

CIRCULAR DATED 8 APRIL 2015

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 (the Company), 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)

**APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING
IN RELATION TO THE
PROPOSED RENEWAL OF SHARE BUY BACK MANDATE**

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DEFINITIONS

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

<i>“Act” or “Companies Act”</i>	The Companies Act of Singapore (Chapter 50), as amended or modified from time to time
<i>“Articles” or “Articles of Association”</i>	The Articles of Association of the Company
<i>“Circular”</i>	This Circular to Shareholders dated 8 April 2015
<i>“Company”</i>	Raffles Medical Group Ltd
<i>“Directors”</i>	Directors of the Company as at date of this Circular
<i>“Group”</i>	Raffles Medical Group Ltd and its subsidiaries
<i>“Latest Practicable Date”</i>	25 March 2015, being the last practicable date prior to the printing of this Circular
<i>“Listing Manual”</i>	The Listing Manual of the SGX-ST including any amendments made thereto up to the Latest Practicable Date
<i>“market day”</i>	A day on which the SGX-ST is open for trading in securities
<i>“month”</i>	A calendar month
<i>“Option”</i>	A share option to subscribe for new Shares granted pursuant to Raffles Medical Group Share Option Scheme
<i>“Raffles Medical Group Share Option Scheme”</i>	Either the employee share option scheme approved by Shareholders on 31 October 2000 which is the Raffles Medical Group (2000) Share Option Scheme or the employee share option scheme approved by Shareholders on 30 April 2010 which is the Raffles Medical Group (2010) Share Option Scheme
<i>“Registrar”</i>	The Registrar of Companies
<i>“SGX-ST”</i>	Singapore Exchange Securities Trading Limited
<i>“Shares”</i>	Fully paid ordinary shares in the capital of the Company
<i>“Shareholders”</i>	Shareholders of the Company as shown in the Register of Members of the Company and the Register maintained by The Central Depository (Pte) Limited
<i>“Share Buy Back Mandate”</i>	The general mandate given by Shareholders to authorise the Directors to exercise all the powers of the Company to purchase or otherwise acquire its issued Shares in accordance with the terms set out in this Circular as well as the rules and regulations set forth in the Companies Act and the Listing Manual

<i>“Take-over Code”</i>	Singapore Code on Take-overs and Mergers, and all practice notes, rules and guidelines thereunder, as may from time to time be issued or amended
<i>“S\$” and “cents”</i>	Singapore dollars and cents, respectively
<i>“per cent” or “%”</i>	Percentage or per centum

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing one gender shall, where applicable, include the other 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 under the Companies Act or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

All timing referred to in this Circular is made by reference to Singapore time unless otherwise stated. Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof and/or the respective percentages are due to rounding.

LETTER TO SHAREHOLDERS

RafflesMedicalGroup

Company Registration No. 198901967K
(Incorporated in Singapore)

Directors

Dr Loo Choon Yong (Executive Chairman)
Mr Koh Poh Tiong (Lead Independent Director)
Mr Kee Teck Koon (Independent Director)
Dr Wee Beng Geok (Independent Director)
Mr Tan Soo Nan (Non-Independent Director)
Professor Lim Pin (Independent Director)
Mr Raymond Lim Siang Keat (Independent Director)
Mr Olivier Lim Tse Ghow (Non-Independent Director)

Registered Office

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

8 April 2015

To: The Shareholders of Raffles Medical Group Ltd

Dear Sir or Madam

PROPOSED RENEWAL OF SHARE BUY BACK MANDATE

1. INTRODUCTION

1.1 The Directors wish to refer Shareholders to Item 10 of the Notice of Annual General Meeting convening the 2015 Annual General Meeting (2015 AGM) in relation to the proposed renewal of the Share Buy Back Mandate. At the Annual General Meeting of Raffles Medical Group Ltd held on 23 April 2014 (2014 AGM), Shareholders had approved the renewal of a share buy back mandate to enable the Company to purchase or otherwise acquire its issued Shares (Share Buy Back). The rationale for, the authority and limitations on, and the financial effects of the 2014 Share Buy Back Mandate were set out in the Company's Letter to Shareholders dated 8 April 2014 (2014 Letter to Shareholders).

