

OFFER INFORMATION STATEMENT DATED 21 FEBRUARY 2017

(Lodged with the Monetary Authority of Singapore on 21 February 2017)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.

A copy of this Offer Information Statement, together with a copy of each of the ARE, the ARS and the PAL (each as defined herein), has been lodged with the Monetary Authority of Singapore (the “**Authority**”). The Authority assumes no responsibility for the contents of this Offer Information Statement, the ARE, the ARS and the PAL. Lodgement of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Rights Shares (as defined herein) or the Nil-Paid Rights (as defined herein) being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions. Official quotation of the Rights Shares on the Main Board of the SGX-ST will commence after all conditions imposed by the SGX-ST are satisfied, including all the certificates relating thereto having been issued and the notification letters from The Central Depository (Pte) Limited (“**CDP**”) having been despatched.

Approval in-principle granted by the SGX-ST for the listing of and quotation for the Rights Shares is not to be taken as an indication of the merits of Health Management International Ltd (the “**Company**”), its subsidiaries, the Shares (as defined herein), the Rights Issue (as defined herein), the Rights Shares and/or the Nil-Paid Rights. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and/or opinions expressed in this Offer Information Statement.

This Offer Information Statement shall not constitute an offer to sell or a solicitation of an offer to buy securities nor shall there be any sale of any securities in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. This Offer Information Statement and its accompanying documents have been prepared solely in relation to the Rights Issue and shall not be relied upon by any other person or for any other purpose. Persons to whom a copy of this Offer Information Statement has been issued shall not circulate to any other person, reproduce or otherwise distribute this Offer Information Statement or any information herein for any purpose whatsoever nor permit or cause the same to occur.

The distribution of this Offer Information Statement and/or the transfer of the Nil-Paid Rights and the Rights Shares into jurisdictions other than Singapore may be prohibited or restricted by law. Persons into whose possession this Offer Information Statement comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions.

No Rights Shares shall be allotted or allocated on the basis of this Offer Information Statement later than six (6) months after the date of lodgement of this Offer Information Statement with the Authority. Your attention is drawn to the section “**Risk Factors**” in **Appendix A** to this Offer Information Statement, which you should review carefully.



HEALTH MANAGEMENT INTERNATIONAL LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199805241E)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 32,376,443 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE “RIGHTS SHARES”) AT AN ISSUE PRICE OF SGD0.57 FOR EACH RIGHTS SHARE, ON THE BASIS OF 11 RIGHTS SHARES FOR EVERY 200 EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY THE ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

Manager of the Rights Issue



Oversea-Chinese Banking Corporation Limited

(Incorporated in the Republic of Singapore)
(Company Registration Number: 193200032W)

IMPORTANT DATES AND TIMES

Last date and time for splitting and trading of Nil-Paid Rights	:	3 March 2017 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares	:	9 March 2017 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications (as defined herein))
Last date and time for renunciation of and payment for Rights Shares	:	9 March 2017 at 5.00 p.m.
Last date and time for excess application and payment for Rights Shares	:	9 March 2017 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)

IMPORTANT NOTICE

Capitalised terms used below which are not otherwise defined herein shall have the same meanings as ascribed to them under the section “**Definitions**” of this Offer Information Statement.

For Entitled Depositors (which excludes Entitled Scripholders, CPFIS Members, SRS investors and investors who hold Shares through finance companies or Depository Agents), acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares may be made through CDP or by way of Electronic Application.

For Entitled Scripholders, acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares may be made through the Share Registrar.

For CPFIS Members, acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares must be made through their respective approved CPF agent banks. Such CPFIS Members are advised to provide their respective approved CPF agent banks with the appropriate instructions no later than the deadlines set by their respective approved CPF agent banks in order for such approved CPF agent banks to make the relevant acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares on their behalf by the Closing Date. For CPFIS Members, any acceptance of the Nil-Paid Rights and/or (if applicable) application for excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected. CPF Funds may not be used to purchase Nil-Paid Rights directly from the market.

For SRS investors or investors who hold Shares through finance companies or Depository Agents, acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares must be made through their respective approved banks in which they hold their SRS accounts, finance companies or Depository Agents. Such investors are advised to provide their respective approved banks in which they hold their SRS accounts, finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by such intermediaries in order for such intermediaries to make the relevant acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares on their behalf by the Closing Date. For such investors, any acceptance of the Nil-Paid Rights and/or (if applicable) application for excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected.

For renouncees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the Nil-Paid Rights purchased must be done through the respective finance companies or Depository Agents, as the case may be. Such renouncees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by their respective finance companies or Depository Agents in order for such intermediaries to make the relevant acceptances of the Nil-Paid Rights on their behalf by the Closing Date. Any acceptance of the Nil-Paid Rights by such renouncees and Purchasers made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected.

IMPORTANT NOTICE

CPFIS Members, SRS investors and investors who hold Shares through finance companies and/or Depository Agents should read the section “Important Notice to (A) CPFIS Members, (B) SRS investors and (C) Investors who hold Shares through finance companies and/or Depository Agents” on important details relating to the application and acceptance procedures.

The existing Shares are listed and quoted on the Main Board of the SGX-ST.

Persons wishing to purchase the Nil-Paid Rights or subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to so purchase or subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the affairs of the Company and the Group, including but not limited to, the assets and liabilities, profits and losses, financial position, risk factors, performance and prospects of the Company and the Group, and the rights and liabilities attaching to the Nil-Paid Rights and the Rights Shares. They should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of such affairs of the Company and the Group and any bases and assumptions, upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). It is recommended that such persons seek professional advice from their legal, financial, tax or other professional adviser(s) before deciding whether to acquire the Nil-Paid Rights or the Rights Shares.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Rights Issue or the issue of the Nil-Paid Rights and the Rights Shares and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or the Manager.

Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance, financial position, prospects or policies of the Company and/or the Group. Neither the delivery of this Offer Information Statement nor the allotment and issue of the Nil-Paid Rights or the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no change in the affairs of the Company or the Group, or of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same via SGXNET, and if required, lodge a supplementary or replacement document with the Authority. All Entitled Shareholders, their renounees and Purchasers should take note of any such announcement or supplementary or replacement document and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

Neither the Company nor the Manager is making any representation to any person regarding the legality of an investment in the Nil-Paid Rights, the Rights Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. Each prospective investor should consult his own professional or other adviser(s) for business, financial, legal or tax advice regarding an investment in the Nil-Paid Rights, the Rights Shares and/or the Shares.

IMPORTANT NOTICE

Neither the Company nor the Manager is making any representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Nil-Paid Rights, the Rights Shares, the Shares, the Company, the Group or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or its accompanying documents shall be construed as a recommendation to accept, purchase or subscribe for the Nil-Paid Rights, the Rights Shares, and/or the Shares. Prospective subscribers of the Rights Shares should rely on their own investigation of the financial condition and affairs of, and appraisal and determination of the merits of investing in, the Company and the Group and shall be deemed to have done so.

This Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue and may not be relied upon by any person (other than Entitled Shareholders to whom this Offer Information Statement and its accompanying documents are despatched by the Company, their renounees and Purchasers) or for any other purpose.

This Offer Information Statement and its accompanying documents may not be used for the purpose of, and do not constitute, an offer, invitation to or solicitation by anyone in any jurisdiction or under any circumstance in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted (either absolutely or subject to various requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Entitled Shareholders, their renounees, Purchasers or any persons having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and observe such prohibitions and restrictions at their own expense and without liability to the Company or the Manager. Please refer to the section “Eligibility of Shareholders to Participate in the Rights Issue” of this Offer Information Statement for further information.

