

CIRCULAR DATED 12 OCTOBER 2018

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is circulated to the shareholders of Health Management International Ltd (the “**Company**”) together with the Company’s annual report for the financial year ended 30 June 2018 (the “**Annual Report 2018**”). The notice of annual general meeting (the “**Notice of AGM**”) and the Proxy Form are enclosed with the Annual Report 2018.

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

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward the Annual Report 2018, the Notice of AGM, the Proxy Form and this Circular to the purchaser or transferee of the shares or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the accuracy of any statements made, opinions expressed or reports contained in this Circular.



HEALTH MANAGEMENT INTERNATIONAL LTD

(Incorporated in the Republic of Singapore)
(Company Registration No. 199805241E)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED RENEWAL OF THE SHARE BUY BACK MANDATE

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	27 October 2018 at 4:00 p.m.
Date and time of Annual General Meeting	:	29 October 2018 at 4:00 p.m.
Place of Annual General Meeting	:	Hall 1, Level 1 Devan Nair Institute for Employment and Employability 80 Jurong East Street 21 Singapore 609607

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DEFINITIONS

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

“ACRA”	:	Accounting and Corporate Regulatory Authority.
“Act”	:	The Companies Act, Chapter 50 of Singapore, as may be amended, modified or supplemented from time to time.
“AGM”	:	The annual general meeting of the Company to be held on 29 October 2018 at 4.00 p.m. at Hall 2, Level 1, Devan Nair Institute for Employment and Employability, 80 Jurong East Street 21, Singapore 609607.
“Annual Report 2018”	:	The Company’s annual report for the financial year ended 30 June 2018.
“Associate”	:	<p>(a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:</p> <p>(i) his immediate family;</p> <p>(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</p> <p>(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;</p> <p>(b) 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.</p>
“Auditors”	:	PricewaterhouseCoopers LLP, the auditors of the Company for the time being.
“Board”	:	The board of Directors of the Company as at the date of this Circular.
“CDP”	:	The Central Depository (Pte) Limited.
“Circular”	:	This circular to Shareholders dated 12 October 2018.
“Company”	:	Health Management International Ltd.

DEFINITIONS

“Constitution”	:	The constitution of the Company.
“Controlling Shareholder”	:	A Shareholder who: (a) holds directly or indirectly 15% or more of the total number of Ordinary Shares (excluding treasury shares and subsidiary holdings) in the Company. The SGX-ST may determine that a person who satisfies this paragraph is a controlling shareholder; or (b) in fact exercises control over the Company.
“Director”	:	A person holding office as a director of the Company for the time being.
“Dividend”	:	A dividend (including any interim, final, special or other dividend) to be paid on the issued Ordinary Shares as resolved or proposed by the Directors or the Company in general meeting.
“EPS”	:	Earnings per Share.
“Executive Director”	:	A director of the Company and/or any of its subsidiaries, as the case may be, who performs an executive function.
“FY”	:	The financial year ended or ending 30 June.
“Group”	:	The Company and its subsidiaries.
“HMI Performance Share Plan 2017”	:	The Health Management International Ltd performance share plan dated 30 October 2017.
“Independent Director”	:	An independent director of the Company and/or any of its subsidiaries, as the case may be.
“Latest Practicable Date”	:	28 September 2018, being the latest practicable date prior to the printing of this Circular.
“Listing Manual”	:	The Listing Manual of the SGX-ST, as may be amended, modified or supplemented from time to time.
“Market Day”	:	A day on which the SGX-ST is open for trading in securities.
“Notice of AGM”	:	The notice of AGM.
“Non-Executive Director”	:	A director of the Company and/or any of its subsidiaries, as the case may be, who performs a non-executive function. An Independent Director is a Non-Executive Director.

DEFINITIONS

“NTA”	:	Net tangible assets.
“Ordinary Shares”	:	Ordinary shares in the capital of the Company.
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“Share Buy Back Mandate”	:	The general mandate to authorise the Directors to exercise all the powers of the Company to purchase or acquire its issued Shares upon and subject to the terms of such mandate.
“Shareholders”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors into whose Securities Accounts those Shares are credited. Any reference to Shares held by Shareholders shall include Shares standing to the credit of the respective Shareholders’ Securities Accounts.
“Shares”	:	Shares in the capital of the Company.
“Substantial Shareholder”	:	A person who has an interest in the voting shares in the Company representing not less than 5% of all the voting shares.
“Take-over Code”	:	The 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.
“Treasury Shares”	:	Issued Shares which were (or are treated as having been) purchased or acquired by the Company in circumstances in which Section 76H of the Act applies and have been held by the Company continuously since such Shares were so purchased or acquired.
“\$” or “S\$” and “cents”	:	Singapore dollars and cents respectively, being the lawful currency of Singapore.
“RM” and “sen”	:	Ringgit and sen respectively, being the lawful currency of Malaysia.
“%”	:	Per centum or percentage.

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 have the meaning ascribed to it in Section 5 of the Act.