The 2014 Share Buy Back Mandate was expressed to take effect on the date of the passing of an ordinary resolution approving the share buy back mandate at the 2014 AGM and will expire on the date of the 2015 AGM which has been convened to be held on 23 April 2015.

1.2 **Proposed Renewal of Share Buy Back Mandate.** The Directors propose that the Share Buy Back Mandate be renewed at the 2015 AGM to authorise the Directors to exercise all powers of the Company to purchase or acquire its issued Shares on the terms of the proposed Share Buy Back Mandate. The proposed Share Buy Back Mandate is set out in Ordinary Resolution. Accordingly, Shareholders' approval is being sought for the renewal of the Share Buy Back Mandate at the 2015 AGM.

2. THE SHARE BUY BACK MANDATE

2.1 Rationale

The rationale for the Company to undertake the purchase or acquisition of its issued Shares, as previously stated on page 4 of the 2014 Letter to Shareholders, is as follows:

- (a) It is a principal mission of the Directors and management to constantly increase Shareholders' value and to improve, *inter alia*, the return on equity of the Group. Share Buy Back at the appropriate price level is one of the ways through which the return on equity of the Group may be enhanced.

- (b) The proposed Share Buy Back Mandate will enable the Directors to invest part of the Group's surplus cash/funds, if any, which is in excess of the financial and possible investment needs of the Group, in the existing businesses of the Group. It is an expedient, effective and cost-efficient way of returning surplus cash/funds to its Shareholders.
- (c) The proposed Share Buy Back Mandate will give the Company greater flexibility in managing, *inter alia*, the Company's share capital structure and give Directors the ability to purchase Shares on the SGX-ST.

2.2 Authority and Limits on Share Buy Back Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the proposed Share Buy Back Mandate, if renewed at the 2015 AGM, are the same as previously approved by Shareholders and are as follows:

2.2.1 Maximum Number of Shares

Only Shares which are issued and fully paid may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company pursuant to the proposed Share Buy Back Mandate is limited to 56,502,000 Shares representing not more than 10% of the issued Shares as at the date of the 2015 AGM at which the renewal of the Share Buy Back Mandate is approved. Any Shares which are held as treasury shares will be disregarded for the purposes of computing the 10% limit.

2.2.2 Duration of Authority

Purchases or acquisitions of Shares pursuant to the proposed Share Buy Back Mandate may be made, at any time and from time to time, on and from the date of the 2015 AGM, at which the renewal of the Share Buy Back Mandate is approved up to:

- (a) the date on which the next Annual General Meeting of the Company is held or required by law to be held; or
- (b) the date on which the purchases or acquisitions of Shares pursuant to the proposed Share Buy Back Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the proposed Share Buy Back Mandate is revoked or varied by the Shareholders in a general meeting;

whichever is the earliest.

2.2.3 Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares may be made by way of:

- (a) an on-market purchase of Shares (On-Market Share Buy Back), transacted on the SGX-ST through the ready market or the special trading counter on SGX-ST trading system or on any other securities exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stock brokers appointed by the Company for the purpose; and/or

LETTER TO SHAREHOLDERS

- (b) an off-market purchase of Shares (Off-Market Equal Access Share Buy Back) effected pursuant to an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed pursuant to Section 76C of the Companies Act and otherwise be in accordance with all other laws and regulations and rules of the Listing Manual.

The Directors may impose such terms and conditions which are not inconsistent with the proposed Share Buy Back Mandate, the Listing Manual and the Companies Act, as amended or modified from time to time, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Equal Access Share Buy Back must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
 - (2) (if applicable) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and
 - (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

Pursuant to the Listing Manual, if the Company wishes to make an Off-Market Equal Access Share Buy Back in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (I) terms and conditions of the offer;
- (II) period and procedures for acceptances; and
- (III) information required under Rules 883(2), (3), (4), (5) and (6) of the Listing Manual.