**IMPORTANT NOTICE TO (A) CPFIS MEMBERS,
(B) SRS INVESTORS AND (C) INVESTORS WHO HOLD SHARES THROUGH
FINANCE COMPANIES AND/OR DEPOSITORY AGENTS**

CPFIS Members, SRS investors and investors who hold Shares through finance companies and/or Depository Agents, can only accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares by instructing their respective CPF agent banks, approved banks in which they hold their SRS accounts, finance companies and/or Depository Agents, as the case may be, to do so on their behalf in accordance with the terms and conditions in this Offer Information Statement.

ANY ACCEPTANCE AND/OR APPLICATION MADE DIRECTLY BY THE ABOVEMENTIONED INVESTORS TO CDP, THE SHARE REGISTRAR, THE COMPANY OR BY WAY OF ELECTRONIC APPLICATION WILL BE REJECTED.

The abovementioned investors, where applicable, will receive notification letters from their respective CPF agent banks, approved banks in which they hold their SRS accounts, finance companies and/or Depository Agents and should refer to such notification letters for details of the last date and time to submit acceptances and/or applications to such intermediaries.

Such investors are advised to provide their respective CPF agent banks, approved banks in which they hold their SRS accounts, finance companies and/or Depository Agents with the appropriate instructions no later than the deadlines set by such intermediaries, in order for such intermediaries to make the relevant acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement by the Closing Date.

(A) Use of CPF Funds

CPFIS Members must use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF investment accounts to pay for the acceptance of the Nil-Paid Rights and (if applicable) application for excess Rights Shares.

CPFIS Members who wish to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares must have sufficient funds in their CPF investment accounts and must instruct their respective CPF agent banks, where such CPFIS Members hold their CPF investment accounts, to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement. In the case of insufficient monies in their CPF investment accounts or stock limit, such CPFIS Members could top-up cash into their CPF investment accounts before instructing their respective CPF agent banks to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares. CPF Funds may not, however, be used for the purchase of Nil-Paid Rights directly from the market.

(B) Use of SRS Funds

SRS investors who have subscribed for or purchased Shares using their SRS accounts must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their Nil-Paid Rights and (if applicable) application for excess Rights Shares.

Such investors who wish to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares using SRS monies, must instruct their respective approved banks in which they hold their SRS accounts to accept their Nil-Paid Rights and (if applicable) apply for

**IMPORTANT NOTICE TO (A) CPFIS MEMBERS,
(B) SRS INVESTORS AND (C) INVESTORS WHO HOLD SHARES THROUGH
FINANCE COMPANIES AND/OR DEPOSITORY AGENTS**

excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement. Such investors who have insufficient funds in their SRS accounts may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective approved banks before instructing their respective approved banks to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares on their behalf. SRS monies may not, however, be used for the purchase of the Nil-Paid Rights directly from the market.

(C) Holdings through Finance Companies and/or Depository Agents

Investors who hold Shares through finance companies and/or Depository Agents must instruct their respective finance companies and/or Depository Agents to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement.

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CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Dr. Gan See Khem (Executive Chairman and Managing Director) Ms. Chin Wei Jia (Executive Director and Group Chief Executive Officer) Mr. Chin Wei Yao (Executive Director and Group Chief Financial Officer) Professor Annie Koh (Lead Independent Director) Dr. Cheah Way Mun (Independent Non-Executive Director) Professor Tan Chin Tiong (Independent Non-Executive Director)
COMPANY SECRETARY	:	Ms. Noraini Binte Noor Mohamed Abdul Latiff
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS	:	7 Temasek Boulevard #12-10 Suntec Tower One Singapore 038987
SHARE REGISTRAR	:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
MANAGER TO THE RIGHTS ISSUE	:	Oversea-Chinese Banking Corporation Limited 63 Chulia Street #10-00 Singapore 049514
LEGAL ADVISER TO THE RIGHTS ISSUE	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
RECEIVING BANKER	:	Oversea-Chinese Banking Corporation Limited 63 Chulia Street #10-00 Singapore 049514

DEFINITIONS

For the purposes of this Offer Information Statement, the ARE, the ARS and the PAL, the following terms shall unless the context otherwise requires or unless otherwise stated, have the following meanings:

- “2M”** : 2M Medical Consultants Pte. Ltd. (Company Registration No. 200712260Z), a company incorporated in Singapore and having its registered office at 7, Temasek Boulevard, #12-10, Suntec Tower One, Singapore 038987
- “2M Acquisition”** : The acquisition by the Company of all the 6,000 issued ordinary shares in the capital of 2M and the acceptance by the Company of an assignment of outstanding non interest-bearing shareholders’ loans of approximately SGD3,331,334.74, from the 2M Shareholders for SGD8,873,232, being the SGD equivalent of RM26,956,866
- “2M Shareholders”** : (1) Dr. Chua Ee Chek;
(2) Dr. Cheah Way Mun;
(3) Dr. Fong Chiu Yan;
(4) Dr. Ching Kwok Choy;
(5) Dr. Kwa Kie Tjong;
(6) Dr. Chew Chee Tong @Chew Chee Yong;
(7) Dr. Sim Chiang Khi;
(8) Dr. Tan Peng Kok;
(9) Ockham Holdings Pte. Ltd.¹;
(10) Dr. Ho Kee Hang; and
(11) Dr. Teh Peng Hooi
- “2M SPA”** : The share purchase agreement entered into among the Company and the 2M Shareholders in respect of the Company’s acquisition of all the 6,000 issued ordinary shares in the capital of 2M and acceptance of an assignment of outstanding non interest-bearing shareholders’ loans of approximately SGD3,331,334.74, from the 2M Shareholders for SGD8,873,232, being the SGD equivalent of RM26,956,866

¹ As at 19 January 2017, the shareholders of Ockham Holdings Pte. Ltd. are Dr. Lee Tswen Wen (32%), Dr. Shanker Pasupathy s/o M Pasupathy (32%), Dr. Ong Kong Wee (20%) and Dr. Chong Chee Keong (16%).

DEFINITIONS

“3Q2015”	:	The financial period for the three months ended 30 March 2015
“6M2016”	:	The financial period for the six months ended 31 December 2015
“6M2017”	:	The financial period for the six months ended 31 December 2016
“Acquisition”	:	The increase of the Company’s ownership in 48.9%-owned Mahkota Medical Centre and 60.8%-owned Regency Specialist Hospital to 100% each, for an aggregate consideration of RM556.5 million (or SGD183.2 million)
“Agreed Exchange Rate”	:	The fixed exchange rate of SGD1:RM3.0380
“Announcement”	:	The announcement dated 11 November 2016 by the Company in relation to the Acquisition and the Rights Issue
“ARE”	:	Application form for Rights Shares and excess Rights Shares to be issued to Entitled Depositors in respect of their Nil-Paid Rights under the Rights Issue
“ARS”	:	Application form for Rights Shares to be issued to Purchasers in respect of their purchase of Nil-Paid Rights under the Rights Issue traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system
“Assets Restructuring”	:	The assets restructuring exercise involving a transfer of medical, hospital services and commercial units within Mahkota Medical Centre to MCSB, Pancastle Sdn. Bhd. and Raspuri Sdn. Bhd.
“ATM”	:	Automated teller machine
“Authority”	:	Monetary Authority of Singapore
“Board”	:	The board of Directors of the Company from time to time
“Books Closure Date”	:	20 February 2017 at 5.00 p.m. (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), being the time and date at and on which the Register of Members and the Share Transfer Books of the Company will be closed to determine the Nil-Paid Rights of Entitled Shareholders under the Rights Issue
“CDP”	:	The Central Depository (Pte) Limited

