperity of the Group and Associated Companies.

4. ELIGIBILITY OF PARTICIPANTS

4.1 Group Employees and Associated Company Employees who hold such rank as may be designated by the Committee from time to time and who have contributed to or will contribute to the success and development of the Company are eligible to participate in the RMG PSP 2020 at the absolute discretion of the Committee provided that each such person is:

- (a) at least 21 years of age;
- (b) not an undischarged bankrupt; and
- (c) not a Controlling Shareholder or an Associate of a Controlling Shareholder,

provided further that the Committee shall be entitled at its absolute discretion to allow any other employee or personnel of the medical profession contracted or engaged by the Group or an Associated Company on a full-time or part-time employment basis not otherwise mentioned above who is at least 21 years of age, is not an undischarged bankrupt and is not a Controlling Shareholder or an Associate of a Controlling Shareholder to participate in the RMG PSP 2020.

4.2 In determining the eligibility of Participants to participate in the RMG PSP 2020, the number of Shares which are the subject of each Award to be granted to a Participant and the Vesting Period, the Committee shall be at liberty to take into consideration such criteria as the Committee may, at its absolute discretion, deem appropriate, which may include but are not limited to:

- (a) the performance of the Company and/or the Group and/or the Associated Company (as the case may be);
- (b) the length of service, designation and individual performance of the Participant; and
- (c) the contribution and potential contribution of the Participant to the success and development of the Company and/or the Group and/or the Associated Company (as the case may be).

4.3 There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by any of the other companies within the Group or Associated Companies or any other corporation.

5. LIMITATION ON THE SIZE OF THE RMG PSP 2020

5.1 The aggregate number of Shares which the Committee may issue or deliver pursuant to all Awards granted under the RMG PSP 2020 and in respect of all other share-based incentive schemes of the Company then in force (if any), shall not exceed 15% of the total issued Shares of the Company excluding treasury shares and subsidiary holdings on the date preceding the Award Date. For the avoidance of doubt, in respect of any Award which has lapsed (in whole or in part), such number of Shares which were not Released thereunder shall not count towards this limit.

5.2 The number of Shares in respect of which Awards may be granted to any Group Employee or Associated Company Employee (as the case may be) in accordance with the RMG PSP 2020 shall be determined at the absolute discretion of the Committee, who shall take into account (where applicable) criteria such as rank, responsibilities, past performance, length of service, contributions to the Group or Associated Company (as the case may be) and potential for future development of that Group Employee or Associated Company Employee (as the case may be).

6. AWARD LETTER

6.1 The Committee may, subject to Rule 4, Rule 5 and Rule 11, grant Awards at any time during the period when the RMG PSP 2020 is in force, provided that in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Awards may only be granted on or after the second Market Day following the day on which such announcement is released. Provided further that no offer to grant Awards shall be made during the period of one (1) month before the announcement of its half-year financial results (if applicable) and full-year financial results and the period of two (2) weeks before the announcement of the financial results of the Company for each of the first, second and third quarters of its financial year (if applicable).

6.2 The Award Letter to grant the Shares shall be in, or substantially in, the form set out in Schedule A, subject to such modifications as the Committee may from time to time determine.

6.3 For the avoidance of doubt, Participants are not required to pay for the grant of Awards.

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7. ACCEPTANCE OF AWARDS

- 7.1 The grant of an Award under Rule 6 shall be accepted within thirty (30) days from the relevant Award Date, and in any event, not later than 5.00 p.m. on the 30th day from such Award Date by completing, signing and returning the Acceptance Form in, or substantially in, the form set out in Schedule B, subject to such modifications as the Committee may from time to time determine. The Award is deemed not accepted until actual receipt by the Company of the duly signed and completed Acceptance Form.
- 7.2 The Company shall be entitled at its absolute discretion to reject any purported acceptance of the grant of an Award made pursuant to this Rule 7 which does not strictly comply with the terms and conditions of this RMG PSP 2020.
- 7.3 An Award shall be personal to the Participant to whom it is granted and shall not be transferred (other than to a Participant's duly appointed legal personal representative on the death of that Participant, or to such other Participant as may be directed by the Committee), charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the approval of the Committee, and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award without the approval of the Committee, that Award shall immediately lapse.
- 7.4 In the event that the grant of an Award results in a contravention of any applicable law, subsidiary legislation or other regulation, such grant shall be null, void and of no effect and the relevant Participant shall have no claim whatsoever against the Company.
- 7.5 Unless the Committee determines otherwise, the grant of an Award shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:
- (a) it is not accepted in the manner as provided in Rule 7.1 within the Acceptance Period; or
 - (b) the Participant dies prior to his acceptance of the Award; or
 - (c) the Participant is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Award; or
 - (d) the Participant ceases to be in the employment of the Group or Associated Company (as the case may be), or in the case of a Participant who is an Executive Director or Non-Executive Director, ceases to be a director of such company, in each case, for any reason whatsoever prior to his acceptance of the Award; or
 - (e) the Company is liquidated or wound up prior to the Participant's acceptance of the Award.

8. EVENTS PRIOR TO VESTING DATE

- 8.1 Unless the Committee otherwise determines in its absolute discretion, an Award shall, to the extent not yet Released, lapse and the Participant shall have no claim whatsoever against the Company:
- (a) subject to Rules 4.1, 8.2 and 8.3, upon the Participant ceasing to be in the employment of the Group or Associated Company (as the case may be), or in the case of a Participant who is an Executive Director or Non-Executive Director, ceasing to be a director of such company, for any reason whatsoever;
 - (b) upon the bankruptcy of the Participant or the happening of any other event which results in him being deprived of the legal or beneficial ownership of such Award;
 - (c) in the event of any misconduct on the part of the Participant as determined by the Committee in its sole and absolute discretion or any breach of any regulation of the Group or Associated Company (as the case may be), such breach being regarded as serious by the Committee in its absolute discretion; or
 - (d) upon the company by which the Participant is employed ceasing to be a company within the Group or Associated Company (as the case may be), or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group or Associated Company (as the case may be).

For the purpose of Rule 8.1(a), the Participant shall be deemed to have ceased to be so employed as of the date of the notice of termination or resignation, as the case may be, unless such notice shall be withdrawn prior to its effective date.

- 8.2 If a Participant ceases to be employed by the Group or Associated Company (as the case may be) or in the case of a Participant who is an Executive Director or Non-Executive Director of a company within the Group or Associated Company (as the case may be), ceases to be a director of such company, by reason of his:
- (a) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (b) redundancy;
 - (c) retirement at or after the legal retirement age;
 - (d) retirement before the legal retirement age with the consent of the Committee; or
 - (e) any other reason approved in writing by the Committee,

an Award then held by that Participant may, to the extent not yet Released, at the absolute discretion of the Committee be Released.

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- 8.3 If a Participant dies and at the date of his death holds any Award which has not yet been Released, such Award may, at the absolute discretion of the Committee, be Released to the duly appointed legal personal representatives of the Participant.
- 8.4 Without prejudice to any other provision contained in the Rules, in the case of a Performance-related Award, the Committee shall have the absolute discretion to waive the full compliance of the Performance Condition on the part of the Participant upon the occurrence of any of the events provided in Rules 8.2 or Rule 8.3. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant, the proportion of the Performance Period which has elapsed and the extent to which the Performance Condition has been satisfied. Where Awards are Released, the Committee will, as soon as practicable after the Awards have been Released, procure the allotment or transfer to each Participant of the number of Shares so determined in accordance with Rule 9. If the Committee so determines, the Release of Awards may be satisfied in cash as provided in Rule 9.

9. RELEASE OF AWARDS

9.1 Review of Performance Condition(s) in relation to Performance-related Awards:

- (a) In relation to each Performance-related Award, the Committee shall, as soon as reasonably practicable after the end of the relevant Performance Period, review the Performance Condition(s) specified in respect of such Award and determine at its discretion:
- (i) whether the Performance Condition(s) have been satisfied and if so, the extent to which they have been satisfied;
 - (ii) whether any other condition applicable to such Award has been satisfied; and
 - (iii) the number of Shares (if any) comprised in such Award to be Released to the relevant Participant.

The Committee shall have full discretion to determine whether the Performance Condition(s) have been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make reference to the audited results of the Company or the Group or the relevant Associated Company (as the case may be) to take into account such factors as the Committee may determine to be relevant, such as changes in accounting methods, taxes and extraordinary events, and further, the right to amend the Performance Condition(s) if the Committee decides that a changed performance target would be a fairer measure of performance. If the Committee determines, in its absolute discretion, that the Performance Condition(s) and/or any other condition applicable to that Award have not been satisfied (whether fully or partially) or if the relevant Participant has not continued to be a Group Employee or Associated Company Employee (as the case may be) from the Award Date up to the end of the relevant Performance Period, that Award shall lapse and be of no value.

- (b) In relation to a Performance-related Award which is not subject to any Vesting Period, the Committee shall, subject to Rule 9.1(a) and provided that the relevant Participant has continued to be a Group Employee or Associated Company Employee (as the case may be) from the Award Date up to the end of the Performance Period, Release to that Participant the number of Shares determined by the Committee under Rule 9.1(a)(iii) on the Vesting Date relating thereto. Such part of an Award not Released shall lapse and be of no value.
- (c) In relation to a Performance-related Award which is subject to a Vesting Period or Vesting Periods, the provisions of Rule 9.2(a) shall apply to the Release of Shares in respect of such Award.

9.2 Vesting Periods:

- (a) In relation to a Performance-related Award which is subject to a Vesting Period or Vesting Periods, the Committee shall, subject to Rule 9.1(a) (where applicable) and provided that the relevant Participant has continued to be a Group Employee or Associated Company Employee (as the case may be) from the Award Date up to the end of the Performance Period and thereafter at the end of each Vesting Period and, in the opinion of the Committee, the job performance of the relevant Participant has been satisfactory, upon the expiry of each Vesting Period in relation to an Award, Release to the relevant Participant the relevant number of Shares in accordance with the Release Schedule specified in respect of that Award on the relevant Vesting Date(s).
- (b) In relation to any other Award:
- (i) which is subject to a Vesting Period or Vesting Period(s), the Committee shall, subject to the Committee having determined that the conditions (if any) applicable to that Award have been satisfied, and provided that the relevant Participant has continued to be a Group Employee or Associated Company Employee (as the case may be) from the Award Date up to the end of each Vesting Period, upon the expiry of each Vesting Period in relation to an Award, Release to the relevant Participant the relevant number of Shares in accordance with the Release Schedule specified in respect of that Award on the relevant Vesting Date(s); and
 - (ii) which is not subject to any Vesting Period, the Committee shall Release to the relevant Participant the relevant number of Shares on the Vesting Date relating thereto.