2.2.4 Purchase Price

The purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) to be paid for the Shares pursuant to the purchases or acquisitions of the Shares (both On-Market Share Buy Back and Off-Market Equal Access Share Buy Back) must not exceed 105% of the Average Closing Price of the Shares (excluding related expenses of the purchase or acquisition).

For the above purposes:

- (a) "Average Closing Price" means the average of the last dealt prices of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST immediately preceding the date of an On-Market Share Buy Back by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Equal Access Share Buy Back, and deemed to be adjusted, in accordance with the Listing Manual, for any corporate action that occurs after the relevant five market day period; and

- (b) “date of the making of the offer” means the date on which the Company announces its intention to make an offer for an Off-Market Equal Access Share Buy Back, stating the purchase price (which shall not be more than five per cent (5%) above the Average Closing Price of the Shares, excluding related expenses of the purchase or acquisition) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Equal Access Share Buy Back.

2.3 Status of Purchased Shares

(i) Cancelled Shares

A Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

(ii) Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

Maximum Holdings

The number of Shares held as treasury shares shall not at any time exceed 10% of the total number of issued Shares.

Voting and Other Rights

The Company shall not exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company’s assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a smaller amount is allowed so long as the total value of treasury shares after the subdivision or consolidation is the same as before.

Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to an employees’ share scheme;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

In addition, under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.4 Source of Funds

The Company may only apply funds for the purchase or acquisition of the Shares as provided in the Articles and in accordance with the applicable laws of Singapore. The Company may not purchase its Shares for a consideration other than in cash or, in the case of an On-Market Share Buy Back, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

The Companies Act permits the Company to also purchase or acquire its own Shares out of capital and/or profits so long as the Company is solvent.

For this purpose, the Company is solvent if:

- (a) the Company is able to pay its debts in full at the time it purchases the Shares and will be able to pay its debts as they fall due in the normal course of business in the 12 months immediately following the purchase; and
- (b) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the purchase of Shares become less than the value of its liabilities (including contingent liabilities).

Further, for purposes of determining the value of a contingent liability, the Directors or management may take into account the following:

- (i) the likelihood of the contingency occurring; and
- (ii) any claim the Company is entitled to make and can reasonably expect to meet to reduce or extinguish the contingent liability.

The Directors do not propose to exercise the proposed Share Buy Back Mandate to such an extent that it would materially affect the working capital requirements or investment ability of the Group.

The Company intends to use internal sources of funds and/or external borrowings to finance purchases or acquisitions of its Shares. The amount of funding required for the Company to purchase or acquire its Shares and the financial impact on the Company and the Group arising from such purchases or acquisitions of the Shares pursuant to the proposed Share Buy Back Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time, and the amount (if any) borrowed by the Company to fund the purchases or acquisitions.

2.5 Financial Effects of the Share Buy Back

(i) Relevant Factors that impact on the Financial Effects

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the proposed Share Buy Back Mandate will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares at the relevant time and whether the Shares purchased or acquired are held as treasury shares or cancelled.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

(ii) Information as at the Latest Practicable Date

As at the Latest Practicable Date, the issued capital of the Company comprised 565,024,834 Shares. In addition, as at the Latest Practicable Date, there were outstanding and remaining unexercised Options to subscribe for an aggregate of 21,057,000 Shares. Except in respect of Shares which are issuable on exercise of the outstanding Options, no Shares are reserved for issue by the Company as at the Latest Practicable Date.

(iii) Illustrative Financial Effects

For illustrative purposes only. Based on the latest audited accounts of the Company and the Group as at 31 December 2014 and on the assumption that the Company purchases the shares at S\$4.07 each (being the price equivalent to 105% of the average last dealt prices of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Last Practicable Date), the effects of the purchase or acquisition of 56,502,000 Shares on the issued and paid-up share capital, net tangible assets, gearing and working capital ratio of the Company and the Group are as shown in the table below:

	Company		Group	
	Before Buy Back	After Buy Back	Before Buy Back	After Buy Back
	S\$'000	S\$'000	S\$'000	S\$'000
Total equity ^(1a)	431,327	195,206	540,272	304,151
Net tangible assets ^(1b)	431,234	195,113	538,636	302,515
Current assets	113,013	6,892	195,660	89,539
Current liabilities	109,817	239,817	104,863	234,863
Total borrowings	6,391	136,391	6,391	136,391
Profit attributable to shareholders ⁽²⁾	68,574	62,416	67,639	61,481