DEFINITIONS

“Closing Date”	:	The last date for acceptance of and/or excess application and payment for the Rights Shares under the Rights Issue at the time and in the manner set out in this Offer Information Statement, or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company subsequent to the issue of this Offer Information Statement
“Code”	:	The Singapore Code on Take-overs and Mergers, as amended from time to time
“Companies Act”	:	Companies Act, Chapter 50 of Singapore, as amended from time to time
“Company” or “HMI”	:	Health Management International Ltd
“Consideration Shares”	:	199,822,890 new Shares to be allotted and issued at the issue price of SGD0.57 per Consideration Share pursuant to the Acquisition
“CPF”	:	Central Provident Fund
“CPF Funds”	:	CPF account savings
“CPFIS Members”	:	Shareholders who have previously purchased Shares using their CPF Funds under the CPF Investment Scheme – Ordinary Account
“CWM Acquisition”	:	The acquisition by the Company of (1) 64,280 ordinary shares in the capital of Senipuri and (2) 1,000 ordinary shares in the capital of 2M, and the acceptance by the Company of an assignment of non interest-bearing shareholders’ loans owing from 2M to Dr. Cheah Way Mun amounting to SGD555,222.12, from Dr. Cheah Way Mun for SGD12,405,302, being the SGD equivalent of RM37,687,308
“CWM Purchase Price”	:	The aggregate consideration for the CWM Acquisition of SGD12,405,302, being the SGD equivalent of RM37,687,308
“Directors”	:	The directors of the Company from time to time
“Dr. A Acquisition”	:	The acquisition by the Company of (1) 30,000 ordinary shares in the capital of MMCSB; (2) 600 ordinary shares and 100 redeemable convertible preference shares in the capital of MMGSB; and (3) 100 ordinary shares in the capital of MCSB from Dr. Ang Eng Lip for SGD341,457, being the SGD equivalent of RM1,037,346

DEFINITIONS

“Dr. A SPAs”	:	The share purchase agreements entered into between the Company and Dr. Ang Eng Lip in respect of the Company's acquisition of (1) 30,000 ordinary shares in the capital of MMCSB; (2) 600 ordinary shares and 100 redeemable convertible preference shares in the capital of MMGSB; and (3) 100 ordinary shares in the capital of MCSB from Dr. Ang Eng Lip for SGD341,457, being the SGD equivalent of RM1,037,346
“Dr. B Acquisition”	:	The acquisition by the Company of (1) 26,000 ordinary shares in the capital of MMCSB; (2) 522 ordinary shares and 87 redeemable convertible preference shares in the capital of MMGSB; and (3) 87 ordinary shares in the capital of MCSB from Dr. Fan Richard @Fan Foo Tang Richard for SGD296,250, being the SGD equivalent of RM900,007
“Dr. B SPAs”	:	The share purchase agreements entered into between the Company and Dr. Fan Richard @Fan Foo Tang Richard in respect of the Company's acquisition of (1) 26,000 ordinary shares in the capital of MMCSB; (2) 522 ordinary shares and 87 redeemable convertible preference shares in the capital of MMGSB; and (3) 87 ordinary shares in the capital of MCSB from Dr. Fan Richard @Fan Foo Tang Richard for SGD296,250, being the SGD equivalent of RM900,007
“EBITDA”	:	Earnings before interest, tax, depreciation and amortisation, and excludes net currency gains or losses and share of profit of associated corporations
“Electronic Application”	:	Acceptance of the Nil-Paid Rights and (if applicable) application for excess Rights Shares made through an ATM of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement
“Entitled Depositors”	:	Shareholders with Shares standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
“Entitled Scripholders”	:	Shareholders whose share certificates have not been deposited with CDP (and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Books Closure Date) and whose registered addresses with the Company are in Singapore as at the Books Closure Date or who have, at least three (3) Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents

DEFINITIONS

“Entitled Shareholders”	:	Entitled Depositors and Entitled Scripholders
“Foreign Purchasers”	:	Purchasers whose registered addresses with CDP are not in Singapore
“Foreign Shareholders”	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three (3) Market Days prior to the Books Closure Date, provided the Share Registrar or CDP, as the case may be, with addresses in Singapore for the service of notices and documents
“FY2014”	:	Financial year ended 30 June 2014
“FY2015”	:	Financial year ended 30 June 2015
“FY2016”	:	Financial year ended 30 June 2016
“Group”	:	The Company and its subsidiaries
“Irrevocable Undertakings”	:	The irrevocable undertakings dated 10 November 2016 given by each Undertaking Shareholder to the Company to, <i>inter alia</i> , in accordance with the terms and conditions of the Rights Issue and not later than the Closing Date, subscribe and pay for and/or procure subscription and payment for their respective <i>pro rata</i> entitlements to the Rights Shares under the Rights Issue, details of which are set out in paragraph 7 of Part VI “The Offer and Listing – Plan of Distribution” of the Sixteenth Schedule
“Latest Practicable Date”	:	14 February 2017, being the latest practicable date prior to the lodgement of this Offer Information Statement with the Authority
“Listing Manual”	:	The listing manual of the SGX-ST, as amended from time to time
“Manager”	:	Oversea-Chinese Banking Corporation Limited, the manager of the Rights Issue
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Maximum Subscription Scenario”	:	The situation where based on the issued Shares as at the Latest Practicable Date, assuming the Rights Issue is fully subscribed, the number of Rights Shares to be allotted and issued under the Rights Issue will be 32,376,443

DEFINITIONS

“MCSB”	:	Mahkota Commercial Sdn. Bhd. (Company No. 292954-V), a company incorporated in Malaysia and having its registered office at 9th Floor, Mahkota Medical Centre, No. 3, Mahkota Melaka, Jalan Merdeka, 75000 Melaka, Malaysia
“MIL”	:	MIL Mentari Sdn. Bhd. (Company No. 1204314-W), a company incorporated in Malaysia and having its registered office at Lot 6.05, Level 6 KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia
“MIL Acquisition”	:	The acquisition by the Company of all the issued shares in the capital of MIL from MM for SGD131,187,848, being the SGD equivalent of RM398,548,683
“MIL SPA”	:	The share purchase agreement entered into between the Company and MM in respect of the Company’s acquisition of all the issued shares in the capital of MIL from MM for SGD131,187,848, being the SGD equivalent of RM398,548,683
“Minimum Subscription Scenario”	:	The situation where based on the issued Shares as at the Latest Practicable Date, assuming that only the Undertaking Shareholders subscribe for their <i>pro rata</i> entitlements to the Rights Shares pursuant to the Irrevocable Undertakings and no other Shareholder subscribes for any Rights Shares, the number of Rights Shares to be allotted and issued under the Rights Issue will be 16,971,977
“MM”	:	Maju Medik (Malaysia) Sdn. Bhd. (Company No. 359303-H), a company incorporated in Malaysia and having its registered office at SOHO Suites @ KLCC, Block A2, Level 32A, No. 20, Jalan Perak, 50450 Kuala Lumpur, Malaysia
“MMCSB”	:	Mahkota Medical Centre Sdn. Bhd. (Company No. 200619-H), a company incorporated in Malaysia and having its registered office at 9th Floor, Mahkota Medical Centre, No. 3, Mahkota Melaka, Jalan Merdeka, 75000 Melaka, Malaysia
“MMGSB”	:	Mahkota Medical Group Sdn. Bhd. (Company No. 692354-A), a company incorporated in Malaysia and having its registered office at No. 3, Mahkota Melaka, Jalan Merdeka, 75000 Melaka, Malaysia
“Nil-Paid Rights”	:	Provisional allotments of the Rights Shares under the Rights Issue
“NRIC”	:	National Registration Identity Card