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9.3 Delivery of Shares:

- (a) Shares which are Released to a Participant pursuant to Rule 9.1 or Rule 9.2 shall, subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to compliance with the terms of the RMG PSP 2020 and the Constitution of the Company, be delivered on a Market Day falling as soon as practicable (as determined by the Committee) after the relevant Vesting Date. In the case of an allotment of the relevant Shares, by despatch to CDP of the relevant share certificates by ordinary post or such other mode as the Committee may deem fit, or in the case of a transfer of treasury shares, by the Company undertaking such acts or things which are necessary for the transfer to be effective.
- (b) Where new Shares are allotted pursuant to Rule 9.3(a), the Company shall, as soon as practicable, apply to the SGX-ST (and any other stock exchange on which the Shares are quoted or listed) for permission to deal in and for quotation of the Shares.
- (c) Shares which are allotted or transferred to a Participant pursuant to the Release of any Award shall be issued in the name of CDP to the credit of the securities account of that Participant maintained with CDP, the securities sub-account maintained with a depository agent or the CPF investment account maintained with a CPF agent bank.

9.4 Shares which are allotted and issued or treasury shares which are transferred pursuant to Rule 9.3(a) shall be subject to all the provisions of the Constitution of the Company, and shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which falls on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

9.5 The Committee may determine to make a Release of an Award, wholly or partly, in the form of cash rather than Shares which would otherwise have been Released to the Participant on the relevant Vesting Date, in which event the Company shall pay to the Participant as soon as practicable after such Vesting Date, in lieu of all or part of such Shares, the aggregate Market Price of such Shares on such Vesting Date.

10. TAKE OVER AND WINDING UP

10.1 If an order is made for the winding-up of the Company on the basis of its insolvency, all Awards, to the extent not yet Released, shall lapse and become null and void.

10.2 Without prejudice to Rule 8, if before a Vesting Date, any of the following occurs:

- (a) a take-over offer for the Shares becomes or is declared unconditional;
- (b) if under the Act, the courts sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or the Registrar of Companies issues a notice of amalgamation for the purposes of, or in connection with the amalgamation of the Company with another company or companies; or
- (c) an order is made or a resolution passed to voluntarily wind-up of the Company (other than as provided in Rule 10.1 or for amalgamation or reconstruction),

the Committee will consider, at its sole discretion, whether or not to Release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will (if applicable) have regard to the proportion of the Vesting Period(s) which has elapsed and, in the case of a Performance-related Award, the extent to which the Performance Condition has been satisfied. Where Awards are Released, the Committee will, as soon as practicable after the Awards have been Released, procure the allotment or transfer to each Participant of the number of Shares so determined in accordance with Rule 9. If the Committee so determines, the Release of Awards may be satisfied in cash as provided in Rule 9.5.

11. VARIATION OF CAPITAL

11.1 If a variation in the issued ordinary share capital of the Company (whether by way of rights issue, bonus issue, reduction of capital, subdivision, consolidation or distribution of Shares or otherwise) shall take place:

- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested and the rights attached thereto; and/or
- (c) the class and/or number of Shares over which future Awards may be granted under the RMG PSP 2020,

may be adjusted in such manner as the Committee may deem to be appropriate.

11.2 Unless the Committee considers an adjustment to be appropriate:

- (a) the issue of securities as consideration for an acquisition of any assets by the Company;
- (b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force; and

APPENDIX A

- (c) the issue of securities by the Company upon the exercise of any options or conversion of any loan stock or any other securities convertible into Shares or subscription rights of any warrants,

shall not normally be regarded as a circumstance requiring adjustment.

11.3 Notwithstanding the provisions of Rule 11.1:

- (a) any adjustment (except in relation to a bonus issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable; and
- (b) no adjustment shall be made in such a way that any Participant receives a benefit that a Shareholder does not receive.

11.4 Upon any adjustment required to be made pursuant to this Rule 11, the Company shall notify the Participant (or his duly appointed legal personal representatives where applicable) in writing and deliver to him (or his duly appointed legal personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award and the date on which such adjustment shall take effect. Any adjustment shall take effect upon such written notification being given.

11.5 Notwithstanding the provisions of Rule 11.1, the Committee may, in any circumstances where it considers that no adjustment should be made or that it should take effect on a different date, request the Auditors to consider whether for any reasons whatsoever the adjustment or the absence of an adjustment is appropriate or inappropriate as the case may be, and, after such consideration, no adjustment shall take place or the adjustment shall be modified or nullified or an adjustment made (instead of no adjustment made) in such manner and on such date as shall be considered by such Auditors (acting only as experts and not as arbitrators) to be in their opinion appropriate.

12. ADMINISTRATION

12.1 The RMG PSP 2020 shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Award(s) granted or to be granted to him.

12.2 The Committee shall have the power, from time to time, to make and vary such regulations (not being inconsistent with the RMG PSP 2020) for the implementation and administration of the RMG PSP 2020 as it thinks fit. Any matter pertaining to the RMG PSP 2020, and any dispute and uncertainty as to the interpretation of the RMG PSP 2020, any rule, regulation or procedure thereunder or any rights under the RMG PSP 2020 shall be determined by the Committee. The Committee may amend or waive any condition applicable to an Award in its absolute discretion and shall notify the relevant Participant of such change or waiver.

12.3 Neither the RMG PSP 2020 nor the grant of Awards under the RMG PSP 2020 shall impose on the Company or the Committee any liability whatsoever in connection with:

- (a) the lapsing or early expiry of any Awards pursuant to any provision of the RMG PSP 2020;
- (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the RMG PSP 2020; and/or
- (c) any decision or determination of the Committee made pursuant to any provision of the RMG PSP 2020 (including the Award Letter and Acceptance Form) including but not limited to any preservation and transfer of Awards.

12.4 Any decision or determination of the Committee made pursuant to any provision of the RMG PSP 2020 (other than a matter to be certified by the Auditors) shall be final, binding and conclusive in all cases including any decisions pertaining to any disputes as to the interpretation of the RMG PSP 2020 (including the Award Letter and Acceptance Form) or any rule, regulation, procedure thereunder or as to any rights under the RMG PSP 2020.

13. NOTICES AND ANNUAL REPORT

13.1 Any notice required to be given by a Participant to the Company shall be sent or delivered to the registered office of the Company or such other address (including electronic mail address) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.

13.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.

13.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the Participant's home address in accordance with Rule 13.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

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13.4 The Company's records of the communications between the Company and each Participant, and its records of any transactions maintained by any relevant person authorised by the Company relating to or connected with the RMG PSP 2020, whether stored in electronic or printed form, shall be binding and conclusive on the relevant Participant and shall be conclusive evidence of such communications and/or transactions. All such records shall be admissible in evidence and the Participant shall not challenge or dispute the admissibility, reliability, accuracy or the authenticity of the contents of such records merely on the basis that such records were incorporated and/or set out in electronic form or were produced by or are the output of a computer system, and the Participant waives any of his rights (if any) to so object.

13.5 The Company shall disclose the following (as applicable) in its annual report for so long as the RMG PSP 2020 continues in operation:

- (a) the names of the members of the Committee administering the RMG PSP 2020;
- (b) the information required in the table below for the following Participants:
 - (i) Directors of the Company; and
 - (ii) Participants, other than those in Rule 13.5(b)(i) above, who are entitled to receive 5% or more of the total number of Shares available under the RMG PSP 2020.

Name of Participant	Number of Shares delivered pursuant to Awards Released during financial year under review (including number of new Shares issued and existing Shares transferred)	Aggregate number of Shares comprised in Awards granted since commencement of the RMG PSP 2020 to end of financial year under review	Aggregate number of Shares comprised in Awards which have Vested since commencement of the RMG PSP 2020 to end of financial year under review	Aggregate number of Shares comprised in Awards which have not been Released as at end of financial year under review

If any of the above requirements is not applicable, an appropriate negative statement shall be included therein.

14. MODIFICATIONS TO THE RMG PSP 2020

14.1 Any or all the provisions of the RMG PSP 2020 may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:

- (a) no modification or alteration shall alter adversely the rights attaching to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who would be allotted, issued or transferred no less than 75% of the Shares which would be allotted, issued or transferred if the affected Awards were Released upon the expiry of all the Vesting Periods applicable to those Awards;
- (b) any modification or alteration which would be to the advantage of Participants under the RMG PSP 2020 shall be subject to the prior approval of the Shareholders in general meeting; and
- (c) no modification or alteration shall be made without the prior approval of the SGX-ST, or any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities, in each case, as may be necessary.

14.2 Notwithstanding anything to the contrary contained in Rule 14.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST (if necessary)) amend or alter the RMG PSP 2020 in any way to the extent necessary to cause the RMG PSP 2020 to comply with any statutory provision or the provisions or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).

14.3 Written notice of any modification or alteration made in accordance with this Rule 14 shall be given to all affected Participants in accordance with Rule 13.2.

15. TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Participant shall not be affected by his participation in the RMG PSP 2020, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason. The RMG PSP 2020 shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company and/or any Subsidiary and/or Associated Company directly or indirectly or give rise to any cause of action at law or in equity against any such company, its directors or employees.

16. DURATION OF THE RMG PSP 2020

- 16.1 The RMG PSP 2020 shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the Adoption Date, provided always that the RMG PSP 2020 may continue beyond the above stipulated period with the approval of the Shareholders by way of an ordinary resolution passed at a general meeting and of any relevant authorities which may then be required.
- 16.2 The RMG PSP 2020 may be terminated or suspended at any time by the Committee or, at the discretion of the Committee, by an ordinary resolution passed by the Shareholders at a general meeting, subject to all relevant approvals which may be required and if the RMG PSP 2020 is so terminated, no further Awards shall be offered by the Company hereunder.
- 16.3 The termination, suspension, discontinuance or expiry of the RMG PSP 2020 shall not affect Awards which have been granted and accepted as provided in Rule 7.1, whether such Awards have been Released (whether fully or partially) or not.

17. TAXES

All taxes (including income tax) arising from the grant of Award, or the allotment and issue, or transfer of Shares pursuant to the Release of any Award shall be borne by that Participant.

18. COSTS AND EXPENSES

- 18.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment, or transfer of any Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a depository agent or CPF investment account with a CPF agent bank.
- 18.2 Save for the taxes referred to in Rule 17 and such other costs and expenses expressly provided in the RMG PSP 2020 to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the RMG PSP 2020 including but not limited to the fees, costs and expenses relating to the allotment and issue, or transfer of Shares pursuant to the Release of any Award shall be borne by the Company.

19. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing the Shares or applying for or procuring the listing of the Shares on the SGX-ST in accordance with Rule 9.3(b) (or any other stock exchange on which the Shares are quoted or listed).

20. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the RMG PSP 2020 and such other employees of the Group or Associated Company (as the case may be) (including physicians/medical professionals) who are also eligible to participate in the RMG PSP 2020, shall abstain from voting on any resolution relating to the RMG PSP 2020 as may be required by the SGX-ST.

21. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

22. CONDITION OF AWARD

Every Award shall be subject to the condition that no Shares shall be issued pursuant to the Release of an Award if such issue would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country having jurisdiction in relation to the issue of Shares hereunder.

23. GOVERNING LAW

The RMG PSP 2020 shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting grants of Awards in accordance with the RMG PSP 2020, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

24. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT (CHAPTER 53B OF SINGAPORE)

No person other than the Group or a Participant shall have any right to enforce any provision of the Rules or any Award by virtue of the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore).

25. PERSONAL DATA

By participating in the Plan and for so long as such participation continues, each Participant hereby consents, agrees and acknowledges as follows:

- (a) each of the Relevant Entities may collect, use, disclose and/or process Personal Data relating to the Participant, for purposes related to the Award and the RMG PSP 2020, including:
 - (i) to verify the Participant's identity;
 - (ii) to administer and manage the Award and/or the Plan;
 - (iii) to respond to, process and handle the Participant's complaints, queries, requests, feedback and/or suggestions;
 - (iv) to comply with any applicable laws, rules, regulations, codes of practice or guidelines;
 - (v) to assist in law enforcement and investigations by relevant authorities; and
 - (vi) any other purposes reasonably related to the aforesaid;
- (b) any Personal Data submitted to any of the Relevant Entities is complete, accurate, true and correct;
- (c) each of the Relevant Entities may disclose and/or transfer the Participant's Personal Data (including transfer to out of Singapore) to any of the following parties for the purposes set out in Rule 25(a) above:
 - (i) any of the Relevant Entities, and their respective advisers and service providers (where applicable);
 - (ii) any competent legal and/or regulatory authority and law enforcement agencies as may be required under applicable law; and/or
 - (iii) the Company's successor-in-title, any seller or buyer (actual or prospective) of any part or the whole of the business of the Company, in connection with a merger, acquisition, disposal or sale of any part or the whole of the business of the Company;
- (d) where the Participant provides any of the Relevant Entities with Personal Data relating to a third party in connection with the Award and/or the RMG PSP 2020, the Participant undertakes that the Participant has obtained the prior consent of such third party for the collection, use, disclosure and/or processing of such information by each of the Relevant Entities for the purposes set out in Rule 25(a) above;
- (e) this Rule 25 supplements but does not supersede nor replace any other consent(s) the Participant may have previously provided to any of the Relevant Entities in respect of Personal Data, and the Participant's consents herein are additional to any rights which any of the Relevant Entities may have under applicable law to collect, use, disclose and/or process Personal Data (including the Participant's Personal Data); and
- (f) the Participant hereby unconditionally and irrevocably undertakes to indemnify, defend and hold harmless each of the Relevant Entities from and against any and all penalties, liabilities, claims, demands, losses and damages which may be sustained, instituted, made or alleged against (including without limitation any claim or prospective claim in connection therewith), or suffered or incurred by any of the Relevant Entities, and which arise (whether directly or indirectly) out of or in connection with: (i) any act or omission by the Participant; (ii) any breach by the Participant of its representations, warranties, undertakings or obligations in this Rule 25; and/or (iii) any failure by the Participant to comply with any data protection or privacy laws of any applicable jurisdictions.

"applicable law" in this Rule 25 includes without limitation, for the avoidance of doubt, the Personal Data Protection Act 2012 of Singapore (No. 26 of 2012), including any subsidiary legislation, regulations and any codes of practice, standards of performance, advisories, guidelines, frameworks, or written directions issued thereunder, in each case as amended, consolidated, re-enacted or replaced from time to time.

"Personal Data" in this Rule 25 means data, whether true or not, about an individual who can be identified from that data or from that data and other information to which the Group and the Associated Companies are likely to have access.

"Relevant Entities" in this Rule 25 means the Group and Associated Companies.

APPENDIX A

SCHEDULE A
FORM OF AWARD LETTER

Serial No: _____

Private and Confidential

Date : _____

To: [Name]
[Designation]
[Department/Address]

Dear Sir/Madam,

We are pleased to inform you that you have been nominated to participate in the Raffles Medical Group (2020) Performance Share Plan (the "**RMG PSP 2020**") by the Committee appointed by the Board of Directors of Raffles Medical Group Ltd (the "**Company**") to administer the RMG PSP 2020 (the "**Committee**"). Terms as defined in the RMG PSP 2020 shall have the same meaning when used in this letter.

Accordingly, you are hereby awarded _____ Shares ("**Award**") for no consideration as at the date of this letter, which Shares shall be allotted and issued to you as fully paid.

The Award is personal to you and shall not be transferred, charged, pledged, assigned or otherwise disposed of by you, in whole or in part, except with the approval of the Committee.

The Award shall be subject to the terms and conditions of this Award Letter (including those stipulated at the end of this letter) and the RMG PSP 2020 (as the same may be amended from time to time pursuant to the terms and conditions of the RMG PSP 2020), a copy of which can be downloaded in our intranet.

If you wish to accept the Award, please sign and return the enclosed Acceptance Form not later than **5.00 p.m.** on _____ (Closing Date), failing which this Award will forthwith lapse.

Yours faithfully
For and on behalf of
Raffles Medical Group Ltd

Name:

Enclosure

Additional Terms and Conditions:

(1) *By accepting the offer, you hereby expressly and irrevocably agree that if you should decide to resign or cease to be employed by the Group or Associated Company (as the case may be), or cease to be a director of the Group or Associated Company (as the case may be), the Committee shall have the absolute discretion (but not obligation) to transfer or cause you to transfer this Award (to the extent not yet Released), to such other person (the Transferee) as the Committee may determine in its sole discretion, and that such transfer will be deemed to have taken effect prior to the date of your notice of resignation/cessation, such that the Award will not be deemed to have lapsed under Rule 8.1 of the RMG PSP 2020 Rules, and that you will take all necessary steps to effect or facilitate such transfer. The Transferee shall be one of the persons whose name appears in the "_____(Year) Grant" register kept by the Company Secretary. You also agree that the register may be inspected by you upon the Committee giving its approval, at its absolute discretion, to a written request made by you to do so.*

(2) **Performance Conditions – The Committee has determined that this Award is subject to the satisfaction by the Participant of the following conditions ("Performance Conditions") between the date of this Award Letter and _____(Date) ("Performance Period"):*

(a) *[insert Performance Conditions];*

If the Participant fails to satisfy any of the Performance Condition(s) by the end of the Performance Period, the Committee is entitled to withhold the Release of the Shares which are the subject of this Award at its absolute discretion until it is satisfied that the Performance Condition(s) have been satisfied in full or unless it waives the Performance Condition(s), as the case may be.

(3) **Vesting Period / Release Schedule - The Committee has determined that vesting shall be as follows:*

(a) *The first _____% of Shares accepted (rounded up to the nearest [1,000]) shall be vested on the _____ anniversary from the Date of Grant, i.e. _____% of the Shares shall be released to the Participant on _____.*

(b) *The next _____% of Shares accepted (rounded up to the nearest [1,000]) shall be vested on the _____ anniversary from the Date of Grant, i.e. _____% of the Shares shall be released to the Participant on _____.*

(c) *The balance of Shares shall be vested on the _____ anniversary from the Date of Grant, i.e. the balance of the Shares shall be released to the Participant on _____.*

(4) **Others – [The Committee shall include any other conditions it wishes to impose here.]*

**Delete if not applicable.*

APPENDIX A

SCHEDULE B
ACCEPTANCE FORM

Serial No: _____

Private and Confidential

To: The Committee
Raffles Medical Group (2020) Performance Share Plan (“**RMG PSP 2020**”)
Raffles Medical Group Ltd
585, North Bridge Road, Raffles Hospital, #11-00
Singapore 188770

Attention: Company Secretary

Closing Date and Time for Acceptance of Award : _____

Number of Shares Awarded : _____

I (the Participant) have read your Award Letter dated _____ (Date of Grant) and agree to be bound by the terms of the Award Letter and the RMG PSP 2020 referred to therein. Terms defined in your Award Letter or the rules of the RMG PSP 2020 shall have the same meaning when used in this Acceptance Form.

I hereby accept the above Award.

I acknowledge that you have not made any representation to induce me to accept the Award.

I also understand that I shall be responsible for all the fees of CDP (if applicable) relating to or in connection with the issue and allotment of any Shares in CDP’s name, the deposit of share certificate(s) with CDP, my securities account with CDP, my securities sub-account with a depository agent or my CPF investment account with a CPF agent bank (as the case may be) (collectively, the CDP charges).

I confirm that:

- (a) the terms of the Award Letter and this Acceptance Form (including those stipulated at the end of these documents) constitute the entire agreement between us relating to the offer;
- (b) my acceptance of the Award will not result in the contravention of any applicable law or regulation in relation to the ownership of the Shares; and
- (c) as at the date hereof, I am at least twenty-one (21) years of age and I am not an undischarged bankrupt.

I agree to keep all information pertaining to the Award of Shares to me strictly confidential.

PLEASE PRINT IN BLOCK LETTERS

Name in Full : _____ Designation : _____

NRIC/Passport No*:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

 Nationality : _____

Address : _____

Email Address : _____ Contact Nos : _____

Signature : _____ Date : _____

*Delete if not applicable.

APPENDIX A

Additional Terms and Conditions:

(1) By accepting the offer, you hereby expressly and irrevocably agree that if you should decide to resign or cease to be employed by the Group or Associated Company (as the case may be), or cease to be a director of the Group or Associated Company (as the case may be), the Committee shall have the absolute discretion (but not obligation) to transfer or cause you to transfer this Award (to the extent not yet Released), to such other person (the Transferee) as the Committee may determine in its sole discretion, and that such transfer will be deemed to have taken effect prior to the date of your notice of resignation/cessation, such that the Award will not be deemed to have lapsed under Rule 8.1 of the RMG PSP 2020 Rules, and that you will take all necessary steps to effect or facilitate such transfer. The Transferee shall be one of the persons whose name appears in the "____ (Year) Grant" register kept by the Company Secretary. You also agree that the register may be inspected by you upon the Committee giving its approval, at its absolute discretion, to a written request made by you to do so.

(2) ***Performance Conditions** – By acknowledging this Award, the Participant expressly and irrevocably agrees that this Award is subject to the satisfaction by the Participant of the following conditions ("**Performance Conditions**") between the date of this Award Letter and _____ (Date) ("**Performance Period**"):

(a) [insert Performance Conditions, if applicable];

The Participant hereby acknowledges that if he fails to satisfy any of the Performance Condition(s) by the end of the Performance Period, the Committee is entitled to withhold the Release of the Shares which are the subject of this Award at its absolute discretion until it is satisfied that the Performance Condition(s) have been satisfied in full or unless it waives the Performance Condition(s), as the case may be.