DEFINITIONS

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

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any term defined under the Act, the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Act, the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in tables included in this Circular between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

HEALTH MANAGEMENT INTERNATIONAL LTD

(Incorporated in the Republic of Singapore)
(Company Registration No. 199805241E)

Board of Directors:

Dr Gan See Khem (*Executive Chairman and Managing Director*)
Ms Chin Wei Jia (*Executive Director*)
Mr Chin Wei Yao (*Executive Director*)
Professor Annie Koh (*Lead Independent Director*)
Dr Cheah Way Mun (*Independent Non-Executive Director*)
Professor Tan Chin Tiong (*Independent Non-Executive Director*)
Mr Chong Ton Nen @ Peter Chong (*Independent Non-Executive Director*)

Registered Office:

7 Temasek Boulevard
#12-10 Suntec Tower One
Singapore 038987

12 October 2018

To: The Shareholders of Health Management International Ltd

Dear Sir/Madam

1. INTRODUCTION

The Directors refer to (i) the Notice of AGM accompanying the Annual Report 2018, convening the AGM, and (ii) Resolution 10 set out in the Notice of AGM, being an ordinary resolution for the proposed renewal of the Share Buy back Mandate.

The purpose of this Circular is to provide Shareholders with information relating to the above proposals and to seek Shareholders' approval for the same at the AGM. The SGX-ST assumes no responsibility for the accuracy of any statements made, opinions expressed or reports contained in this Circular.

2. THE PROPOSED RENEWAL OF THE SHARE BUY BACK MANDATE

2.1 Background

At the Company's annual general meeting held on 30 October 2017, Shareholders approved the renewal of the Share Buy Back Mandate, such mandate being expressed to take effect until the conclusion of the next annual general meeting of the Company or the date by which such annual general meeting of the Company is required by law to be held; unless prior thereto, buy backs of Shares are carried out to the full extent mandated or the Share Buy Back Mandate is varied or revoked by Shareholders in a general meeting. Accordingly, the Directors propose that the Share Buy Back Mandate be renewed at the forthcoming AGM.

The terms in respect of which the Share Buy Back Mandate is sought to be renewed are set out in this Circular.

LETTER TO SHAREHOLDERS

2.2 Rationale for the Share Buy Back Mandate

The Share Buy Back Mandate will give the Directors the flexibility to purchase or acquire Shares if and when circumstances permit. The Directors believe that Share buy backs provide the Company and its Directors with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. They also allow the Directors to exercise greater control over the Company's share capital structure and Dividend payout.

The buy back of Shares may, depending on market conditions and funding arrangements at the relevant time, lead to an enhancement of the EPS, and will only be made when the Directors believe that such buy backs would benefit the Company and its Shareholders.

Repurchased Shares which are held in treasury may be transferred to participating Directors and employees under the HMI Performance Share Plan 2017. The use of treasury shares in lieu of issuing new Shares for the purposes of such schemes would also mitigate the dilution impact of such schemes on existing Shareholders.

Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy Back Mandate will only be made when the Directors believe that such purchases or acquisitions would be made in circumstances which would not have a material adverse effect on the financial position of the Group and/or the listing status of the Company on the SGX-ST.

2.3 Authority and Limits on the Share Buy Back Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buy Back Mandate are summarised below:

2.3.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

The total number of Shares that may be purchased or acquired by the Company is limited to that number of Shares representing not more than 10% of the issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act, at any time during the relevant period, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the Company as altered. For purposes of calculating the percentage of issued Shares above, any Shares which are held as treasury shares and any subsidiary holdings will be disregarded.

For illustrative purposes only, based on the existing issued and paid-up share capital of the Company as at the Latest Practicable Date comprising 837,304,613 Shares (excluding 1,676,267 treasury shares and 0 subsidiary holdings) and assuming that no further Shares are issued on or prior to the AGM, not more than 83,730,461 Shares (representing 10% of the issued Shares (excluding treasury shares and subsidiary holdings) as at that date) may be purchased or acquired by the Company pursuant to the Share Buy Back Mandate.

LETTER TO SHAREHOLDERS

2.3.2 Duration of Authority

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

- (a) the conclusion of the next annual general meeting or the date by which such annual general meeting is required by law to be held;
- (b) the date on which the buy backs of Shares pursuant to the Share Buy Back Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred in the Share Buy Back Mandate is varied or revoked by the Shareholders in a general meeting,

whichever is the earliest.