DEFINITIONS

“Offer Information Statement”	:	This document together with (where the context requires) the ARE, the ARS and the PAL and all other accompanying documents, including any supplementary or replacement document, issued or to be issued by the Company and lodged with the Authority in connection with the Rights Issue
“PAL”	:	The provisional allotment letter to be issued to an Entitled Scripholder, setting out the Nil-Paid Rights of such Entitled Scripholder under the Rights Issue
“Participating Banks”	:	The banks that will be making available their ATMs to Entitled Depositors and Purchasers whose registered addresses with CDP are in Singapore, for acceptances of the Rights Shares and applications for excess Rights Shares, as the case may be, to be made under the Rights Issue, which are listed in Appendix E to this Offer Information Statement
“Purchase Price”	:	The aggregate consideration for the Acquisition of RM556.5 million (or SGD183.2 million)
“Purchaser”	:	A person who purchases the Nil-Paid Rights under the book-entry (scripless) settlement system during the Nil-Paid Rights trading period
“Register of Members”	:	Register of members of the Company
“renouncee”	:	A person in whose favour an Entitled Shareholder renounces all or part of its Nil-Paid Rights
“Rights Issue”	:	The renounceable non-underwritten rights issue by the Company of up to 32,376,443 Rights Shares at the Rights Price, on the basis of 11 Rights Shares for every 200 existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
“Rights Price”	:	SGD0.57 per Rights Share
“Rights Shares”	:	Up to 32,376,443 new Shares to be allotted and issued by the Company pursuant to the Rights Issue
“RM” or “sen”	:	The lawful currency for the time being of Malaysia
“RMCSA”	:	Regency Medical Centre (Seri Alam) Sdn. Bhd. (Company No. 350580-D), a company incorporated in Malaysia and having its registered office at No 3, Mahkota Melaka, Jalan Merdeka, 75000 Melaka, Malaysia

DEFINITIONS

“RSHSB”	:	Regency Specialist Hospital Sdn. Bhd. (Company No. 767174-W), a company incorporated in Malaysia and having its registered office at No 3, Mahkota Melaka, Jalan Merdeka, 75000 Melaka, Malaysia
“Securities Account”	:	The securities account maintained by a Depositor with CDP but not including a securities sub-account maintained with a Depository Agent
“Sellers”	:	MM, the Senipuri Shareholders, the 2M Shareholders, Dr. Ang Eng Lip and Dr. Fan Richard @ Fan Foo Tang Richard
“Senipuri”	:	Senipuri Emas Sdn. Bhd. (Company No. 480958-P), a company incorporated in Malaysia and having its registered office at Suite 3.6, Level 3, Menara Pelangi No. 2, Jalan Kuning, Taman Pelangi, 80400 Johor Bahru, Malaysia
“Senipuri Acquisition”	:	The acquisition by the Company of all the 250,000 issued ordinary shares in the capital of Senipuri from the Senipuri Shareholders for SGD42,495,448, being the SGD equivalent of RM129,101,186
“Senipuri Shareholders”	:	(1) Dr. Cheah Way Mun; (2) Dr. Chua Ee Chek; (3) Dr. Chew Kim Huat; (4) Dr. Kwa Kie Tjong; (5) Dr. Law Ngai Mun; (6) Dr. Goh Hak Su @ Goh Hak Shu; (7) Dr. Wong Woon Wai; (8) Dr. Ho Kee Hang; (9) Dr. Chew Chee Tong; and (10) Dr. Wu Yik Tian
“Senipuri SPA”	:	The share purchase agreement entered into among the Company and the Senipuri Shareholders in respect of the Company’s acquisition of all the 250,000 issued ordinary shares in the capital of Senipuri from the Senipuri Shareholders for SGD42,495,448, being the SGD equivalent of RM129,101,186

DEFINITIONS

“SFA”	:	Securities and Futures Act, Chapter 289 of Singapore, as amended from time to time
“SFR”	:	Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, as amended from time to time
“SGD” or “S\$” or “cents”	:	The lawful currency for the time being of the Republic of Singapore
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“Shareholders”	:	Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to those Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares. Any reference to Shares held by or the shareholding of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
“Shares”	:	Ordinary shares in the capital of the Company
“SIC”	:	Securities Industry Council of Singapore
“Sixteenth Schedule”	:	The section “Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005” of this Offer Information Statement
“Split Letters”	:	Shall have the meaning given to it in paragraph 3.1 of Appendix D to this Offer Information Statement
“SRS”	:	Supplementary Retirement Scheme
“Substantial Shareholder”	:	A person who has an interest in voting shares in the Company and the total votes attached to which are not less than five (5) per cent. of the total votes attached to all the voting shares in the Company
“Undertaking Shareholders”	:	(1) Nam See Investment (Pte) Ltd.; (2) Dr. Gan See Khem, Executive Chairman and Managing Director of the Company; (3) Dr. Chin Koy Nam, husband of Dr. Gan See Khem;

DEFINITIONS

- (4) Ms. Chin Wei Jia, Executive Director and Group Chief Executive Officer of the Company, daughter of Dr. Gan See Khem and Dr. Chin Koy Nam;
- (5) Mr. Chin Wei Yao, Executive Director and Group Chief Financial Officer of the Company, son of Dr. Gan See Khem and Dr. Chin Koy Nam; and
- (6) Ms. Chin Wei Shan, Director of Nam See Investment (Pte) Ltd., daughter of Dr. Gan See Khem and Dr. Chin Koy Nam

“%” or “**per cent.**” : Per centum or percentage

The terms “**Depositor**” and “**Depository Agent**” shall have the meanings ascribed to them in Section 81SF of the SFA.

The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

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 and neuter genders and vice versa. References to persons shall, where applicable, include any individual, company, corporation, firm, partnership, joint venture, association, organisation, institution, trust or agency, whether or not having a separate legal personality.

The headings of this Offer Information Statement are inserted for convenience only and shall be ignored in construing this Offer Information Statement.

Any reference to a time of day in this Offer Information Statement, the ARE, the ARS and the PAL shall be a reference to Singapore time unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the ARE, the ARS and the PAL in relation to the Rights Issue (including but not limited to the Closing Date and the last dates and times for splitting, acceptance and payment, renunciation and payment, and excess application and payment) shall include such other dates(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

Any reference in this Offer Information Statement, the ARE, the ARS and the PAL 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, the SFA, the SFR, the Listing Manual, the Code or any statutory modification thereof and not otherwise defined in this Offer Information Statement, the ARE, the ARS and the PAL shall have the same meaning ascribed to it under the Companies Act, the SFA, the SFR, the Listing Manual, the Code or any statutory modification thereof, as the case may be.

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

For the purposes of this Offer Information Statement, unless otherwise stated, all RM amounts have been translated into SGD at the Agreed Exchange Rate.

SUMMARY OF THE RIGHTS ISSUE

The following is a summary of the principal terms and conditions of the Rights Issue and is derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

Basis of provisional allotment : The Rights Issue will be made on a renounceable non-underwritten basis to Entitled Shareholders on the basis of 11 Rights Shares for every 200 existing Shares standing to the credit of the Securities Accounts of the Entitled Depositors or held by the Entitled Scripholders, as the case may be, as at the Books Closure Date, fractional entitlements to be disregarded.

Issue Price : SGD0.57 for each Rights Share (the “**Rights Price**”), payable in full upon acceptance and/or application.

The Rights Price represents:

- (a) a discount of approximately 5.8% to the closing price of SGD0.605 per Share on the SGX-ST on 10 November 2016, being the last trading date before the release of the Announcement; and
- (b) a discount of approximately 5.5% to the theoretical ex-rights price of SGD0.603 (being the theoretical market price of each Share assuming the completion of the Rights Issue, and which is calculated based on the closing price of SGD0.605 per Share on the SGX-ST on 10 November 2016, being the last trading date before the release of the Announcement, and the maximum number of Rights Shares).

Status of Rights Shares : The Rights Shares are payable in full upon acceptance and/or application and will, upon allotment and issue, rank *pari passu* in all respects with the then existing issued Shares, except that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares.