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	Company		Group	
	Before Buy Back S\$'000	After Buy Back S\$'000	Before Buy Back S\$'000	After Buy Back S\$'000
Number of Shares ('000)				
Issued and paid-up as at Latest Practicable Date ⁽³⁾	565,025	508,523	565,025	508,523
Weighted average number of issued and paid-up shares as at Latest Practicable Date ⁽³⁾	564,601	508,099	564,601	508,099
Financial Ratios				
Net Tangible Assets per share ^(1c) (cents)	76.32	38.37	95.33	59.49
Gearing ^(1d) (times)	0.01	0.70	0.01	0.45
Current Ratio ^(1e) (times)	1.03	0.03	1.87	0.38
Basic Earnings per share ^{(1f)(2)} (cents)	12.15	12.28	11.98	12.10

Notes:

- (1) For the purposes of the above calculations:
 - (a) "Total equity" means the aggregate amount of issued share capital, currency translation reserve, share option reserve, accumulated profits and non-controlling interests;
 - (b) "Net tangible assets" means "Total equity" as disclosed in (1)(a) above and excludes non-controlling interests and intangible assets;
 - (c) "Net Tangible Assets per share" is calculated based on net tangible assets and issued and paid-up shares as at Latest Practicable Date;
 - (d) "Gearing" represents the ratio of total borrowings to total equity;
 - (e) "Current Ratio" means the ratio of current assets to current liabilities; and
 - (f) "Basic Earnings per share" is calculated based on Profit attributable to Shareholders and weighted average number of issued and paid-up shares as at Latest Practicable Date;
- (2) Profit attributable to Shareholders and Basic Earnings per share after Share Buy Back exercise, have been notionally adjusted by higher interest expense and a reduction of interest income (net of taxation).
- (3) The Shares have been adjusted for 864,000 shares issued pursuant to the exercise of 864,000 Options issued consequent thereof between 1 January 2015 and the Latest Practicable Date.

The financial effects are the same whether the shares are purchased on-market or off-market. As illustrated above, the buying back of Shares by the Company will:

- (a) reduce the number of Shares of the Company if the shares bought back are cancelled;
- (b) decrease the consolidated Net Tangible Assets per share of the Group; and
- (c) increase the consolidated Basic Earnings per share of the Group.

The net tangible assets of the Company and the consolidated net tangible assets of the Group will be reduced by the dollar value of the Shares bought. The Directors believe that buying up to 56,502,000 Shares based on the number of issued and paid-up shares as at the Latest Practicable Date and assuming no further shares are issued on or prior to the AGM, will not have any material impact on the earnings of the Company and the consolidated earnings of the Group for the current financial year.

The actual impact will depend on the number and price of the Shares bought back. The Directors do not propose to exercise the proposed Share Buy Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Company.

The purchase of Shares will only be effected after considering relevant factors such as the working capital requirements, availability of financial resources, the expansion and investment plans of the Group, and the prevailing market conditions. The proposed Share Buy Back Mandate will only be exercised with a view to enhance the earnings per share of the Group.

Shareholders should note that the financial effects illustrated above are for illustrative purposes only. In particular, it is important to note that the above analysis is based on the latest audited accounts of the Company and the Group as at 31 December 2014, and are not necessarily representative of future financial performance of the Group. Although the proposed Share Buy Back Mandate would authorise the Company to purchase or acquire up to 10 per cent of its issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire 10 per cent of the issued Shares in full. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

2.6 Taxation

Shareholders who are in doubt as to their respective tax positions or any such tax implications or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisers.