2.3.3 Manner of Purchase or Acquisition of Shares

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

- (a) on-market purchases ("**Market Purchases**"), transacted on the SGX-ST through the SGX-ST's ready market trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (b) off-market purchases ("**Off-Market Purchases**") in accordance with any equal access scheme(s) which scheme(s) shall satisfy all the conditions prescribed by the Act and the Listing Manual. The Directors may impose such terms and conditions which are not inconsistent with the Share Buy Back Mandate, the Listing Manual and the Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme(s). Under the Act, an Off-Market Purchase must, however, satisfy all the following conditions:
 - (i) the 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 those persons shall be given a reasonable opportunity to accept the offers made to them; and
 - (iii) the terms of all the offers shall be the same, except that there shall be disregarded:
 - (aa) differences in consideration attributable to the fact that the offers relate to Shares with different accrued Dividend entitlements;

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(bb) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and

(cc) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed Share buy back;
- (d) the consequences, if any, of Share buy backs by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the Share buy back, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (f) details of all Share buy backs made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (g) whether the Shares purchased or acquired by the Company will be cancelled or kept as treasury shares.

2.3.4 Maximum Purchase Price

The purchase price per Share (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the maximum purchase price to be paid for a Share (the “**Maximum Price**”) as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, up to 120% of the Average Closing Price (as defined hereinafter),

in either case, excluding related expenses of the purchase.

LETTER TO SHAREHOLDERS

For the above purposes:

“Average Closing Price” means the average of the closing market prices of a Share over the last five Market Days, on which the Shares are transacted on the SGX-ST or, as the case may be, such other stock exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period; and

“date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating therein the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 Status of Shares Purchased or Acquired by the Company

2.4.1 Cancellation

Any Share which is purchased or acquired by the Company shall, unless held as treasury shares to the extent permitted under the Act, be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to that Share will expire on cancellation. 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.

All Shares purchased or acquired by the Company (other than treasury shares held by the Company to the extent permitted under the Act) will be automatically de-listed by the SGX-ST, and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

2.4.2 Treasury shares

Under the 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 Act are summarised below:

(a) Maximum Holdings

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

LETTER TO SHAREHOLDERS

(b) Voting and Other Rights

The Company cannot 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 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 (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) 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. A subdivision or consolidation of any treasury share into treasury shares of a smaller or greater number is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(c) Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time but subject always to the Take-over Code:

- (i) sell the treasury shares for cash;
- (ii) transfer the treasury shares for the purposes of or pursuant to any share scheme;
- (iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares; or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Rule 704(28) of the Listing Manual requires that the Company immediately announce any sale, transfer, cancellation and/or use of treasury shares stating the following:

- (i) the date of the sale, transfer, cancellation and/or use;
- (ii) the purpose of such sale, transfer, cancellation and/or use;
- (iii) the number of treasury shares sold, transferred, cancelled and/or used;
- (iv) the number of treasury shares before and after such sale, transfer, cancellation and/or use;
- (v) the percentage of the number of treasury shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (vi) the value of the treasury shares if they are used for a sale or transfer, or cancelled.

LETTER TO SHAREHOLDERS

2.5 Source of Funds for the Share Buy Back

In buying back Shares, the Company may only apply funds legally available for such purchase or acquisition in accordance with the Constitution, and the applicable laws in Singapore. The Company may not buy Shares on the SGX-ST for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the SGX-ST. The buy back of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent (as defined in Section 76F(4) of the Act).

When Shares are purchased or acquired, and cancelled:

- 2.5.1 if the Shares are purchased or acquired entirely out of the capital of the Company, the Company shall reduce the amount of its share capital by the total amount of the purchase price paid by the Company for the Shares (excluding brokerage, commission, applicable goods and services tax and other related expenses) (the **"Purchase Price"**);
- 2.5.2 if the Shares are purchased or acquired entirely out of profits of the Company, the Company shall reduce the amount of its profits by the total amount of the Purchase Price; or
- 2.5.3 where the Shares are purchased or acquired out of both the capital and the profits of the Company, the Company shall reduce the amount of its share capital and profits proportionately by the total amount of the Purchase Price.

The Company may use internal resources and/or external borrowings to finance purchases of its Shares pursuant to the Share Buy Back Mandate.

The Directors do not propose to exercise the Share Buy Back Mandate in a manner and to such extent that the liquidity and capital adequacy position of the Group would be materially adversely affected.

2.6 Take-over Implications under the Take-over Code

Appendix 2 of the Take-over Code contains the Share Buy Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

2.6.1 Obligation to make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of the Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

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2.6.2 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 the company. Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert, namely:

- (a) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, any company whose associated companies include any of the above companies and any person who has provided financial assistance (other than a bank in its ordinary course of business) to any of the above companies for the purchase of voting rights;
- (b) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital (excluding treasury shares and subsidiary holdings);
- (f) directors of a company, (together with their close relatives, related trusts and companies controlled by any of them), which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to his instructions, companies controlled by any of the above persons and any person who has provided financial assistance (other than a bank in its ordinary course of business) to any of the above for the purchase of voting rights.

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 Shares by the Company are set out in Appendix 2 of the Take-over Code.

LETTER TO SHAREHOLDERS

2.6.3 Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, 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 Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentage of voting rights of such Directors and their concert parties, treasury shares and subsidiary holdings should be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the 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 Share Buy Back Mandate.