Number of Rights Shares : Based on the issued share capital of the Company as at the Latest Practicable Date of 588,662,686 Shares (excluding treasury shares) and assuming that the Rights Issue is fully subscribed, the Company will issue 32,376,443 Rights Shares.

SUMMARY OF THE RIGHTS ISSUE

Eligibility to Participate in the Rights Issue : As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the section “**Eligibility of Shareholders to Participate in the Rights Issue**” of this Offer Information Statement for details on the eligibility of Shareholders to participate in the Rights Issue.

Listing of the Rights Shares : The SGX-ST has, on 23 January 2017, granted its approval in-principle for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions. Approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the Shares, the Rights Issue, the Rights Shares and/or the Nil-Paid Rights. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and/or opinions expressed in this Offer Information Statement.

Trading of the Rights Shares : Upon the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, the Rights Shares will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Shares will comprise 100 Shares.

All dealings in, and transactions (including transfers) of, the Rights Shares and the Nil-Paid Rights effected through the SGX-ST and/or CDP shall be made in accordance with CDP’s “Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited”, as the same may be amended from time to time, copies of which are available from CDP.

Trading of Odd Lots of Shares : Eligible Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) and who wish to trade in odd lots are able to trade odd lots of Shares on the SGX-ST’s Unit Share Market. The Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share.

Trading of Nil-Paid Rights : Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST can do so during the trading period for the Nil-Paid Rights. A trading period for the Nil-paid Rights has been set from 23 February 2017 at 9.00 a.m. to 3 March 2017 at 5.00 p.m..

Entitled Depositors should note that the Nil-Paid Rights will be tradable in board lots of 100 and 1 Nil-Paid Rights.

SUMMARY OF THE RIGHTS ISSUE

Acceptance, excess application and payment procedures : Entitled Shareholders will be at liberty to accept, decline, renounce or, in the case of Entitled Depositors, trade on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST, in whole or in part, their Nil-Paid Rights, and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

Fractional entitlements to the Rights Shares will be disregarded in arriving at the Entitled Shareholders' entitlements and will, together with the Rights Shares represented by the provisional allotments which are not allotted or taken up for any reason, be aggregated and used to satisfy applications (if any) for excess Rights Shares or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

In the allotment of excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority for rounding of odd lots and allotment of excess Rights Shares.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation, splitting and/or sales of the Nil-Paid Rights and for the applications for excess Rights Shares, including the different modes of acceptance or application and payment, are contained in **Appendices B to D** to this Offer Information Statement and in the ARE, the ARS and the PAL.

Estimated net proceeds from the Rights Issue : The estimated net proceeds (after deducting estimated costs, expenses and commissions of approximately SGD0.6 million incurred in connection with the Rights Issue) is expected to be (a) approximately SGD17.9 million under the Maximum Subscription Scenario and (b) approximately SGD9.1 million under the Minimum Subscription Scenario.

Please refer to paragraph 2 of Part IV “**Key Information – Use of Proceeds from Offer and Expenses Incurred**” of the Sixteenth Schedule for further details of the estimated net proceeds.

SUMMARY OF THE RIGHTS ISSUE

- Use of proceeds** : The Company intends to utilise the net proceeds of the Rights Issue to partially pay the cash purchase price for the MIL Acquisition, the Senipuri Acquisition and the 2M Acquisition.
- Please refer to paragraph 3 of Part IV “**Key Information – Use of Proceeds from Offer and Expenses Incurred**” of the Sixteenth Schedule for further details of the use of proceeds.
- Irrevocable Undertakings** : In support of the Rights Issue, the Undertaking Shareholders have each given an irrevocable undertaking to the Company to, *inter alia*, in accordance with the terms and conditions of the Rights Issue and not later than the Closing Date, subscribe and pay for and/or procure subscription and payment for their respective *pro rata* entitlements to the Rights Shares under the Rights Issue.
- Please refer to paragraph 7 of Part VI “**The Offer and Listing – Plan of Distribution**” of the Sixteenth Schedule for further details of the terms of the Irrevocable Undertakings.
- Use of CPF funds** : CPFIS Members may only use their CPF Funds to subscribe for their Nil-Paid Rights and (if applicable) to apply for excess Rights Shares in accordance with applicable CPF rules and regulations.
- CPFIS Members who wish to accept the Nil-Paid Rights and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct their respective approved CPF agent banks to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares on their behalf, and must do so in accordance with the terms and conditions in this Offer Information Statement. CPF Funds may not be used to purchase Nil-Paid Rights directly from the market.
- Non-underwritten** : The Rights Issue will not be underwritten.
- Governing law** : Laws of Singapore.
- Risk Factors** : Investing in the Rights Shares involves risks. Please refer to the section “**Risk Factors**” in **Appendix A** to this Offer Information Statement for details.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

1. ENTITLED SHAREHOLDERS

Entitled Shareholders are entitled to participate in the Rights Issue and to receive this Offer Information Statement, together with the ARE or the PAL, as the case may be, and other accompanying documents at their respective Singapore addresses. Entitled Depositors who do not receive this Offer Information Statement and the AREs may obtain them from CDP during the period from the date the Rights Issue commences up to the Closing Date. Entitled Scripholders who do not receive this Offer Information Statement and the PAL may obtain them from the Share Registrar during the period from the date the Rights Issue commences up to the Closing Date.

Entitled Shareholders will be provisionally allotted Rights Shares under the Rights Issue on the basis of their shareholdings in the Company as at the Books Closure Date, fractional entitlements to be disregarded. Entitled Shareholders may accept, decline, renounce or, in the case of Entitled Depositors, trade on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST, in whole or in part, their Nil-Paid Rights, and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Fractional entitlements to the Rights Shares will be disregarded in arriving at the Shareholders' entitlements and will, together with provisional allotments which are not allotted or taken up for any reason, be aggregated and used to satisfy applications (if any) for excess Rights Shares or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

In the allotment of excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority for rounding of odd lots and allotment of excess Rights Shares.

(a) Entitled Depositors

Entitled Depositors should note that all notices and documents will be sent to their last registered Singapore mailing addresses with CDP. Entitled Depositors are reminded that any request to CDP to update their records or to effect any change in address must reach CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, at least three (3) Market Days before the Books Closure Date.

(b) Entitled Scripholders

Entitled Scripholders should note that all correspondences and notices will be sent to their last registered Singapore mailing addresses with the Share Registrar. Entitled Scripholders are reminded that any request to the Share Registrar to update their records or effect any change in address must reach Health Management International Ltd c/o the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, at least three (3) Market Days before the Books Closure Date.

Entitled Scripholders are encouraged to open Securities Accounts with CDP if they have not already done so and to deposit their share certificates with CDP prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the Nil-Paid Rights. Entitled Scripholders should note that their Securities

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

Accounts will only be credited with the Shares on the twelfth (12th) Market Day from the date of lodgement of the share certificates with CDP or such later date as CDP may determine.

All dealings in and transactions of the Nil-Paid Rights through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs, which are issued to Entitled Scripholders, will not be valid for delivery pursuant to trades done on the SGX-ST.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation, splitting and/or sales of the provisional allotments of Rights Shares and for the applications for excess Rights Shares, including the different modes of acceptance or application and payment, are contained in **Appendices B to D** to this Offer Information Statement and in the ARE, the ARS and the PAL.

Notwithstanding the foregoing, investors should note that the offer and sale of, or exercise or acceptance of, or subscription for, Nil-Paid Rights and Rights Shares to or by persons located or resident in jurisdictions other than Singapore may be restricted or prohibited by the laws of the relevant jurisdiction. Crediting of Nil-Paid Rights to any Securities Account, the receipt of any Nil-Paid Rights, or receipt of this Offer Information Statement and/or any of its accompanying documents, will not constitute an offer or sale in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdictions or be restricted or prohibited. The Company reserves absolute discretion in determining whether any person may participate in the Rights Issue.