2.7 Reporting Requirements

The Companies Act and the Listing Manual require the Company to make reports in relation to the proposed Share Buy Back Mandate as follows:

- (a) Within thirty days of the passing of a Shareholders' resolution to approve purchases of Shares by the Company, the Company is required to lodge a copy of such resolution with the Registrar.
- (b) The Company must notify the Registrar within thirty days of a purchase of Shares on the SGX-ST or otherwise. Such notification in the form as may be prescribed by the Registrar shall include details of the date of the purchase, the total number and value of Shares purchased, cancelled or held as treasury shares by the Company, the Company's issued Shares as at the date of the Shareholders' resolution approving the purchase of the Shares, the amount of consideration paid by the Company for the purchase, whether the Shares were purchased or acquired out of profits or capital of the Company and such other particulars as may be required on the prescribed form of notice.
- (c) All purchases or acquisitions of Shares must be reported to the SGX-ST in the forms prescribed by the Listing Manual and announced to the public in the case of an On-Market Share Buy Back, not later than 9.00 a.m. on the market day following any day on which the Company makes an On-Market Share Buy Back, or within such time period that may be prescribed by the SGX-ST from time to time and in the case of an Off-Market Equal Access Share Buy Back, not later than 9.00 a.m. on the second market day following the close of acceptance of offers made by the Company.

The notification of such repurchases of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

2.8 Suspension of buy back of Shares

As the Company would be considered an “insider” in relation to any purchase or acquisition of its Shares, the Company will not purchase or acquire Shares after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been publicly announced. In particular, the Company will not purchase or acquire Shares during the period commencing two weeks and a month before the date of the announcement of the quarterly and full year results respectively and ending on the date of the announcement of the relevant results.

2.9 Take-over implications arising from Share Buy Back

If, as a result of any purchase or acquisition by the Company of Shares, a Shareholder’s proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Take-over Code. If such increase results in a change of effective control, or, as result of such increase, a Shareholder or a group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholders or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons to be acting in concert with each other:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v);
and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights; and

- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Ordinary Shares by the Company are set out in Appendix 2 of the Take-over Code (Appendix 2).

The effect of Rule 14 and Appendix 2 is that:

- (i) unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months; and
- (ii) a Shareholder who is not acting in concert with Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the proposed Share Buy Back Mandate.

Based on information in the Company's Register of Shareholders as at the Latest Practicable Date, no Shareholder will become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 10% of its Shares (excluding treasury shares) as at the Latest Practicable Date.

Shareholders are reminded that those who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of a Share Buy Back by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

2.10 Listing Status of the Ordinary Shares

The Listing Manual of the SGX-ST now requires a listed company to ensure that at least 10% of the equity securities (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public.

As at the Latest Practicable Date, approximately 42.2% of the issued Shares of the Company is held by public shareholders. Assuming that the Company purchases or acquires its Shares to the full 10% limit pursuant to the proposed Share Buy Back Mandate, approximately 35.8% of the reduced issued Shares of the Company would be held by public shareholders. Accordingly, the Company is of the view that there is a sufficient number of issued Shares held by public shareholders which would permit the Company to undertake purchases or acquisitions of its issued Shares up to the full 10% limit pursuant to the proposed Share Buy Back Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

In undertaking any purchases or acquisitions of Shares, the Directors will use their best efforts to ensure that, notwithstanding such purchases or acquisitions, a sufficient float in the hands of the public will be maintained so that the purchases or acquisitions of Shares will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

2.11 Details of Previous Share Purchases

The Company has not purchased any Shares during the 12-month period preceding the Latest Practicable Date.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

3.1 Directors' Interests in Shares

The interests of Directors in Shares as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

Shares	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Directors						
Dr Loo Choon Yong	56,595,771	10.02	236,375,048	41.83	292,970,819	51.85
Mr Koh Poh Tiong	30,000	0.01	—	—	30,000	0.01
Dr Wee Beng Geok	1,091,000	0.19	—	—	1,091,000	0.19
Mr Tan Soo Nan	1,347,686	0.24	—	—	1,347,686	0.24
Professor Lim Pin	655,482	0.12	—	—	655,482	0.12
Mr Olivier Lim Tse Ghow	40,000	0.01	—	—	40,000	0.01

LETTER TO SHAREHOLDERS

The interests of the Directors in outstanding Options to subscribe for Shares as at the Latest Practicable Date are as follows:

Options

Directors	Number of Options	Exercise Price (\$)	Validity Period
Mr Koh Poh Tiong	20,000	\$2.34	02/04/2012 to 01/04/2017
	60,000	\$3.28	01/04/2013 to 31/03/2018
Mr Kee Teck Koon	60,000	\$3.20	01/04/2014 to 31/03/2019
	20,000	\$2.34	02/04/2012 to 01/04/2017
	60,000	\$3.28	01/04/2013 to 31/03/2018
Dr Wee Beng Geok	80,000	\$3.20	01/04/2014 to 31/03/2019
	70,000	\$2.20	01/04/2011 to 31/03/2016
	80,000	\$2.34	02/04/2012 to 01/04/2017
	80,000	\$3.28	01/04/2013 to 31/03/2018
Mr Tan Soo Nan	80,000	\$3.20	01/04/2014 to 31/03/2019
	70,000	\$2.20	01/04/2011 to 31/03/2016
	80,000	\$2.34	02/04/2012 to 01/04/2017
	80,000	\$3.28	01/04/2013 to 31/03/2018
Professor Lim Pin	80,000	\$3.20	01/04/2014 to 31/03/2019
	10,000	\$2.34	02/04/2012 to 01/04/2017
	30,000	\$3.28	01/04/2013 to 31/03/2018
Mr Raymond Lim Siang Keat	60,000	\$3.20	01/04/2014 to 31/03/2019
	50,000	\$3.20	01/04/2014 to 31/03/2019

Note:

Please note that the information shown in this section may differ from the Annual Report as it is based on the Latest Practicable Date.

Save as disclosed above, none of the Directors has an interest in any Options as at the Latest Practicable Date.

LETTER TO SHAREHOLDERS

3.2 Substantial Shareholders' Interests in Ordinary Shares

The interests of the substantial shareholders in Shares as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are set out below:

Substantial Shareholders	Direct Interest		Deemed Interest		Total Interest	
	Number of shares	%	Number of shares	%	Number of shares	%
Dr Loo Choon Yong ⁽¹⁾	56,595,771	10.02	236,375,048	41.83	292,970,819	51.85
Raffles Medical Holdings Pte Ltd	217,358,155	38.47	-	-	217,358,155	38.47
Aberdeen Asset Management PLC ⁽²⁾	-	-	30,172,297	5.34	30,172,297	5.34
Aberdeen Asset Management Asia Limited ⁽³⁾	-	-	28,573,797	5.06	28,573,797	5.06

Notes:

- (1) Dr Loo Choon Yong is deemed to be interested in an aggregate of 236,375,048 shares held through Raffles Medical Holdings Pte Ltd in which he is a director and shareholder of, S & D Holdings Pte Ltd in which he is a director and shareholder of, and his spouse, Mdm Leong Lai Chee.
- (2) Aberdeen Asset Management PLC is deemed to be interested in an aggregate of 30,172,297 shares held by various accounts managed or advised by its subsidiaries over which its subsidiaries have disposal and voting rights.
- (3) Aberdeen Asset Management Asia Limited (AAMAL) is deemed to be interested in an aggregate of 28,573,797 shares held by various accounts managed or advised by AAMAL over which AAMAL has disposal and voting rights.

4. DIRECTORS' RECOMMENDATIONS

The Directors are of the opinion that the renewal of the Share Buy Back Mandate is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the Ordinary Resolution relating to the renewal of the Share Buy Back Mandate to be proposed at the 2015 AGM.

5. DIRECTORS' RESPONSIBILITY STATEMENT

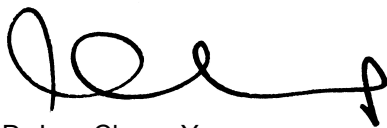
The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the renewal of the Share Buy Back Mandate, the issuer 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 those sources and/or reproduced in this Circular in its proper form and context.

6. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company during normal business hours from the date hereof up to and including the date of the 2015 AGM:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the Annual Report of the Company for the financial year ended 31 December 2014; and
- (c) the 2014 Circular to Shareholders dated 8 April 2014.

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



Dr Loo Choon Yong
Executive Chairman

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