(3) ***Vesting Period / Release Schedule** - The Committee has determined that vesting shall be as follows:

- (a) The first _____% of Shares accepted (rounded up to the nearest [1,000]) shall be vested on the _____ anniversary from the Date of Grant, i.e. _____% of the Shares shall be released to the Participant on _____.
- (b) The next _____% of Shares accepted (rounded up to the nearest [1,000]) shall be vested on the _____ anniversary from the Date of Grant, i.e. _____% of the Shares shall be released to the Participant on _____.
- (c) The balance of Shares shall be vested on the _____ anniversary from the Date of Grant, i.e. the balance of the Shares shall be released to the Participant on _____.

(4) ***Others** – [The Committee shall include any other conditions it wishes to impose here.]

*Delete if not applicable.

**RULES OF THE RAFFLES MEDICAL GROUP (2020)
SHARE OPTION SCHEME**

1. NAME OF THE SCHEME

The Raffles Medical Group (2020) Share Option Scheme shall be referred to as the “**RMG ESOS 2020**”.

2. DEFINITIONS

2.1 In this RMG ESOS 2020, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Acceptance Form”	A letter in such form as the Committee shall approve, from a Participant to the Committee confirming the Participant’s acceptance of a grant of an Option
“Acceptance Period”	The period within which an Option may be accepted, as described in Rule 7.1
“Act”	The Companies Act (Chapter 50 of Singapore), as amended and modified from time to time
“Adoption Date”	The date on which the RMG ESOS 2020 is adopted by the Company in general meeting
“Aggregate Subscription Cost”	The total amount payable for the Shares to be subscribed for on the exercise of an Option
“Associate”	Has the meaning ascribed to it in the Listing Manual
“Associated Company”	A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group, and over which the Company has control
“Associated Company Employee”	Has the same meaning as the definition of “Group Employee” save that references to “member of the Group” and “Group” shall be replaced with “Associated Company”
“Auditors”	The auditors for the time being of the Company
“Board”	The board of Directors for the time being of the Company
“CDP”	The Central Depository (Pte) Limited
“Committee”	The Nomination & Compensation Committee of the Company for the time being, which will administer the RMG ESOS 2020
“Company”	Raffles Medical Group Ltd (Company Registration Number: 198901967K), a public company incorporated in Singapore with limited liability
“Constitution”	The Constitution of the Company, as amended, modified and altered from time to time
“control”	Has the meaning ascribed to it in the Listing Manual
“Controlling Shareholder”	Has the meaning ascribed to it in the Listing Manual
“CPF”	Central Provident Fund
“Director”	A director of the Company for the time being
“Executive Director”	A director of any member of the Group or Associated Company (as the case may be) who performs an executive function
“Exercise of Option Letter”	A letter in such form as the Committee shall approve, from a Participant to the Committee in relation to the exercise of an Option by the Participant

APPENDIX B

“Group”	The Company and its Subsidiaries
“Group Employee”	An Executive Director or Non-Executive Director of any member of the Group or a full-time or part-time employee of any member of the Group (including any part-time doctor), in particular the expression “part-time doctor” means a doctor who is employed on a regular basis by the Group but whose hours of work are not full-time
“Incentive Option”	The right to subscribe for Shares granted or to be granted pursuant to the RMG ESOS 2020 and for the time being subsisting, and in respect of which the Subscription Price is determined in accordance with Rule 8.1(b)
“Independent Director”	An independent Non-Executive Director
“independent Shareholder”	A shareholder of the Company other than a Controlling Shareholder
“Listing Manual”	Listing Manual of the SGX-ST, as may be amended, modified or altered from time to time
“Market Day”	A day on which the SGX-ST is open for trading of securities
“Market Price”	Has the meaning ascribed to it in Rule 8.1(a)
“Market Price Option”	The right to subscribe for Shares granted or to be granted pursuant to the RMG ESOS 2020 and for the time being subsisting, and in respect of which the Subscription Price is determined in accordance with Rule 8.1(a)
“Non-Executive Directors”	The directors of any member of the Group or Associated Company (as the case may be) other than an Executive Director
“Offer Date”	The date on which an Option is granted pursuant to Rule 6.1
“Offer Letter”	A letter in such form as the Committee shall approve, confirming a grant of Option to a Participant by the Committee
“Option”	A Market Price Option or an Incentive Option, as the case may be
“Option Period”	The period for the exercise of an Option as set out in Rule 9.1
“Participant”	The holder of an Option
“Record Date”	The date as at the close of business (or such other time as may have been prescribed by the Company) on which Shareholders must be registered in order to participate in the dividends, rights, allotments or other distributions (as the case may be)
“RMG ESOS 2020”	The Raffles Medical Group (2020) Share Option Scheme, as the same may be amended, modified or altered from time to time
“Rules”	The rules of the RMG ESOS 2020, as may be amended, modified or altered from time to time
“securities accounts”	The securities account maintained by a depositor with CDP
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shareholders”	Registered holders for the time being of Shares, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the depositors whose securities accounts are credited with Shares
“Shares”	Ordinary shares in the capital of the Company

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“Subscription Price”	The price at which a Participant shall subscribe for each Share upon the exercise of an Option as determined in accordance with Rule 8.1(a) in relation to a Market Price Option, and Rule 8.1(b) in relation to an Incentive Option, as adjusted in accordance with Rule 12
“Subsidiary”	A company (whether incorporated within or outside Singapore and wheresoever resident) being a subsidiary for the time being of the Company within the meaning of Section 5 of the Act
“Vesting”	In relation to Options in respect of which the Vesting Period (if any) relating to the Options has ended and which have vested in accordance with the RMG ESOS 2020 and “Vest” and “Vested” shall be construed accordingly
“Vesting Date”	In relation to Options, the date (as determined by the Committee and notified to the relevant Participant) on which those Options shall be Vested pursuant to the relevant Offer Letter
“Vesting Period”	In relation to an Option, a period or periods (if any), the duration of which is to be determined by the Committee at the Offer Date, after the expiry of which Options which are subject to the applicable period shall be Vested to the relevant Participant on the relevant Vesting Date, pursuant to the relevant Offer Letter
“S\$”	Singapore dollars
“%”	Per centum or percentage

- 2.2 The terms “**depositor**”, “**depository agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289 of Singapore). The term “**subsidiary**” shall bear the meaning ascribed to it in Section 5 of the Act. The term “**treasury shares**” shall have the meaning ascribed to it in Section 4 of the Act.
- 2.3 Any reference in the RMG ESOS 2020 to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or the Listing Manual (or any modification thereof) and used in these Rules shall, where applicable, have the meaning assigned to it under the Act or the Listing Manual (or any modification thereof), as the case may be unless otherwise provided.
- 2.4 Words importing the singular number shall include the plural number where the context so admits and vice versa. Words importing the masculine gender shall include the feminine and neuter genders where the context so admits and vice versa. References to persons shall include corporations.
- 2.5 Any reference to a time of a day in the Rules is a reference to Singapore time unless otherwise stated.

3. OBJECTIVES OF THE PLAN

The RMG ESOS 2020 is a share incentive scheme. The purpose of adopting the RMG ESOS 2020 is to provide an opportunity for directors and employees of the Group and Associated Companies (including talented physicians/medical professionals) to participate in the equity of the Company so as to motivate them to greater dedication, loyalty and higher standards of performance, and to give recognition to past contributions and services. The RMG ESOS 2020 is proposed on the basis that it is important to acknowledge the contribution made by such directors and employees (including talented physicians/medical professionals). By adopting the RMG ESOS 2020, the Company will give such directors and employees (including talented physicians/medical professionals) a stake in the Company and will help to achieve the following objectives:

- (a) to motivate Participants to optimise performance standards and efficiency and to maintain a high level of contribution to the Group and Associated Companies and achieve sustainable growth for the Company in the changing business environment;
- (b) to retain key employees (including talented physicians/medical professionals) whose contributions are pivotal to the long-term growth and profitability of the Group and Associated Companies;
- (c) to attract more potential employees (including talented physicians/medical professionals) with the relevant skills to contribute to the Group and Associated Companies in line with the Group’s and Associated Companies’ goals in expansion;
- (d) to foster a greater ownership culture within the Group and Associated Companies by aligning the interests of Participants with the interests of Shareholders; and
- (e) to develop a participatory style of management which promotes greater commitment and dedication amongst Group Employees and Associated Company Employees and instill loyalty and a stronger sense of identification with the long-term prosperity of the Group and Associated Companies.

4. ELIGIBILITY OF PARTICIPANTS

4.1 Group Employees and Associated Company Employees who hold such rank as may be designated by the Committee from time to time and who have contributed to or will contribute to the success and development of the Company are eligible to participate in the RMG ESOS 2020 at the absolute discretion of the Committee provided that each such person is:

- (a) at least 21 years of age;
- (b) not an undischarged bankrupt; and
- (c) not a Controlling Shareholder or an Associate of a Controlling Shareholder,

provided further that the Committee shall be entitled at its absolute discretion to allow any other employee or personnel of the medical profession contracted or engaged by the Group or an Associated Company on a full-time or part-time employment basis not otherwise mentioned above who is at least 21 years of age, is not an undischarged bankrupt and is not a Controlling Shareholder or an Associate of a Controlling Shareholder to participate in the RMG ESOS 2020.

4.2 There shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by any of the other companies within the Group or Associated Companies or any other corporation.

5. LIMITATION ON THE SIZE OF THE RMG ESOS 2020

5.1 The aggregate number of Shares over which the Committee may grant Options on any date, when added to the number of Shares issued and issuable in respect of all Options granted under the RMG ESOS 2020 and in respect of all other share-based incentive schemes of the Company then in force (if any), shall not exceed 15% of the total issued Shares of the Company excluding treasury shares and subsidiary holdings on the date preceding the Offer Date. For the avoidance of doubt, in respect of any Option which has lapsed (in whole or in part), such number of Shares which comprised the unexercised portion of such Option shall not count towards this limit.

5.2 The number of Shares in respect of which Options may be offered to any Group Employee or Associated Company Employee (as the case may be) in accordance with the RMG ESOS 2020 shall be determined at the absolute discretion of the Committee, who shall take into account (where applicable) criteria such as rank, responsibilities, past performance, length of service, contributions to the Group or Associated Company (as the case may be) and potential for future development of that Group Employee or Associated Company Employee (as the case may be).

6. OFFER LETTER

6.1 The Committee may, subject to Rule 4, Rule 5 and Rule 12, grant Options at any time during the period when the RMG ESOS 2020 is in force, provided that in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, Options may only be granted on or after the second Market Day following the day on which such announcement is released. Provided further that no offer to grant Options shall be made during the period of one (1) month before the announcement of its half-year financial results (if applicable) and full-year financial results and the period of two (2) weeks before the announcement of the financial results of the Company for each of the first, second and third quarters of its financial year (if applicable).