2. FOREIGN SHAREHOLDERS

This Offer Information Statement and its accompanying documents have been lodged with the Authority in Singapore. This Offer Information Statement and its accompanying documents have not been and will not be registered, lodged or filed in any jurisdiction other than Singapore. The distribution of this Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Rights Shares will not be offered to and this Offer Information Statement and its accompanying documents have not been and will not be despatched to Foreign Shareholders or into any jurisdictions outside Singapore.

Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue. No Nil-Paid Rights will be allotted to Foreign Shareholders, and no purported acceptance thereof or application therefor by any Foreign Shareholder will be valid.

This Offer Information Statement and its accompanying documents will also not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the Nil-Paid Rights credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renouncee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the Nil-Paid Rights renounced to him. The Company reserves the right to reject any

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

acceptances of the Rights Shares and/or applications for excess Rights Shares where it believes, or has reason to believe, that such acceptance and/or application may violate the applicable legislation of any jurisdiction.

The Company reserves the right to treat as invalid any ARE, ARS or PAL which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore or which the Company believes or has reason to believe may violate the applicable legislation of such jurisdiction; (b) provides an address outside Singapore for the receipt of the share certificate(s) for the Rights Shares or which requires the Company to despatch the share certificate(s) to an address in any jurisdiction outside Singapore; or (c) purports to exclude any deemed representation or warranty required by the terms of this Offer Information Statement, the ARE, the ARS or the PAL.

It is the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside Singapore wishing to take up their provisional allotment of Rights Shares or apply for excess Rights Shares under the Rights Issue to satisfy himself as to the full observance of the laws of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The comments set out in this section are intended as a general guide only and any Foreign Shareholder who is in doubt as to his position should consult his professional advisers without delay.

Receipt of this Offer Information Statement, the ARE, the ARS or the PAL, or the crediting of Nil-Paid Rights or Rights Shares to a Securities Account shall not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Offer Information Statement and the AREs, the ARSs or the PALs must be treated as sent for information only and should not be copied or redistributed. No person receiving a copy of this Offer Information Statement, an ARE, an ARS or a PAL and/or a credit of Nil-Paid Rights or Rights Shares to a Securities Account in any territory other than Singapore may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such ARE, ARS or PAL and/or accept any credit of Nil-Paid Rights or Rights Shares to a Securities Account unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such ARE, ARS or PAL and/or credit of Nil-Paid Rights or Rights Shares to a Securities Account could lawfully be used or accepted, and any transaction resulting from such use or acceptance could be effected, without contravention of any registration or other legal or regulatory requirements.

Persons (including, without limitation, custodians, nominees and trustees) receiving a copy of this Offer Information Statement and/or an ARE, an ARS or a PAL or whose Securities Accounts are credited with Nil-Paid Rights should not distribute or send the same or transfer Nil-Paid Rights in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If this Offer Information Statement, an ARE, an ARS or a PAL or a credit of Nil-Paid Rights is received by any person in any such territory, or by his agent or nominee, he must not seek to take up the Nil-Paid Rights, and renounce such ARE, ARS or PAL or transfer the Nil-Paid Rights unless the Company determines that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, nominees and trustees) who forwards this Offer Information Statement, or an ARE, an ARS or a PAL or transfers Nil-Paid Rights into any such territories (whether pursuant to a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of the relevant sections of this Offer Information Statement.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

If it is practicable to do so, arrangements may, at the absolute discretion of the Company, be made for the Nil-Paid Rights which would otherwise have been provisionally allotted to Foreign Shareholders to be sold “nil-paid” on the SGX-ST as soon as practicable after commencement of trading of Nil-Paid Rights. Such sales will, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales after taking into account expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares standing to the credit of their respective Securities Accounts as at the Books Closure Date and sent to them by ordinary post at their own risk, provided that where the amount of net proceeds to be distributed to any single Foreign Shareholder or persons acting to the account or benefit of any such persons is less than SGD10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Foreign Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager, CDP, CPF Board, the Share Registrar and/or their respective officers in connection therewith.

Where such Nil-Paid Rights are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager, CDP, CPF Board, the Share Registrar and/or their respective officers in respect of such sales or the proceeds thereof, the Nil-Paid Rights or the Rights Shares represented by such Nil-Paid Rights.

If such Nil-Paid Rights cannot be sold or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading of the Nil-Paid Rights, the Rights Shares represented by such Nil-Paid Rights will be issued to satisfy applications for excess Rights Shares (if any) or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Foreign Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager, CDP, CPF Board, the Share Registrar and/or their respective officers in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Foreign Shareholders. However, the Company reserves the right to make similar arrangements for the Nil-Paid Rights which would otherwise have been allotted to certain Entitled Shareholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the Nil-Paid Rights commence, where the beneficial holders of such Nil-Paid Rights are restricted or prohibited by the laws of the jurisdiction in which they are located or resident from participating in the Rights Issue.

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE RIGHTS ISSUE SHOULD HAVE PROVIDED CDP (AT 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588) OR THE SHARE REGISTRAR (AT 50 RAFFLES PLACE, #32-01 SINGAPORE LAND TOWER, SINGAPORE 048623), AS THE CASE MAY BE, WITH ADDRESSES IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE BOOKS CLOSURE DATE.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

Notwithstanding anything herein, Entitled Shareholders and/or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto at their own expense and without liability to the Company, the Manager or any other person involved in the Rights Issue.

Depositors should note that all correspondences will be sent to their last registered Singapore mailing addresses with CDP. Depositors should note that any request to CDP to update its records or to effect any change in address should have reached CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis, Singapore 138588, at least three (3) Market Days before the Books Closure Date. Shareholders whose Shares are registered in their own names (not being Depositors) who do not presently have an address in Singapore for the service of notices and documents and who wish to be eligible to participate in the Rights Issue should have provided such an address in Singapore by notifying Health Management International Ltd c/o the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, at least three (3) Market Days before the Books Closure Date.

EXPECTED TIMETABLE OF KEY EVENTS

Shares traded ex-rights	:	16 February 2017 from 9.00 a.m.
Books Closure Date	:	20 February 2017 at 5.00 p.m.
Despatch of Offer Information Statement, the ARE and the PAL (as the case may be) to Entitled Shareholders	:	23 February 2017
Commencement of acceptance of and payment for Rights Shares	:	23 February 2017 from 9.00 a.m.
Commencement of trading of Nil-Paid Rights	:	23 February 2017 from 9.00 a.m.
Last date and time for splitting and trading of Nil-Paid Rights	:	3 March 2017 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares ⁽¹⁾	:	9 March 2017 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)
Last date and time for renunciation of and payment for Rights Shares ⁽¹⁾	:	9 March 2017 at 5.00 p.m.
Last date and time for excess application and payment for Rights Shares ⁽¹⁾	:	9 March 2017 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)
Expected date for issuance of Rights Shares	:	17 March 2017
Expected date for crediting of the Rights Shares	:	17 March 2017
Expected date for refund of unsuccessful applications (if made through CDP)	:	17 March 2017
Expected date and time for the listing and commencement of trading of Rights Shares	:	17 March 2017 from 9.00 a.m.

Note:

- (1) For CPFIS Members, SRS investors and investors who hold Shares through finance companies or Depository Agents, such investors will receive notification letter(s) from their respective CPF agent banks, approved banks in which they hold their SRS accounts, or respective finance companies or Depository Agents. Such investors should refer to these notification letter(s) for details of the last date and time to submit applications for the Rights Shares to their respective CPF agent banks, approved banks, finance companies or Depository Agents. Any acceptance and/or application for the Rights Shares made directly by these investors to CDP, the Share Registrar or the Company or through Electronic Applications will be rejected.