2.6.4 Mandatory take-over obligation for Concert Parties

Dr Gan See Khem is the Executive Chairman and Managing Director of the Company. Dr Chin Koy Nam is a Substantial Shareholder of the Company and is Dr Gan's husband. Their children, Ms Chin Wei Jia and Mr Chin Wei Yao are also Executive Directors and Shareholders of the Company, and Ms Chin Wei Shan is a shareholder of the Company (collectively, "**Chin Family**").

At the Latest Practicable Date, Dr Chin's indirect interest in 322,621,661 Shares includes the interests in Shares held by his children and his wife, Dr Gan. Similarly, Dr Gan's indirect interest in 316,122,228 Shares includes the interests of her children and those of her husband, Dr Chin. As at the Latest Practicable Date, Dr Chin and Dr Gan are deemed to be interested in the 297,755,183 Shares held by Nam See Investment (Pte) Ltd, in the capital of the Company, by virtue of Section 7 of the Companies Act.

At the Latest Practicable Date, the members of the Chin Family are presumed under the provisions of the Take-over Code to be acting in concert in relation to 326,888,081 Shares, representing approximately 39.04% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings).

For illustrative purposes only, assuming that:

- (a) the Company purchases the maximum of 83,730,461 Shares (being 10% of its issued Shares excluding treasury shares and subsidiary holdings as at the Latest Practicable Date) pursuant to the Share Buy Back Mandate and that such Shares are cancelled upon purchase; and

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- (b) there is no change in the number of Shares held or deemed to be held by the Chin Family as at the Latest Practicable Date, the aggregate interests of the Chin Family would increase from 39.04% to 43.38% of the issued share capital of the Company as follows:

	Before Share Buy back			After Share Buy back		
	Direct Interest (%)	Indirect Interest (%)	Total Interest (%)	Direct Interest (%)	Indirect Interest (%)	Total Interest (%)
Dr Gan See Khem	1.29	37.75	39.04	1.43	41.95	43.38
Dr Chin Koy Nam	0.51	38.53	39.04	0.57	42.81	43.38
Ms Chin Wei Jia	1.23	–	1.23	1.37	–	1.37
Mr Chin Wei Yao	0.27	–	0.27	0.30	–	0.30
Ms Chin Wei Shan	0.18	–	0.18	0.20	–	0.20

Notes:

- (1) As a percentage of the issued share capital of the Company as at the Latest Practicable Date, comprising 837,304,613 Shares (excluding treasury shares and subsidiary holdings).
- (2) As a percentage of the issued share capital of the Company, comprising 753,574,152 Shares (excluding existing treasury shares and subsidiary holdings) on the assumption that the Company has undertaken Share Buy Backs up to the maximum limit of 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), and that the 83,730,461 Shares bought back are cancelled.

As shown above, in the event that the Company should, pursuant to the renewed Share Buy Back Mandate, purchase up to 10% of its issued Shares (excluding treasury shares and subsidiary holdings), the voting rights of the Chin Family would increase by 4.34% from a total of 39.04% to 43.38% (on the assumption that there is no change in the number of Shares held by each of the parties concerned). Thus, under the Take-over Code, each member of the Chin Family will become obliged under the Code to make a general offer under Rule 14 of the Take-over Code, unless exempted by the Securities Industry Council, since their interest in the voting rights of the Company increases by more than 1% in any period of six months.

In the event that the Chin Family anticipates that their interest in the voting rights of the Company and that of any other parties acting in concert with them will increase by more than 1% in any period of six months as a result of the Share Buy Back, the Company may seek the Shareholders' approval in waiving their rights to a mandatory general offer from the Chin Family.

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Save as disclosed above, the Directors are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase or acquisition of Shares by the Company pursuant to the Share Buy Back Mandate.

Shareholders 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 any purchase or acquisition of Shares by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

2.7 Financial Impact

2.7.1 General

Shareholders should note that the financial effects illustrated below are for illustration purposes only. In particular, it is important to note that the financial analyses set out below are based on the audited financial statements of the Group and the Company for FY2018 and are not necessarily representative of the future financial performance of the Group and the Company. Although the proposed Share Buy Back Mandate would authorise the Company to buy back up to 10% of the Company's issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily buy back or be able to buy back 10% of the issued Shares (excluding treasury shares and subsidiary holdings) in full.

2.7.2 Financial Effects of the Share Buy Back Mandate

It is not possible for the Company to realistically calculate or quantify the financial effects of purchases or acquisitions that may be made pursuant to the Share Buy Back Mandate, as it would depend on factors such as the aggregate number of Shares purchased or acquired, the purchase prices paid at the relevant time, the amount (if any) borrowed by the Company to fund the purchases or acquisitions, whether the purchase or acquisition is made out of profits and/or capital, and whether the Shares purchased or acquired are held in treasury or cancelled.

The Directors do not propose to exercise the 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 or acquisition of the Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Company, and the prevailing market conditions. The proposed Share Buy Back Mandate will be exercised with a view to enhance the earnings and/or NTA value per Share of the Company. The financial effects presented in this Section of this Circular are based on the assumptions set out below.