6.2 The Offer Letter to grant the Option shall be in, or substantially in, the form set out in Schedule A, subject to such modifications as the Committee may from time to time determine.

7. ACCEPTANCE OF OPTIONS

7.1 The grant of an Option under this Rule 7 shall be accepted within thirty (30) days from the Offer Date of that Option, and in any event, not later than 5.00 p.m. on the 30th day from such Offer Date by completing, signing and returning the Acceptance Form in, or substantially in, the form set out in Schedule B, subject to such modifications as the Committee may from time to time determine, accompanied by payment of S\$1.00 as consideration. The Option is deemed not accepted until actual receipt by the Company of the duly signed and completed Acceptance Form.

7.2 The Company shall be entitled at its absolute discretion to reject any purported acceptance of the grant of an Option made pursuant to this Rule 7 which does not strictly comply with the terms and conditions of this RMG ESOS 2020.

7.3 An Option shall be personal to the Participant to whom it is granted and shall not be transferred (other than to a Participant's duly appointed legal personal representative on the death of that Participant, or to such other Participant as may be directed by the Committee), charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the approval of the Committee, and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Option without the approval of the Committee, that Option shall immediately lapse.

7.4 In the event that the grant of an Option results in a contravention of any applicable law, subsidiary legislation or other regulation, such grant shall be null, void and of no effect and the relevant Participant shall have no claim whatsoever against the Company.

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- 7.5 Unless the Committee determines otherwise, the grant of an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:
- (a) it is not accepted in the manner as provided in Rule 7.1 within the Acceptance Period; or
 - (b) the Participant dies prior to his acceptance of the Option; or
 - (c) the Participant is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Option; or
 - (d) the Participant ceases to be in the employment of the Group or Associated Company (as the case may be), or in the case of a Participant who is an Executive Director or Non-Executive Director, ceases to be a director of such company, in each case, for any reason whatsoever prior to his acceptance of the Option; or
 - (e) the Company is liquidated or wound up prior to the Participant's acceptance of the Option.

8. SUBSCRIPTION PRICE

- 8.1 Subject to any adjustment pursuant to Rule 12, the Subscription Price for each Share in respect of which an Option is exercisable shall be fixed by the Committee at:
- (a) a price (the "**Market Price**") equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the SGX-ST for the three (3) consecutive Market Days immediately preceding the Offer Date of that Option, rounded to the nearest whole cent; or
 - (b) a price which is set at a discount to the Market Price (as determined in accordance with Rule 8.1(a)), provided that:
 - (i) the maximum discount shall not exceed 20% of the Market Price (or such other percentage or amount as may be prescribed or permitted for the time being by the SGX-ST);
 - (ii) the prior approval of the Shareholders of the Company in general meeting shall have been obtained for the making of offers and grants of Options under the RMG ESOS 2020 at a discount not exceeding the maximum discount as aforesaid in a separate resolution (for the avoidance of doubt, such prior approval shall be required to be obtained only once and, once obtained, shall, unless revoked, authorise the making of offers and grants of Options under the RMG ESOS 2020 at such discount for the duration of the RMG ESOS 2020); and
 - (iii) the prior approval of the Shareholders of the Company in general meeting shall have been obtained for the discount exceeding 20% of the Market Price if it is prescribed or permitted for the time being by the SGX-ST.
- 8.2 In determining whether to grant an Incentive Option and the quantum of the discount, the Committee shall be at liberty to take into consideration such criteria as the Committee may, at its absolute discretion, deem appropriate, which may include but are not limited to:
- (a) the performance of the Company and/or the Group and/or the Associated Company (as the case may be);
 - (b) the length of service, designation and individual performance of the Participant; and
 - (c) the contribution and potential contribution of the Participant to the success and development of the Company and/or the Group and/or the Associated Company (as the case may be).

9. EXERCISE OF OPTIONS

- 9.1 Subject as provided in this Rule 9, Rule 10 and any other conditions as may be introduced by the Committee from time to time, each Option shall be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof), as follows:
- (a) in the case of a Market Price Option, during the period commencing on the day immediately following the first anniversary of the Offer Date and expiring on the tenth anniversary of such Offer Date; and
 - (b) in the case of an Incentive Option, during the period commencing on the day immediately following the second anniversary of the Offer Date and expiring on the tenth anniversary of such Offer Date,
- save that the Option Period for any Option granted to a Participant, who is not an employee of the Company or its Subsidiary (i.e. including a person who is an Associated Company Employee or a Non-Executive Director (including Independent Director)), shall expire on the fifth anniversary of the Offer Date.
- 9.2 In the event of an Option being exercised in part only, the balance of the Option not thereby exercised shall continue to be exercisable in accordance with the RMG ESOS 2020 until such time as it shall lapse in accordance with the RMG ESOS 2020. All Options that are unexercised for whatever reason shall automatically lapse and become null and void upon their expiry date.

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9.3 Unless the Committee otherwise determines in its absolute discretion, an Option shall, to the extent unexercised, lapse and the Participant shall have no claim whatsoever against the Company:

- (a) subject to Rules 4.1, 9.4 and 9.5, upon the Participant ceasing to be in the employment of the Group or Associated Company (as the case may be), or in the case of a Participant who is an Executive Director or Non-Executive Director, ceasing to be a director of such company, for any reason whatsoever;
- (b) upon the bankruptcy of the Participant or the happening of any other event which results in him being deprived of the legal or beneficial ownership of such Option;
- (c) in the event of any misconduct on the part of the Participant as determined by the Committee in its sole and absolute discretion or any breach of any regulation of the Group or Associated Company (as the case may be), such breach being regarded as serious by the Committee in its absolute discretion; or
- (d) upon the company by which the Participant is employed ceasing to be a company within the Group or Associated Company (as the case may be), or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group or Associated Company (as the case may be).

For the purpose of this Rule, the Committee may in its absolute discretion determine that such Option shall not lapse and may continue to be exercised by the holder of the Option (subject to any terms and conditions as the Committee may impose), and upon the expiry of the applicable Option Period, the Option shall lapse and become null and void.

For the purpose of Rule 9.3(a), unless the Committee otherwise determines in its absolute discretion, the Participant shall be deemed to have ceased to be so employed as of the date of the notice of termination or resignation, as the case may be, unless such notice shall be withdrawn prior to its effective date.

9.4 Subject to Rule 9.1, if a Participant ceases to be employed by the Group or Associated Company (as the case may be) or in the case of a Participant who is an Executive Director or Non-Executive Director of a company within the Group or Associated Company (as the case may be), ceases to be a director of such company, by reason of his:

- (a) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
- (b) redundancy;
- (c) retirement at or after the legal retirement age;
- (d) retirement before the legal retirement age with the consent of the Committee; or
- (e) any other reason approved in writing by the Committee,

the Committee may at its absolute discretion, permit any un-Vested Option the Participant holds to be Vested on an accelerated basis, and/or permit the Participant to exercise any unexercised Option within the relevant Option Period, and upon the expiry of such period, the Option shall lapse and become null and void.

9.5 Subject to Rule 9.1, if a Participant dies and at the date of his death holds any unexercised Option, the Committee may at its absolute discretion, permit any un-Vested Option the Participant holds to be Vested on an accelerated basis, and/or permit the duly appointed legal personal representatives of the Participant to exercise any unexercised Option within the relevant Option Period, and upon the expiry of such period, the Option shall lapse and become null and void.

9.6 For the purpose of Rules 9.3, 9.4 and 9.5, the Committee may deliberate on un-Vested Options or any Vested Options that remain unexercised.

10. TAKE OVER AND WINDING UP

10.1 Notwithstanding Rule 9 but subject to Rule 10.5, in the event of a take-over offer being made for the Shares, a Participant shall be entitled to exercise in full or in part any Option held by him and as yet unexercised (including any Option which is then not yet exercisable), during the period commencing on the date on which such offer is made or, if such offer is conditional, the date on which such offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:

- (a) the expiry of 6 months thereafter, unless prior to the expiry of such 6-month period, at the recommendation of the offeror and with the approvals of the Committee and the SGX-ST, such expiry date is extended to a later date (in either case, being a date falling not later than the date of expiry of the Option Period relating thereto); or
- (b) the date of the expiry of the Option Period relating thereto,

whereupon any Option then remaining unexercised shall lapse and become null and void, provided that if during such period, the offeror becomes entitled or bound to exercise the rights of compulsory acquisition of the Shares under the provisions of the Act and, being entitled to do so, gives notice to the Participants that it intends to exercise such rights on a specified date, the Option shall remain exercisable by the Participants until such specified date or the expiry of the Option Period relating thereto, whichever is earlier. Any Option not so exercised shall lapse provided that the rights of acquisition or obligations to acquire shall have been exercised or performed, as the case may be. If such rights or obligations have not been exercised or performed, the Option shall, subject to Rule 9, remain exercisable until the expiry of the Option Period relating thereto. For the avoidance of doubt, the provisions of this Rule 10.1 shall not come into operation in the event that a take-over offer which is conditional does not become or is not declared unconditional.

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- 10.2 If under the Act or any other applicable laws, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, or if under the Act, the Registrar of Companies issues a notice of amalgamation for the purposes of, or in connection with the amalgamation of the Company with another company or companies, each Participant shall be entitled, notwithstanding Rule 9 but subject to Rule 10.5, to exercise any Option then held by him and as yet unexercised (including any Option which is then not yet exercisable) during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court or the date on which the notice of amalgamation is issued by the Registrar of Companies, as the case may be, and ending either on the expiry of 60 days thereafter or the date upon which the compromise, arrangement or amalgamation, as the case may be, becomes effective, whichever is later (but not after the expiry of the Option Period relating thereto), whereupon the Option then remaining unexercised shall lapse and become null and void.
- 10.3 If an order is made for the winding-up of the Company on the basis of its insolvency, all Options, to the extent unexercised, shall lapse and become null and void.
- 10.4 In the event that a notice is given by the Company to its members to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it dispatches such notice to each member of the Company give notice thereof to all Participants (together with a notice of the existence of the provision of this Rule 10.4) and thereupon, each Participant (or his duly appointed legal personal representative) shall be entitled to exercise all or any of his Options at any time not later than 2 Market Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the Aggregate Subscription Cost whereupon the Company shall as soon as possible and in any event, no later than the Market Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Participant credited as fully paid.
- 10.5 If in connection with the making of a general offer referred to in Rule 10.1 or the scheme referred to in Rule 10.2 or the winding-up referred to in Rule 10.4, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Participant holding an Option, as yet unexercised, may not, except at the discretion of the Committee, be permitted to exercise that Option as provided for in this Rule 10.
- 10.6 To the extent that an Option is not exercised within the periods referred to in this Rule 10, it shall lapse and become null and void.