Pursuant to Rule 820(1) of the Listing Manual, the Rights Issue will not be withdrawn after the Shares have commenced ex-rights trading. The Shares commenced ex-rights trading on 16 February 2017 from 9.00 a.m..

EXPECTED TIMETABLE OF KEY EVENTS

The above timetable is indicative only and is subject to change. As at the date of this Offer Information Statement, the Company does not expect the timetable to be modified. However, the Company may, upon consultation with the Manager and with the approval of the SGX-ST and/or CDP, modify the above timetable subject to any limitations under any applicable laws. In such an event, the Company will publicly announce the same through a SGXNET announcement to be posted on the website of the SGX-ST at www.sgx.com.

TRADING

1. LISTING OF AND QUOTATION FOR RIGHTS SHARES

Approval in-principle has been obtained from the SGX-ST for the listing of and quotation for the Rights Shares on the Main Board of the SGX-ST, subject to certain conditions. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the Rights Issue, the Shares, the Rights Shares and/or the Nil-Paid Rights.

Upon listing and quotation on the Main Board of the SGX-ST, the Rights Shares will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares and the Nil-Paid Rights effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", as the same may be amended from time to time, copies of which are available from CDP.

2. ARRANGEMENTS FOR SCRIPLESS TRADING

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Accounts) in order that the number of Rights Shares and, if applicable, the excess Rights Shares that may be allotted and issued to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their renounees who wish to accept the Rights Shares and/or apply for the excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL.

Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP, will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the excess Rights Shares allotted to them, which will be forwarded to them by ordinary post at their own risk. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

If an Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

TRADING

A holder of physical share certificate(s) or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but wishes to trade on the SGX-ST, must deposit his respective certificate(s) with CDP, together with the duly executed instrument(s) of transfer in favour of CDP, pay the applicable fees and have his Securities Account credited with the number of Rights Shares and/or existing Shares, as the case may be, before he can effect the desired trade.

3. TRADING OF ODD LOTS

Shareholders should note that the Shares are quoted on the Main Board of the SGX-ST in board lot sizes of 100 Shares. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Shares will comprise 100 Shares. **Entitled Shareholders should note that the Rights Issue may result in them holding odd lots of Shares (that is, lots other than board lots of 100 Shares).**

Following the Rights Issue, Shareholders who hold odd lots of Shares and who wish to trade in odd lots on the Main Board of the SGX-ST should note that they are able to do so on the SGX-ST's Unit Share Market. The Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share. The market for trading of such odd lots may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST's Unit Share Market.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in press releases, public announcements and oral statements that may be made by the Company or its officers, Directors or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or are forward-looking such as, without limitation, “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, operating results, business strategies, plans and prospects are forward-looking statements.

These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, including those risks described in **Appendix A** to this Offer Information Statement, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks (both known and unknown), uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. None of the Company, the Manager or any other person represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those statements.

Further, each of the Company and the Manager disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. However, the Company may make an announcement to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority, in the event, *inter alia*, that it becomes aware of a new development, event or circumstance that has arisen since the lodgement of this Offer Information Statement with the Authority but before the Closing Date, and that is materially adverse from the point of view of an investor or is required to be disclosed pursuant to law and/or the SGX-ST. The Company is also subject to the Listing Manual regarding corporate disclosure.

TAKE-OVER LIMITS

The Code regulates, among others, the acquisition of ordinary shares of public companies, including the Company.

Pursuant to the Code, except with the consent of the SIC, where:

- (a) any person acquires, whether by a series of transactions over a period of time or not, Shares which (taken together with Shares held or acquired by parties acting in concert with him) carry 30.0% or more of the voting rights in the Company; or
- (b) any person who, together with parties acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights of the Company and such person, or any person acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than 1.0% of the voting rights of the Company,

such person must extend a mandatory take-over offer immediately for all the remaining Shares in the Company which carry voting rights in accordance with the provisions of the Code.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of the Rights Shares pursuant to the Rights Issue or the acceptance of the Nil-Paid Rights and/or the application for excess Rights Shares, should consult the SIC and/or their professional advisers immediately.

As at the Latest Practicable Date, the Undertaking Shareholders have an aggregate interest in 308,581,595 Shares, representing approximately 52.4 per cent. of the total issued Shares, and each of the Undertaking Shareholders has irrevocably undertaken to the Company that it will, *inter alia*, subscribe and pay in full for its *pro rata* entitlement to the Rights Shares under the Rights Issue.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART II – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.

Name of Directors	Address
Dr. Gan See Khem	7 Temasek Boulevard #12-10 Suntec Tower One Singapore 038987
Ms. Chin Wei Jia	7 Temasek Boulevard #12-10 Suntec Tower One Singapore 038987
Mr. Chin Wei Yao	7 Temasek Boulevard #12-10 Suntec Tower One Singapore 038987
Professor Annie Koh	7 Temasek Boulevard #12-10 Suntec Tower One Singapore 038987
Dr. Cheah Way Mun	7 Temasek Boulevard #12-10 Suntec Tower One Singapore 038987
Professor Tan Chin Tiong	7 Temasek Boulevard #12-10 Suntec Tower One Singapore 038987

Advisers

2. Provide the names and addresses of –

- (a) the issue manager to the offer, if any;

Manager of the Rights Issue	:	Oversea-Chinese Banking Corporation Limited 63 Chulia Street #10-00 Singapore 049514
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- (b) the underwriter to the offer, if any; and

The Rights Issue is not underwritten.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

(c) the legal adviser for or in relation to the offer, if any.

Legal Adviser to the	:	Allen & Gledhill LLP
Company as to		One Marina Boulevard
Singapore law		#28-00
		Singapore 018989

Registrars and Agents

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.

Share Registrar	:	Boardroom Corporate & Advisory Services Pte. Ltd.
		50 Raffles Place
		#32-01 Singapore Land Tower
		Singapore 048623

Receiving Banker	:	Oversea-Chinese Banking Corporation Limited
		63 Chulia Street
		#10-00
		Singapore 049514

PART III – OFFER STATISTICS AND TIMETABLE

Offer Statistics

1. For each method of offer, state the number of the securities being offered.

Renounceable non-underwritten rights issue of up to 32,376,443 Rights Shares, on the basis of 11 Rights Shares for every 200 existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

Method and Timetable

2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to –

(a) the offer procedure; and

(b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.

Please see paragraphs 3 to 7 of Part III “Offer Statistics and Timetable – Method and Timetable” of the Sixteenth Schedule.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.

Please refer to the section “**Expected Timetable of Key Events**” of this Offer Information Statement for the time at, date on, and period during which the Rights Issue will be kept open.

At the date of this Offer Information Statement, the Company does not expect the timetable under the section “**Expected Timetable of Key Events**” of this Offer Information Statement to be modified. However, the Company may, upon consultation with the Manager and with the approval of the SGX-ST and/or CDP, modify the timetable subject to any limitations under any applicable laws. In such an event, the Company will publicly announce the same through an announcement on SGXNET to be posted on the website of the SGX-ST at www.sgx.com.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation, splitting and/or sales of the Nil-Paid Rights and for the applications for excess Rights Shares, including the different modes of acceptance or application and payment, are contained in **Appendices B to D** to this Offer Information Statement and in the ARE, the ARS and the PAL (as the case may be).

4. State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.

The Rights Shares are payable in full upon acceptance and/or application. Details of the methods of payment for the Rights Shares are contained in **Appendices B to D** to this Offer Information Statement and in the ARE, the ARS and the PAL (as the case may be).

Please refer to the section “**Expected Timetable of Key Events**” of this Offer Information Statement for the last date and time for payment for the Rights Shares and if applicable, excess Rights Shares.