(a) *Information as at the Latest Practicable Date*

As at the Latest Practicable Date, the Company has 837,304,613 issued Shares (excluding 1,676,267 treasury shares and 0 subsidiary holdings).

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(b) *Purchase or Acquisition out of Profits and/or Capital*

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will not affect the amount available for distribution in the form of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of retained profits, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for distribution in the form of cash Dividends by the Company.

(c) *Purchase or Acquisition out of Internal Resources and/or External Borrowing*

Where the purchase or acquisition of Shares is financed through internal resources, it will reduce the cash reserves, the current assets and Shareholders' funds of the Group and the Company. This will result in an increase in the gearing ratios of the Group and the Company and a decline in the current ratios of the Group and the Company. The actual impact on the gearing and current ratios will depend on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

Where the purchase or acquisition of Shares is financed through external borrowings or financing, there would also be a similar increase in the gearing ratios and a decline in the current ratios of the Group and the Company, with the actual impact dependent on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

The impact of purchases or acquisitions under the Share Buy Back Mandate on net asset value, EPS and gearing of the Group and the Company will depend, *inter alia*, on the number of Shares purchased or acquired, the price at which they are purchased or acquired and the manner in which the purchase or acquisition is funded. It is therefore not possible to realistically calculate or quantify the impact at this point in time.

(d) *Number of Shares Acquired or Purchased*

Based on the 837,304,613 issued and paid-up Shares as at the Latest Practicable Date, disregarding the 1,676,267 Ordinary Shares held in treasury, and assuming no further Shares are issued and no Shares are held by the Company as treasury shares on or prior to the AGM, the purchase or acquisition by the Company of up to the maximum limit of 10% of its issued Shares (excluding treasury shares and subsidiary holdings) will entail a purchase or acquisition of 83,730,461 Shares.

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(e) *Maximum Price Paid for Shares Purchased or Acquired*

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 83,730,461 Shares (representing 10% of its issued Shares excluding treasury shares and subsidiary holdings) at the Maximum Price of S\$0.605 per Share (being the price equivalent to 105% of the Average Closing Price of the Shares traded on the SGX-ST for the five consecutive Market Days immediately preceding the Latest Practicable Date), the maximum amount of funds required is S\$50,656,929 excluding brokerage, commission, applicable goods and services tax and other related expenses.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 83,730,461 Shares (representing 10% of its issued Shares excluding treasury shares and subsidiary holdings) at the Maximum Price of S\$0.695 per Share (being the price equivalent to 120% of the Average Closing Price of the Shares traded on the SGX-ST for the five consecutive Market Days immediately preceding the Latest Practicable Date), the maximum amount of funds required is S\$58,192,670 excluding brokerage, commission, applicable goods and services tax and other related expenses.

(f) *Illustrative Financial Effects*

For illustrative purposes only and on the basis of the assumptions set out above, the financial effects of:

- (i) the acquisition of 10% of Shares (excluding treasury shares and subsidiary holdings) by the Company in a Market Purchase or Off-Market Purchase pursuant to the Share Buy Back Mandate by way of purchases made entirely out of capital and held as treasury shares; and
- (ii) the acquisition of 10% of Shares (excluding treasury shares and subsidiary holdings) by the Company in a Market Purchase or Off-Market Purchase pursuant to the Share Buy Back Mandate by way of purchases made entirely out of capital and cancelled,

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on the audited financial results of the Group and the Company for FY2018,
are set out below:

(i) Purchases made entirely out of capital and held as treasury shares

Market Purchases

RM'000	Group		Company	
	Before Buy Back	After Buy Back	Before Buy Back	After Buy Back
Share Capital	590,885	590,885	590,885	590,885
Treasury shares	(1,290)	(154,806)	(1,290)	(154,806)
Other Reserves	(459,059)	(459,059)	(7,314)	(7,314)
Accumulated Losses	121,581	121,581	32,332	32,332
Total Shareholders' Equity	252,117	98,601	614,613	461,097
Shareholders' Funds/Net Assets	246,026	95,510	614,613	461,097
Current Assets	129,142	(24,374)	56,780	(96,736)
Current Liabilities	206,389	206,389	80,266	80,266
Total Borrowings	196,378	196,378	75,825	75,825
Profits attributable to Shareholders	60,596	60,596	36,122	36,122
No. of Shares ('000)	837,305	753,575	837,305	753,575
Financial Ratios				
Net Tangible Assets per Share (sen)	29.38	12.28	73.40	61.19
Gearing Ratio (times) ⁽¹⁾	0.80	2.12	0.12	0.16
Current Ratio (times) ⁽²⁾	0.63	(0.12)	0.71	(1.21)
Earnings/(Loss) per Share (sen) ⁽³⁾	7.29	8.11	4.35	4.83

Notes:

(1) Gearing Ratio represents the ratio of Total Borrowings to Shareholders' Funds;

(2) Current Ratio represents the ratio of Current Assets to Current Liabilities;

(3) Earnings/(Loss) per Share on existing issued share capital is computed based on the weighted average number of Shares in issue during the year.