11. MANNER OF EXERCISE

- 11.1 Subject to Rule 9.1, an Option may be exercised by a Participant giving an Exercise of Option Letter to the Company in, or substantially in, the form set out in Schedule C, subject to such modifications as the Committee may from time to time determine. Such notice must be accompanied by payment in cash for the Aggregate Subscription Cost in respect of the Shares for which that Option is exercised and any other documentation the Committee may require. An Option shall be deemed to be exercised upon receipt by the Company of the said notice, duly completed, the relevant documentation required by the Committee and the Aggregate Subscription Cost.
- 11.2 All payments made shall be made by cheque, cashier's order, banker's draft or postal order made out in favour of the Company or such other mode of payment as may be acceptable to the Company.
- 11.3 Subject to such consents or other required action of any competent authority under any regulations or enactments for the time being in force as may be necessary and subject to compliance with the terms of the RMG ESOS 2020 and the Constitution of the Company, the Company shall, within 10 Market Days after the exercise of an Option, allot the relevant Shares and despatch to CDP the relevant share certificates by ordinary post or such other mode as the Committee may deem fit, or in the case of a transfer of treasury shares, do such acts or things which are necessary for the transfer to be effective.
- 11.4 The Company shall, as soon as practicable after the exercise of an Option, apply to the SGX-ST (and any other stock exchange on which the Shares are quoted or listed) for permission to deal in and for quotation of the Shares which may be issued upon the exercise of the Option, if necessary.
- 11.5 Shares which are issued on the exercise of an Option by a Participant shall be issued in the name of CDP to the credit of the securities account of that Participant maintained with CDP, the securities sub-account maintained with a depository agent or the CPF investment account maintained with a CPF agent bank.
- 11.6 Shares which are allotted and issued or treasury shares which are transferred on the exercise of an Option shall be subject to all the provisions of the Constitution of the Company, and shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which falls after the relevant exercise date of the Option, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

12. VARIATION OF CAPITAL

- 12.1 If a variation in the issued ordinary share capital of the Company (whether by way of rights issue, bonus issue, reduction of capital, subdivision, consolidation or distribution of Shares or otherwise) shall take place:
- (a) the Subscription Price for the Shares, and/or the class and/or number of Shares comprised in an Option to the extent unexercised; and/or
 - (b) the class and/or number of Shares over which additional Options may be granted under the RMG ESOS 2020,
- may be adjusted in such manner as the Committee may deem to be appropriate.

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- 12.2 Unless the Committee considers an adjustment to be appropriate:
- (a) the issue of securities as consideration for an acquisition of any assets by the Company;
 - (b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force; and
 - (c) the issue of securities by the Company upon the exercise of any options or conversion of any loan stock or any other securities convertible into Shares or subscription rights of any warrants,
- shall not normally be regarded as a circumstance requiring adjustment.

- 12.3 Notwithstanding the provisions of Rule 12.1:
- (a) any adjustment (except in relation to a bonus issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable; and
 - (b) no adjustment shall be made in such a way that any Participant receives a benefit that a Shareholder does not receive.

- 12.4 Upon any adjustment required to be made pursuant to this Rule 12, the Company shall notify the Participant (or his duly appointed legal personal representatives where applicable) in writing and deliver to him (or his duly appointed legal personal representatives where applicable) a statement setting forth the Subscription Price thereafter in effect and the class and/or number of Shares thereafter to be issued on the exercise of the Option. Any adjustment shall take effect upon such written notification being given.

- 12.5 Notwithstanding the provisions of Rule 12.1, the Committee may, in any circumstances where it considers that no adjustment should be made or that it should take effect on a different date, request the Auditors to consider whether for any reasons whatsoever the adjustment or the absence of an adjustment is appropriate or inappropriate as the case may be, and, after such consideration, no adjustment shall take place or the adjustment shall be modified or nullified or an adjustment made (instead of no adjustment made) in such manner and on such date as shall be considered by such Auditors (acting only as experts and not as arbitrators) to be in their opinion appropriate.

13. ADMINISTRATION

- 13.1 The RMG ESOS 2020 shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Options granted or to be granted to him.

- 13.2 The Committee shall have the power, from time to time, to make and vary such regulations (not being inconsistent with the RMG ESOS 2020) for the implementation and administration of the RMG ESOS 2020 as it thinks fit. Any matter pertaining to the RMG ESOS 2020, and any dispute and uncertainty as to the interpretation of the RMG ESOS 2020, any rule, regulation or procedure thereunder or any rights under the RMG ESOS 2020 shall be determined by the Committee. The Committee may amend or waive any condition applicable to an Option in its absolute discretion and shall notify the relevant Participant of such change or waiver.

- 13.3 Neither the RMG ESOS 2020 nor the grant of Options under the RMG ESOS 2020 shall impose on the Company or the Committee any liability whatsoever in connection with:

- (a) the lapsing or early expiry of any Options pursuant to any provision of the RMG ESOS 2020;
- (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the RMG ESOS 2020; and/or
- (c) any decision or determination of the Committee made pursuant to any provision of the RMG ESOS 2020 (including the Offer Letter, Acceptance Form and Exercise of Option Letter) including but not limited to any preservation and transfer of Options.

- 13.4 Any decision or determination of the Committee pursuant to any provision of the RMG ESOS 2020 (other than a matter to be certified by the Auditors) shall be final, binding and conclusive in all cases including any decisions pertaining to any disputes as to the interpretation of the RMG ESOS 2020 (including the Offer Letter, Acceptance Form and Exercise of Option Letter) or any rule, regulation, procedure thereunder or as to any rights under the RMG ESOS 2020.

14. NOTICES AND ANNUAL REPORT

- 14.1 Any notice required to be given by a Participant to the Company shall be sent or delivered to the registered office of the Company or such other address (including electronic mail address) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.

- 14.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.

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- 14.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the Participant's home address in accordance with Rule 14.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.
- 14.4 The Company's records of the communications between the Company and each Participant, and its records of any transactions maintained by any relevant person authorised by the Company relating to or connected with the RMG ESOS 2020, whether stored in electronic or printed form, shall be binding and conclusive on the relevant Participant and shall be conclusive evidence of such communications and/or transactions. All such records shall be admissible in evidence and the Participant shall not challenge or dispute the admissibility, reliability, accuracy or the authenticity of the contents of such records merely on the basis that such records were incorporated and/or set out in electronic form or were produced by or are the output of a computer system, and the Participant waives any of his rights (if any) to so object.
- 14.5 The Company shall disclose the following (as applicable) in its annual report for so long as the RMG ESOS 2020 continues in operation:
- (a) the names of the members of the Committee administering the RMG ESOS 2020;
 - (b) the information required in the table below for the following Participants:
 - (i) Directors of the Company; and
 - (ii) Participants, other than those in Rule 14.5(b)(i) above, who are entitled to receive 5% or more of the total number of Shares available under the RMG ESOS 2020; and

Name of Participant	Number of Shares comprised in Options granted during financial year under review (including terms)	Aggregate number of Shares comprised in Options granted since commencement of the RMG ESOS 2020 to end of financial year under review	Aggregate number of Shares comprised in Options exercised since commencement of the RMG ESOS 2020 to end of financial year under review	Aggregate number of Shares comprised in Options outstanding as at end of financial year under review

- (c) in respect of Incentive Options, the following:
 - (i) the number of Incentive Options granted at a discount of 10% or less and proportion to Market Price Options during the financial year under review; and
 - (ii) the number of Incentive Options granted at a discount of more than 10% and proportion to Market Price Options during the financial year under review.

If any of the above requirements is not applicable, an appropriate negative statement shall be included therein.

15. MODIFICATIONS TO THE RMG ESOS 2020

- 15.1 Any or all the provisions of the RMG ESOS 2020 may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:
- (a) no modification or alteration shall alter adversely the rights attaching to any Option granted prior to such modification or alteration except with the consent in writing of such number of Participants who would be allotted, issued or transferred no less than 75% of the Shares which would be allotted, issued or transferred if the affected Options were exercised in full;
 - (b) any modification or alteration which would be to the advantage of Participants under the RMG ESOS 2020 shall be subject to the prior approval of the Shareholders in general meeting; and
 - (c) no modification or alteration shall be made without the prior approval of the SGX-ST, or any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities, in each case, as may be necessary.
- 15.2 Notwithstanding anything to the contrary contained in Rule 15.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST (if necessary)) amend or alter the RMG ESOS 2020 in any way to the extent necessary to cause the RMG ESOS 2020 to comply with any statutory provision or the provisions or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 15.3 Written notice of any modification or alteration made in accordance with this Rule 15 shall be given to all affected Participants in accordance with Rule 14.2.

16. TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Participant shall not be affected by his participation in the RMG ESOS 2020, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason. The RMG ESOS 2020 shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company and/or any Subsidiary and/or Associated Company directly or indirectly or give rise to any cause of action at law or in equity against any such company, its directors or employees.

17. DURATION OF THE RMG ESOS 2020

17.1 The RMG ESOS 2020 shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the Adoption Date, provided always that the RMG ESOS 2020 may continue beyond the above stipulated period with the approval of the Shareholders by way of an ordinary resolution passed at a general meeting and of any relevant authorities which may then be required.

17.2 The RMG ESOS 2020 may be terminated or suspended at any time by the Committee or, at the discretion of the Committee, by an ordinary resolution passed by the Shareholders at a general meeting, subject to all relevant approvals which may be required and if the RMG ESOS 2020 is so terminated, no further Options shall be offered by the Company hereunder.

17.3 The termination, suspension, discontinuance or expiry of the RMG ESOS 2020 shall not affect Options which have been granted and accepted as provided in Rule 7.1, whether such Options have been exercised (whether fully or partially) or not.

18. TAXES

All taxes (including income tax) arising from the grant of any Option or the allotment and issue, or transfer of Shares, pursuant to the exercise of any Option, granted to any Participant under the RMG ESOS 2020 shall be borne by that Participant.

19. COSTS AND EXPENSES

19.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment, or transfer of any Shares pursuant to the exercise of any Option in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a depository agent or CPF investment account with a CPF agent bank.

19.2 Save for the taxes referred to in Rule 18 and such other costs and expenses expressly provided in the RMG ESOS 2020 to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the RMG ESOS 2020 including but not limited to the fees, costs and expenses relating to the allotment and issue, or transfer of Shares pursuant to the exercise of any Option shall be borne by the Company.

20. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing the Shares or applying for or procuring the listing of the Shares on the SGX-ST in accordance with Rule 11.4 (or any other stock exchange on which the Shares are quoted or listed).

21. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the RMG ESOS 2020 and such other employees of the Group or Associated Company (as the case may be) (including physicians/medical professionals) who are also eligible to participate in the RMG ESOS 2020, shall abstain from voting on any resolution relating to the RMG ESOS 2020 as may be required by the SGX-ST.

22. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

23. CONDITION OF OPTION

Every Option shall be subject to the condition that no Shares shall be issued pursuant to the exercise of an Option if such issue would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country having jurisdiction in relation to the issue of Shares hereunder.

24. GOVERNING LAW

The RMG ESOS 2020 shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting Options in accordance with the RMG ESOS 2020, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

25. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT (CHAPTER 53B OF SINGAPORE)

No person other than the Group or a Participant shall have any right to enforce any provision of the Rules or any grant of Options by virtue of the Contracts (Rights of Third Parties) Act (Chapter 53B of Singapore).

26. PERSONAL DATA

By participating in the Plan and for so long as such participation continues, each Participant hereby consents, agrees and acknowledges as follows:

- (a) each of the Relevant Entities may collect, use, disclose and/or process Personal Data relating to the Participant, for purposes related to the Option and the RMG ESOS 2020, including:
 - (i) to verify the Participant's identity;
 - (ii) to administer and manage the Option and/or the Plan;
 - (iii) to respond to, process and handle the Participant's complaints, queries, requests, feedback and/or suggestions;
 - (iv) to comply with any applicable laws, rules, regulations, codes of practice or guidelines;
 - (v) to assist in law enforcement and investigations by relevant authorities; and
 - (vi) any other purposes reasonably related to the aforesaid;
- (b) any Personal Data submitted to any of the Relevant Entities is complete, accurate, true and correct;
- (c) each of the Relevant Entities may disclose and/or transfer the Participant's Personal Data (including transfer to out of Singapore) to any of the following parties for the purposes set out in Rule 26(a) above:
 - (i) any of the Relevant Entities, and their respective advisers and service providers (where applicable);
 - (ii) any competent legal and/or regulatory authority and law enforcement agencies as may be required under applicable law; and/or
 - (iii) the Company's successor-in-title, any seller or buyer (actual or prospective) of any part or the whole of the business of the Company, in connection with a merger, acquisition, disposal or sale of any part or the whole of the business of the Company;
- (d) where the Participant provides any of the Relevant Entities with Personal Data relating to a third party in connection with the Option and/or the RMG ESOS 2020, the Participant undertakes that the Participant has obtained the prior consent of such third party for the collection, use, disclosure and/or processing of such information by each of the Relevant Entities for the purposes set out in Rule 26(a) above;
- (e) this Rule 26 supplements but does not supersede nor replace any other consent(s) the Participant may have previously provided to any of the Relevant Entities in respect of Personal Data, and the Participant's consents herein are additional to any rights which any of the Relevant Entities may have under applicable law to collect, use, disclose and/or process Personal Data (including the Participant's Personal Data); and
- (f) the Participant hereby unconditionally and irrevocably undertakes to indemnify, defend and hold harmless each of the Relevant Entities from and against any and all penalties, liabilities, claims, demands, losses and damages which may be sustained, instituted, made or alleged against (including without limitation any claim or prospective claim in connection therewith), or suffered or incurred by any of the Relevant Entities, and which arise (whether directly or indirectly) out of or in connection with: (i) any act or omission by the Participant; (ii) any breach by the Participant of its representations, warranties, undertakings or obligations in this Rule 26; and/or (iii) any failure by the Participant to comply with any data protection or privacy laws of any applicable jurisdictions.

"**Applicable law**" in this Rule 26 includes without limitation, for the avoidance of doubt, the Personal Data Protection Act 2012 of Singapore (No. 26 of 2012), including any subsidiary legislation, regulations and any codes of practice, standards of performance, advisories, guidelines, frameworks, or written directions issued thereunder, in each case as amended, consolidated, re-enacted or replaced from time to time.

"**Personal Data**" in this Rule 26 means data, whether true or not, about an individual who can be identified from that data or from that data and other information to which the Group and the Associated Companies are likely to have access.

"**Relevant Entities**" in this Rule 26 means the Group and Associated Companies.

APPENDIX B

SCHEDULE A
LETTER OF OFFER

Serial No: _____

Private and Confidential

Date : _____

To: [Name]
[Designation]
[Department/Address]

Dear Sir/Madam,

We are pleased to inform you that you have been nominated to participate in the Raffles Medical Group (2020) Share Option Scheme (the "RMG ESOS 2020") by the Committee appointed by the Board of Directors of Raffles Medical Group Ltd (the "Company") to administer the RMG ESOS 2020 (the "Committee"). Terms as defined in the RMG ESOS 2020 shall have the same meaning when used in this letter.

Accordingly, in consideration of the payment of a sum of S\$1.00 (and the Company hereby acknowledges that it has received payment of the same), an offer is hereby made to grant you an Option to subscribe for and be allotted _____ Shares at the price of S\$_____ for each Share.

The Option is personal to you and shall not be transferred, charged, pledged, assigned or otherwise disposed of by you, in whole or in part, except with the approval of the Committee.

The Option shall be subject to the terms and conditions of this Offer Letter (including those stipulated at the end of this letter) and the RMG ESOS 2020 (as the same may be amended from time to time pursuant to the terms and conditions of the RMG ESOS 2020), a copy of which can be downloaded in our intranet.

If you wish to accept the offer, please sign and return the enclosed Acceptance Form not later than **5.00 p.m.** on _____ (Closing Date), failing which this offer will forthwith lapse.

Yours faithfully
For and on behalf of
Raffles Medical Group Ltd

Name:

Enclosure

Additional Terms and Conditions:

- (1) *By accepting the offer, you hereby expressly and irrevocably agree that if you should decide to resign or cease to be employed by the Group or Associated Company (as the case may be), or cease to be a director of the Group or Associated Company (as the case may be), the Committee shall have the absolute discretion (but not obligation) to transfer or cause you to transfer this Option (to the extent unexercised), at any time prior to the expiry of the Option Period, to such other person (the Transferee) as the Committee may determine in its sole discretion, and that such transfer will be deemed to have taken effect prior to the date of your notice of resignation/cessation, such that the Option will not be deemed to have lapsed under Rule 9.3 of the RMG ESOS 2020 Rules, and that you will take all necessary steps to effect or facilitate such transfer. Prior to the completion of such transfer, you expressly and irrevocably undertake that you shall not exercise the Option and any purported exercise of the Option by any person shall not be valid. The Transferee shall be one of the persons whose name appears in the "_____ (Year) Grant" register kept by the Company Secretary. You also agree that the register may be inspected by you upon the Committee giving its approval, at its absolute discretion, to a written request made by you to do so.*
- (2) **Vesting - The Committee has determined that vesting shall be as follows:*
 - (a) *The first _____ of Options accepted (rounded up to the nearest [1,000]) shall be vested on the _____ anniversary from the Date of Grant, i.e. the Participant may exercise the Options to purchase the shares on or after _____ but before _____.*
 - (b) *The next _____ of Options accepted (rounded up to the nearest [1,000]) shall be vested on the _____ anniversary from the Date of Grant, i.e. the Participant may exercise the Options to purchase the shares on or after _____ but before _____.*
 - (c) *The balance of Options accepted shall be vested on the _____ anniversary from the Date of Grant, i.e. the Participant may exercise the Options to purchase the shares on or after _____ but before _____.*
- (3) **Others – [The Committee shall include any other conditions it wishes to impose here.]*

*Delete if not applicable.

APPENDIX B

SCHEDULE B
ACCEPTANCE FORM

Serial No: _____

Private and Confidential

Date : _____

To: The Committee
Raffles Medical Group (2020) Share Option Scheme ("**RMG ESOS 2020**")
Raffles Medical Group Ltd
585, North Bridge Road, Raffles Hospital, #11-00
Singapore 188770

Attention: Company Secretary

Closing Date and Time for Acceptance of Offer	:	_____
Number of Shares Offered (A)	:	_____
Subscription Price for each Share (B)	:	S\$ _____
Total Amount Payable (A) x (B)	:	S\$ _____

I (the Participant) have read your Offer Letter dated _____ (Date of Grant) and agree to be bound by the terms of the Offer Letter and the RMG ESOS 2020 referred to therein. Terms defined in your Offer Letter or the rules of the RMG ESOS 2020 shall have the same meaning when used in this Acceptance Form.

I hereby accept the Option to subscribe for _____ Shares at **S\$** _____ for each Share. By your acceptance of this Acceptance Form, you confirm that you have received payment of S\$1.00 in payment for the purchase of the Option.

I understand that I am not obliged to exercise the Option and further acknowledge that you have not made any representation to induce me to accept the offer.

I also understand that I shall be responsible for all the fees of CDP (if applicable) relating to or in connection with the issue and allotment of any Shares in CDP's name, the deposit of share certificate(s) with CDP, my securities account with CDP, my securities sub-account with a depository agent or my CPF investment account with a CPF agent bank (as the case may be) (collectively, the CDP charges).

I confirm that:

- (a) the terms of the Offer Letter and this Acceptance Form (including those stipulated at the end of these documents) constitute the entire agreement between us relating to the offer;
- (b) my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of the Shares or Options to subscribe for such Shares; and
- (c) as at the date hereof, I am at least twenty-one (21) years of age and I am not an undischarged bankrupt.

I agree to keep all information pertaining to the Award of Shares to me strictly confidential.

PLEASE PRINT IN BLOCK LETTERS

Name in Full : _____ Designation : _____

NRIC/Passport No*:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

 Nationality : _____

Address : _____

Email Address : _____ Contact Nos : _____

Signature : _____ Date : _____

**Delete if not applicable.*

APPENDIX B

Additional Terms and Conditions:

- (1) *By accepting the offer, the Participant expressly and irrevocably agrees that the Committee administering the RMG ESOS 2020 (the Committee) shall have the absolute discretion (but not obligation) to transfer or cause the Participant to transfer the Option (to the extent unexercised), at any time prior to the expiry of the Option Period, to such other person (the Transferee) as the Committee may determine in its sole discretion, if the Participant should decide to resign or cease to be employed by the Group or Associated Company (as the case may be), or cease to be a director of the Group or Associated Company (as the case may be), and that such transfer will be deemed to have taken effect prior to the date of the Participant's notice of resignation/cessation, such that the Option will not be deemed to have lapsed under Rule 9.3 of the RMG ESOS 2020 Rules, and that the Participant will take all necessary steps to effect or facilitate such transfer. Prior to the completion of such transfer, the Participant expressly and irrevocably undertakes not to exercise the Option and any purported exercise of the Option by any person shall not be valid. The Transferee shall be one of the persons whose name appears in the "_____(Year) Grant" register kept by the Company Secretary. The Participant also agrees that the register may be inspected by the Participant upon the Committee giving its approval, at its absolute discretion, to a written request made by the Participant to do so.*
- (2) **Vesting - The Committee has determined that vesting shall be as follows:*
- (a) *The first _____ of Options accepted (rounded up to the nearest [1,000]) shall be vested on the _____ anniversary from the Date of Grant, i.e. the Participant may exercise the Options to purchase the shares on or after _____ but before _____.*
- (b) *The next _____ of Options accepted (rounded up to the nearest [1,000]) shall be vested on the _____ anniversary from the Date of Grant, i.e. the Participant may exercise the Options to purchase the shares on or after _____ but before _____.*
- (c) *The balance of Options accepted shall be vested on the _____ anniversary from the Date of Grant, i.e. the Participant may exercise the Options to purchase the shares on or after _____ but before _____.*
- (3) **Others – [The Committee shall include any other conditions it wishes to impose here.]*

**Delete if not applicable.*

APPENDIX B

SCHEDULE C

FORM OF EXERCISE OF OPTION LETTER

Private and Confidential

To: The Committee
Raffles Medical Group (2020) Share Option Scheme (“**RMG ESOS 202**”)
Raffles Medical Group Ltd
585, North Bridge Road, Raffles Hospital, #11-00
Singapore 188770

Attention : Company Secretary

(i)	Total number of ordinary shares (the “ Shares ”)	:	_____
(ii)	Subscription price per Share under the RMG ESOS 2020	:	S\$_____
(iii)	Offer Date (Date of Grant)	:	_____
(iv)	Number of Shares previously allotted thereunder	:	_____
(v)	Outstanding balance of Shares to be allotted thereunder	:	_____
(vi)	Number of Shares now to be subscribed	:	_____

1. Pursuant to the Company’s Offer Letter as stated in item (iii) above and my acceptance thereof, I hereby exercise the Option to subscribe for Shares in item (vi) in Raffles Medical Group Ltd (the “**Company**”) at Option price per share as listed in item (ii) above.

2. I hereby request the Company to allot and issue the Shares referred to above in the name of the Central Depository (Pte) Limited (the “**Depository**”) to the credit of my securities account with the Depository/securities sub-account with a depository agent/CPF Investment Account with a CPF agent bank specified below, and to deliver the share certificate(s) relating thereto to Depository at my own risk. I further agree to bear such fees or other charges as may be imposed by the Depository and any stamp duty payable in respect thereof:

* (a)	Direct Securities Account No.	:	<table border="1" style="display: inline-table;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td>-</td><td> </td><td> </td><td> </td><td> </td><td>-</td><td> </td><td> </td><td> </td><td> </td></tr></table>						-					-				
					-					-								
* (b)	Securities of Sub-Account No.	:	_____															
	Name of depository agent	:	_____															
* (c)	CPF Investment Account No.	:	_____															
	Name of Agent Bank	:	_____															

3. I enclose a *cheque/cashier’s order/banker’s draft/postal order no. _____ for S\$_____ in payment for the subscription for the total number of the said Shares.

4. I agree to subscribe for the said Shares subject to the terms of the Offer Letter, the RMG ESOS 2020 (as the same may be amended pursuant to the terms thereof from time to time) and the Constitution of the Company.

5. I declare that I am subscribing for the said Shares for myself and not as a nominee for any other person.

PLEASE PRINT IN BLOCK LETTERS

Name in Full	:	_____	Designation	:	_____													
NRIC/Passport No*:	:	<table border="1" style="display: inline-table;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr></table>														Nationality	:	_____
Address	:	_____																
Email Address	:	_____	Contact Nos	:	_____													
Signature	:	_____	Date	:	_____													

*Delete if not applicable.

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SUMMARY OF THE PRINCIPAL TERMS OF THE RMG ESOS 2010

The following is a summary of the principal terms of the Raffles Medical Group (2010) Share Options Scheme ("**RMG ESOS 2010**"). The complete rules of the RMG ESOS 2010 are set out in Appendix A to the Company's Circular to Shareholders dated 8 April 2010 which is available on SGX-ST's website. Capitalised terms used in this summary which are not otherwise defined in this summary shall have the meanings ascribed to them in the Rules to the RMG ESOS 2010.

1. COMMITTEE ADMINISTERING THE RMG ESOS 2010

The RMG ESOS 2010 shall be administered by the committee comprising directors of the Company ("**Committee**") in its absolute discretion with such powers and duties as are conferred on it by the Board.

2. ELIGIBILITY

The following persons are eligible to participate in the RMG ESOS 2010 at the absolute discretion of the Committee:

- (a) Confirmed full-time employees of the Group of grade officer and above;
- (b) Permanent part-time employees of the Group of grade officer and above;
- (c) Executive Directors;
- (d) Non-Executive Directors (including Independent Directors);
- (e) Controlling Shareholder(s) and/or Associates of Controlling Shareholder(s);
- (f) Permanent part-time doctors of the Group;
- (g) Clinic co-ordinators of the Group; and
- (h) Permanent part-time visiting consultant specialists of the Group,

provided that such persons are at least 21 years of age and are not undischarged bankrupts.

Provided further that the Committee shall be entitled at its absolute discretion to allow any other employee or personnel of the medical profession contracted or engaged by the Group on a full-time or part-time basis not otherwise mentioned above who is at least 21 years of age and is not an undischarged bankrupt to participate in the RMG ESOS 2010.

Persons who are Controlling Shareholder(s) or their Associates may participate in the RMG ESOS 2010 provided that (i) the participation of each of them, and (ii) the actual number and terms of Options to be granted to each of them, have been approved by independent Shareholders of the Company in general meeting in separate resolutions for each such person.

3. SIZE OF THE RMG ESOS 2010

The aggregate number of Shares over which the Committee may grant Options on any date, when added to the number of Shares issued and issuable in respect of all Options granted under the RMG ESOS 2010 and in respect of all other share-based incentive schemes of the Company (if any), shall not exceed 15% of the total issued Shares of the Company on the date preceding the Offer Date of an Option.

4. DATE OF GRANT

The Committee may grant Options at any time during the period when the RMG ESOS 2010 is in force, subject to the limit on the size of the RMG ESOS 2010.

5. ACCEPTANCE OF OFFER

An Option shall be personal to the Participant to whom it is granted and shall not be transferred (other than to a Participant's personal representative on the death of that Participant), charged, assigned, pledged or otherwise disposed of, in whole or in part, unless with the prior written approval of the Committee. Options may be exercised by the Participant's duly appointed personal representative in the event of the death of the Participant.

The grant of an Option by the Committee to a Participant shall be accepted within thirty (30) days from the Offer Date of that Option, and in any event, not later than 5.00 p.m. on the 30th day from such Offer Date. The acceptance of the Option must be accompanied by payment of S\$1.00 as consideration. Any Offer by the Committee which is not accepted within this period shall, upon the expiry of the thirty (30) days period, automatically lapse and shall be null and void.

6. SUBSCRIPTION PRICE

Subject to any adjustment pursuant to a variation of the share capital of the Company, the Subscription Price for each Share in respect of which an Option is exercisable shall be determined by the Committee in its absolute discretion based on:

- (a) the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the SGX-ST for the three (3) consecutive Market Days immediately preceding the Offer Date of that Option or in the case of a Market Price Option that is proposed to be granted to a Controlling Shareholder or his Associate, the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the SGX-ST for the three (3) consecutive Market Days immediately preceding the latest practicable date prior to the date of any circular, letter or notice to the Shareholders proposing to seek their approval of the grant of such Options to such Controlling Shareholder and/or Associate of a Controlling Shareholder; or
- (b) the discounted value of the Share price determined under the sub-paragraph (a) above, provided that the maximum discount of 20% permitted under the RMG ESOS 2010 shall have been approved in a separate resolution of the general meeting of Shareholders, subject to any applicable law.

7. EXERCISE OF OPTIONS

Each Option may be exercised in whole or in part as follows:

- (a) in the case of a Market Price Option, during the period commencing after the first anniversary of the Offer Date and expiring on the tenth anniversary of such Offer Date; and
- (b) in the case of an Incentive Option, during the period commencing after the second anniversary of the Offer Date and expiring on the tenth anniversary of such Offer Date,

save that the Option Period for any Option granted to a Participant, who is a non-executive director (including independent directors) of any member of the Group or a permanent part-time visiting consultant specialist contracted or engaged for service on a regular basis by the Group but whose hours of work is not full-time, shall expire on the fifth anniversary of the Offer Date.

In addition, Rule 9 of the RMG ESOS 2010 provides for the lapse of Options in circumstances including:

- (a) the Participant ceasing to be in the employment of the Group, ceasing to be a director of a company within the Group, or ceasing to be contracted or engaged by the Group (as the case may be);
- (b) the bankruptcy of the Participant;
- (c) the occurrence of any misconduct by the Participant; or
- (d) the company by which the Participant is employed ceasing to be a company within the Group or the undertaking or part thereof of such company being transferred to a company outside the Group.

Rule 9 of the RMG ESOS 2010 also provides for the exercise of unexercised Options at the Committee's discretion in the event of certain circumstances including the ill health, injury, disability, death, redundancy or retirement of the Participant (if before the legal retirement age, only with the consent of the Committee).

8. VARIATION OF CAPITAL

In the event of a variation in the issued share capital of the Company (whether by way of rights issue, capitalisation of profits or reserves, reduction of capital, subdivision, consolidation or distribution of Shares or otherwise), the Subscription Price and the class and/or number of Shares comprised in an Option (to the extent unexercised) and/or the class and/or number of Shares over which additional Options may be granted shall be adjusted in such manner as the Committee may deem appropriate and, except in relation to a capitalisation issue, upon the written confirmation of Auditors (acting only as experts and not as arbitrators) that, in their opinion, such adjustment is fair and reasonable.

9. RIGHTS OF SHARES

Shares which are allotted and issued or treasury shares which are transferred on the exercise of an Option shall be subject to all the provisions of the Memorandum and Articles of Association of the Company, and shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which falls after the relevant exercise date of the Option, and shall in all other respects rank *pari passu* with other existing Shares then in issue. "Record Date" means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

10. ALTERATIONS TO THE RMG ESOS 2010

Subject to the prior approval of the SGX-ST and any other regulatory authorities as may be necessary, the RMG ESOS 2010 may be modified and/or altered at any time by a resolution of the Committee. However, no alteration shall adversely affect the rights attached to Options granted prior to such alteration except with the consent in writing of such number of Participants who, if they exercised their Options in full, would thereby become entitled to not less than three quarters ($\frac{3}{4}$) of all the Shares which would be allotted and issued upon exercise in full of all outstanding Options. Further, no alteration shall be made to the Rules of the RMG ESOS 2010 to the advantage of Participants except with the prior approval of Shareholders in general meeting.

11. DURATION OF THE RMG ESOS 2010

The RMG ESOS 2010 shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the date on which the RMG ESOS 2010 is adopted by the Company, provided always that the RMG ESOS 2010 may continue beyond the above stipulated period with the approval of the Shareholders by way of an ordinary resolution passed at a general meeting and of any relevant authorities which may then be required.

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