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Off-Market Purchases

RM'000	Group		Company	
	Before Buy Back	After Buy Back	Before Buy Back	After Buy Back
Share Capital	590,885	590,885	590,885	590,885
Treasury shares	(1,290)	(177,644)	(1,290)	(177,644)
Other Reserves	(459,059)	(459,059)	(7,314)	(7,314)
Accumulated Losses	121,581	121,581	32,332	32,332
Total Shareholders' Equity	252,117	75,763	614,613	438,259
Shareholders' Funds/Net Assets	246,026	69,672	614,613	438,259
Current Assets	129,142	(47,212)	56,780	(119,574)
Current Liabilities	206,389	206,389	80,266	80,266
Total Borrowings	196,378	196,378	75,825	75,825
Profits attributable to Shareholders	60,596	60,596	36,122	36,122
No. of Shares ('000)	837,305	753,575	837,305	753,575
<u>Financial Ratios</u>				
Net Tangible Assets per Share (sen)	29.38	9.25	73.40	58.16
Gearing Ratio (times) ⁽¹⁾	0.80	2.82	0.12	0.17
Current Ratio (times) ⁽²⁾	0.63	(0.23)	0.71	(1.49)
Earnings/(Loss) per Share (sen) ⁽³⁾	7.29	8.11	4.35	4.83

Notes:

(1) Gearing Ratio represents the ratio of Total Borrowings to Shareholders' Funds;

(2) Current Ratio represents the ratio of Current Assets to Current Liabilities;

(3) Earnings/(Loss) per Share on existing issued share capital is computed based on the weighted average number of Shares in issue during the year.

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(ii) Purchases made entirely out of capital and cancelled

Market Purchases

RM'000	Group		Company	
	Before Buy Back	After Buy Back	Before Buy Back	After Buy Back
Share Capital	590,885	437,369	590,885	437,369
Treasury shares	(1,290)	(1,290)	(1,290)	(1,290)
Other Reserves	(459,059)	(459,059)	(7,314)	(7,314)
Accumulated Losses	121,581	121,581	32,332	32,332
Total Shareholders' Equity	252,117	98,601	614,613	461,097
Shareholders' Funds/Net Assets	246,026	92,510	614,613	461,097
Current Assets	129,142	(24,374)	56,780	(96,736)
Current Liabilities	206,389	206,389	80,266	80,266
Total Borrowings	196,378	196,378	75,825	75,825
Profits attributable to Shareholders	60,596	60,596	36,122	36,122
No. of Shares ('000)	837,305	753,575	837,305	753,575
<u>Financial Ratios</u>				
Net Tangible Assets per Share (sen)	29.38	12.28	73.40	61.69
Gearing Ratio (times) ⁽¹⁾	0.80	2.12	0.12	0.16
Current Ratio (times) ⁽²⁾	0.63	(0.12)	0.71	(1.21)
Earnings/(Loss) per Share (sen) ⁽³⁾	7.29	8.11	4.35	4.83

Notes:

(1) Gearing Ratio represents the ratio of Total Borrowings to Shareholders' Funds;

(2) Current Ratio represents the ratio of Current Assets to Current Liabilities;

(3) Earnings/(Loss) per Share on existing issued share capital is computed based on the weighted average number of Shares in issue during the year.

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Off-Market Purchases

RM'000	Group		Company	
	Before Buy Back	After Buy Back	Before Buy Back	After Buy Back
Share Capital	590,885	414,531	590,885	414,531
Treasury shares	(1,290)	(1,290)	(1,290)	(1,290)
Other Reserves	(459,059)	(459,059)	(7,314)	(7,314)
Accumulated Losses	121,581	121,581	32,332	32,332
Total Shareholders' Equity	252,117	75,763	614,613	438,259
Shareholders' Funds/Net Assets	246,026	69,672	614,613	438,259
Current Assets	129,142	(47,212)	56,780	(119,574)
Current Liabilities	206,389	206,389	80,266	80,266
Total Borrowings	196,378	196,378	75,825	75,825
Profits attributable to Shareholders	60,596	60,596	36,122	36,122
No. of Shares ('000)	837,305	753,575	837,305	753,575
Financial Ratios				
Net Tangible Assets per Share (sen)	29.38	9.25	73.40	58.16
Gearing Ratio (times) ⁽¹⁾	0.80	2.82	0.12	0.17
Current Ratio (times) ⁽²⁾	0.63	(0.23)	0.71	(1.49)
Earnings/(Loss) per Share (sen) ⁽³⁾	7.29	8.11	4.35	4.83

Notes:

(1) Gearing Ratio represents the ratio of Total Borrowings to Shareholders' Funds;

(2) Current Ratio represents the ratio of Current Assets to Current Liabilities;

(3) Earnings/(Loss) per Share on existing issued share capital is computed based on the weighted average number of Shares in issue during the year.

The above *pro forma* financial effects are for illustrative purposes only. Although the Share Buy Back Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

2.8 Taxation

Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the Share Buy Back Mandate or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisers.

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2.9 Interested Persons

The Company is prohibited from knowingly buying Shares on the SGX-ST from an interested person, that is, a Director, the chief executive officer or a Controlling Shareholder of the Company, or any of their Associates, and an interested person is prohibited from knowingly selling his Shares to the Company.

2.10 Reporting Requirements under the Act

Within 30 days of the passing of a Shareholders' resolution to approve the purchases or acquisitions of Shares by the Company, the Company shall lodge a copy of such resolution with ACRA.

Within 30 days of a purchase or acquisition of Shares on the SGX-ST or otherwise, the Company shall lodge with ACRA the notice of the purchase or acquisition in the prescribed form, such notification including, *inter alia*, details of the purchase or acquisition, the total number of Shares purchased or acquired by the Company, the total number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued ordinary share capital before the purchase or acquisition and after the purchase or acquisition of Shares, the amount of consideration paid by the Company for the purchase or acquisition, and whether the Shares were purchased or acquired out of the profits and/or the capital of the Company.

2.11 Applicable Rules of the Listing Manual

2.11.1 The Company is required under Rule 723 of the Listing Manual to ensure that at least 10% of the total number of issued Shares (excluding treasury shares) is at all times held by the public. The "public" is defined under "Definitions and Interpretation" of the Listing Manual as persons other than the Directors, chief executive officer, Substantial Shareholders or Controlling Shareholders of the Company or its subsidiary companies, as well as the Associates of such persons.

As at the Latest Practicable Date, 267,992,139 Shares representing approximately 32.01% of the issued share capital of the Company are held in the hands of the public. For illustrative purposes only, assuming that the Company repurchased the maximum of 10% of its issued share capital (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date from members of the public by way of a Market Purchase, the percentage of Shares held by the public would be approximately 24.45%.

The Directors will use their best efforts to ensure that the Company does not effect buy backs of Shares if the buy back of Shares would result in the number of Shares remaining in the hands of the public falling to such a level as to cause market illiquidity or adversely affect the listing status and orderly trading of the Shares of the Company.

2.11.2 Under Rule 884 of the Listing Manual, a listed company may only purchase or acquire shares by way of a market acquisition at a price per share which is not more than 5% above the average closing market price. The term "average closing market price" is defined as the average of the closing market prices of shares over the last five Market Days, on which transactions in the shares were recorded, before the day on which purchases or acquisitions are made. The Maximum Price

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for a Share in relation to Market Purchases by the Company, referred to in Section 2.3.4 of this Circular, conforms to this restriction.

Additionally, Rule 886 of the Listing Manual also specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m.:

- (a) in the case of a Market Purchase, on the Market Day following the day of purchase of any of its shares; and
- (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer.

Such announcement shall include, *inter alia*, details of the total number of Shares authorised for purchase, the date of purchase, the total number of shares purchased, the purchase price per share or (in the case of Market Purchases), the purchase price per share or the highest price and lowest price per share, the total consideration paid for the shares and the number of issued shares after purchase, in the form prescribed under Appendix 8.3.1 of the Listing Manual.

While the Listing Manual does not expressly prohibit any purchase or acquisition by a listed company of its shares during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued Shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buy Back Mandate at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price-sensitive information has been publicly announced.

Further, in conformity with Rule 1207(19) of the Listing Manual, the Company will observe the best practices on dealings in securities, such that the Company will not purchase or acquire any Shares during the period commencing two weeks before the announcement of the Company’s financial statements for each of the first three quarters of its FY and one month before the announcement of its full year financial statements.

2.12 Details of the Shares Bought by the Company in the Previous 12 Months

In the last 12 months preceding the Latest Practicable Date, the Company had purchased 500,000 Shares by way of Market Purchases pursuant to the Share Buy Back Mandate renewed at the AGM held on 30 October 2017. The highest and lowest price paid were S\$0.620 and S\$0.575 per Share respectively. The total consideration paid for all purchases was S\$296,993.49.

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3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

3.1 **Directors' Interests.** The interests of the Directors in the Ordinary Shares, as extracted from the Register of Directors' Shareholdings, as at the Latest Practicable Date are set out below:

Directors	Direct Interest		Deemed Interest		Total Interest		Post Share Buy Back ⁽⁴⁾	
	No. of Ordinary Shares	% ⁽¹⁾	No. of Ordinary Shares	% ⁽¹⁾	No. of Ordinary Shares	% ⁽¹⁾	No. of Ordinary Shares	%
Dr Gan See Khem ⁽²⁾	10,765,853	1.29	316,122,228	37.75	326,888,081	39.04	326,888,081	43.38
Ms Chin Wei Jia	10,320,432	1.23	–	–	10,320,432	1.23	10,320,432	1.37
Mr Chin Wei Yao	2,265,718	0.27	–	–	2,265,718	0.27	2,265,718	0.30
Dr Cheah Way Mun ⁽³⁾	28,207,688	3.37	648,628	0.08	28,856,316	3.45	28,856,316	3.83
Professor Tan Chin Tiong	2,411,336	0.29	–	–	2,411,336	0.29	2,411,336	0.32
Professor Annie Koh	–	–	–	–	–	–	–	–
Mr Chong Ton Nen @ Peter Chong	–	–	–	–	–	–	–	–

Notes:

- (1) Based on the total number of issued Shares of 837,304,613 (excluding 1,676,267 treasury shares and 0 subsidiary holdings) as at the Latest Practicable Date.
- (2) Dr Gan See Khem is deemed to have an interest in the Shares held by Nam See Investment (Pte) Ltd, her spouse, Dr Chin Koy Nam, and her children.
- (3) Dr Cheah Way Mun is deemed to have an interest in the Shares held by his spouse, Dr Fong Chiu Yan.
- (4) Based on the assumption that the Company buys back the full 10% of its issued Shares (excluding treasury shares and subsidiary holdings) under the Share Buy Back Mandate.

3.2 **Substantial Shareholders' Interests.** The interests of the Substantial Shareholders in the Ordinary Shares as at the Latest Practicable Date are set out below:

Substantial Shareholders	Direct Interest		Deemed Interest		Total Interest		Post Share Buy Back ⁽⁶⁾	
	No. of Ordinary Shares	% ⁽¹⁾	No. of Ordinary Shares	% ⁽¹⁾	No. of Ordinary Shares	% ⁽¹⁾	No. of Ordinary Shares	%
Nam See Investment (Pte) Ltd	297,755,183	35.56	–	–	297,755,183	35.56	297,755,183	39.51
Dr Gan See Khem ⁽²⁾	10,765,853	1.29	316,122,228	37.75	326,888,081	39.04	326,888,081	43.38
Dr Chin Koy Nam ⁽³⁾	4,266,420	0.51	322,621,661	38.53	326,888,081	39.04	326,888,081	43.38
Kabouter Management, LLC ⁽⁴⁾	–	–	50,012,906	5.97	50,012,906	5.97	50,012,906	6.64
Maju Medik (Malaysia) Sdn. Bhd. ⁽⁵⁾	154,203,259	18.42	–	–	154,203,259	18.42	154,203,259	20.46

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Notes:

- (1) Based on the total number of issued Shares of 837,304,613 (excluding 1,676,267 treasury shares and 0 subsidiary holdings) as at the Latest Practicable Date.
- (2) Dr Gan See Khem is deemed to have an interest in the Shares held by Nam See Investment (Pte) Ltd, her spouse, Dr Chin Koy Nam, and her children.
- (3) Dr Chin Koy Nam is deemed to have an interest in the Shares held by Nam See Investment (Pte) Ltd, his spouse, Dr Gan See Khem, and his children.
- (4) Kabouter Management, LLC's deemed interest in the Company is held through funds managed by Kabouter Management, LLC.
- (5) Maju Medik (Malaysia) Sdn. Bhd. is a company incorporated in Malaysia and Datuk Fakhri Yassin bin Mahiaddin is deemed to have interest in the Shares held by Maju Medik (Malaysia) Sdn Bhd.
- (6) Based on the assumption that the Company buys back the full 10% of its issued Shares (excluding treasury shares and subsidiary holdings) under the Share Buy Back Mandate.

4. DIRECTORS' RECOMMENDATIONS

Renewal of Share Buy Back Mandate. The Directors are unanimously of the opinion that the proposed renewal of the Share Buy Back Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 10.

5. ANNUAL GENERAL MEETING

The AGM, notice of which is set out on pages 127 to 132 of the Annual Report 2018, will be held at Hall 1, Level 1, Devan Nair Institute for Employment and Employability, 80 Jurong East Street 21, Singapore 609607 on 29 October 2018 at 4:00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolutions set out in the Notice of AGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

- 6.1 **Appointment of Proxies.** Shareholders who are unable to attend the AGM and wish to appoint a proxy to attend and vote at the AGM on their behalf will find attached to this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the registered office of the Company not less than 48 hours before the time fixed for the AGM. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the AGM if he finds that he is able to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.
- 6.2 **When Depositor is regarded as Shareholder.** A Depositor shall not be regarded as a Shareholder entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the AGM.

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7. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 7 Temasek Boulevard #12-10 Suntec Tower One Singapore 038987 during normal business hours from the date of this Circular up to the date of the AGM:

- (a) the consolidated accounts of the Company and its subsidiaries for the financial year ended 30 June 2018; and
- (b) this Circular.

8. 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 renewal of the Share Buy Back Mandate, 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 those sources and/or reproduced in this Circular in its proper form and context.

Yours faithfully
for and on behalf of the Board of Directors of
Health Management International Ltd

Dr Gan See Khem
Executive Chairman and Managing Director