5. State, where applicable, the methods of and time limits for –
- (a) the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and
 - (b) the book-entry transfers of the securities being offered in favour of subscribers or purchasers.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

The Rights Shares will be provisionally allotted to Entitled Shareholders on or about 23 February 2017 by crediting the Nil-Paid Rights into the Securities Accounts of the Entitled Depositors maintained with CDP or through the despatch of the PALs to Entitled Scripholders, based on their respective shareholdings in the Company as at the Books Closure Date.

In the case of Entitled Scripholders and their renounees with valid acceptances of Nil-Paid Rights and/or (if applicable) successful applications for excess Rights Shares and who have, *inter alia*, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form in the PAL, share certificate(s) representing such number of Rights Shares will be sent by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained in the records of the Share Registrar within 10 Market Days after the Closing Date.

In the case of Entitled Depositors, Purchasers, Entitled Scripholders and their renounees with valid acceptances of Nil-Paid Rights and/or (if applicable) successful applications for excess Rights Shares and who have furnished valid Securities Account numbers in the relevant form in the PAL, share certificate(s) representing such number of Rights Shares will be sent to CDP within 10 Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. CDP will then send a notification letter to the relevant subscribers, at their own risk, stating the number of Rights Shares credited to their Securities Accounts.

Please refer to **Appendices B to D** to this Offer Information Statement and the ARE, the ARS and the PAL (as the case may be) for further details.

- 6. In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.**

Please refer to **Appendices B to D** to this Offer Information Statement and the ARE, the ARS and the PAL (as the case may be) for details on the procedures for, and the terms and conditions applicable to, acceptances, renunciation, splitting and/or sales of the Nil-Paid Rights and for the applications for excess Rights Shares, including the different modes of acceptance or application and payment, the trading of the Nil-Paid Rights on the SGX-ST and the treatment of the Nil-Paid Rights which are not accepted.

- 7. Provide a full description of the manner in which results of the allotment or allocation of the securities are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).**

Results of the Rights Issue

As soon as practicable after the Closing Date, the Company will announce the results of the Rights Issue through an announcement on SGXNET to be posted on the website of the SGX-ST at www.sgx.com.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Manner of refund

If any acceptance of and/or excess application for the Rights Shares is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of trading of the Rights Shares at their own risk by any one or a combination of the following:

- (a) where the acceptance and/or application has been made through CDP, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses in Singapore as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution;
- (b) where the acceptance and/or application has been made through the Share Registrar, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses as maintained in the records of the Share Registrar; or
- (c) where acceptance and/or application has been made by way of an Electronic Application, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge to the Company, the Manager and CDP of their obligations, if any, thereunder.

Please refer to **Appendices B to D** to this Offer Information Statement and the ARE, the ARS and the PAL (as the case may be) for further details.

PART IV – KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

1. **In the same section, provide the information set out in paragraphs 2 to 7 of this Part.**

Please refer to paragraphs 2 to 7 of Part IV “**Key Information – Use of Proceeds from Offer and Expenses Incurred**” of the Sixteenth Schedule.

2. **Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.**

For illustrative purposes only:

- (a) based on the issued Shares as at the Latest Practicable Date, assuming the Rights Issue is fully subscribed, the number of Rights Shares to be allotted and issued under the Rights Issue will be 32,376,443 (the “**Maximum Subscription Scenario**”); and

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- (b) based on the issued Shares as at the Latest Practicable Date, assuming that only the Undertaking Shareholders subscribe for their *pro rata* entitlements to the Rights Shares pursuant to the Irrevocable Undertakings and no other Shareholder subscribes for any Rights Shares, the number of Rights Shares to be allotted and issued under the Rights Issue will be 16,971,977 (the “**Minimum Subscription Scenario**”).

The estimated amount of the proceeds of the Rights Issue (net of estimated costs and expenses incurred in connection with the Rights Issue of approximately SGD0.6 million) is expected to be approximately SGD17.9 million under the Maximum Subscription Scenario and approximately SGD9.1 million under the Minimum Subscription Scenario.

All net proceeds from the Rights Issue will go to the Company.

3. **Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.**

The Company intends to utilise the net proceeds of the Rights Issue to partially pay the cash purchase price for the MIL Acquisition, the Senipuri Acquisition and the 2M Acquisition.

Pending the deployment of the net proceeds from the Rights Issue, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, or used for any other purposes on a short-term basis as the Directors may in their absolute discretion deem appropriate in the interests of the Company.

The Company will make periodic announcements on the utilisation of the net proceeds from the Rights Issue as and when the funds from the Rights Issue are materially disbursed and whether such disbursements are in accordance with the use of the net proceeds as stated in this Offer Information Statement, and provide a status report on the use of the net proceeds from the Rights Issue in the Company’s annual reports until such time the net proceeds from the Rights Issue have been fully utilised. Where there is material deviation in the use of the net proceeds, the Company will announce the reasons for such deviation.

The foregoing discussion represents the Company’s estimate of its allocation of the expected net proceeds of the Rights Issue based upon its current intention, plans and estimates regarding its anticipated expenditures. Actual expenditures may vary from these estimates and the Company may find it necessary or advisable to re-allocate the net proceeds within the categories described above or to use portions of the net proceeds for other purposes. In the event that the Company decides to re-allocate the net proceeds from the Rights Issue for other purposes, it will publicly announce its intention to do so through an announcement on SGXNET to be posted on the website of the SGX-ST at www.sgx.com.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

There is no minimum amount which, in the reasonable opinion of the Directors, must be raised from the Rights Issue taking into consideration the intended use of the net proceeds from the Rights Issue.

4. **For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.**

Under the Maximum Subscription Scenario, for each dollar of the gross proceeds of approximately SGD18.5 million that will be raised from the Rights Issue, the Company will allocate:

- (a) approximately 96.8 cents to partially pay the cash purchase price for the MIL Acquisition, the Senipuri Acquisition and the 2M Acquisition; and
- (b) approximately 3.2 cents to pay the expenses incurred in connection with the Rights Issue.

Under the Minimum Subscription Scenario, for each dollar of the gross proceeds of approximately SGD9.7 million that will be raised from the Rights Issue, the Company will allocate:

- (i) approximately 93.8 cents to partially pay the cash purchase price for the MIL Acquisition, the Senipuri Acquisition and the 2M Acquisition; and
- (ii) approximately 6.2 cents to pay the expenses incurred in connection with the Rights Issue.

5. **If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.**

On 11 November 2016, the Company announced that it has agreed to increase its ownership in 48.9%-owned Mahkota Medical Centre and 60.8%-owned Regency Specialist Hospital to 100% each (the “**Acquisition**”), for an aggregate consideration of RM556.5 million (or SGD183.2 million) (the “**Purchase Price**”), to be satisfied by a combination of SGD69,295,184 in cash and 199,822,890 ordinary shares in the capital of the Company (the “**Consideration Shares**”) to be issued at the issue price of SGD0.57 per share. In connection with the Acquisition, the Company entered into separate share purchase agreements to acquire:

- (a) all the issued shares in the capital of MIL from MM for SGD131,187,848, being the SGD equivalent of RM398,548,683 (the “**MIL SPA**”, and the transactions therein, the “**MIL Acquisition**”). MIL is a wholly-owned holding entity of MM, and MM will, prior to completion of the Acquisition, undergo an internal restructuring to transfer all its direct interests in MMCSB, MMGSB and MCSB to MIL. MIL will therefore have a direct interest of 38.4% in MMCSB, and effective interests of 25.0% in each of RSHSB and RMCSA through its 38.4% shareholdings in MMGSB and MCSB;

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- (b) all the 250,000 issued ordinary shares in the capital of Senipuri from the Senipuri Shareholders for SGD42,495,448, being the SGD equivalent of RM129,101,186 (the “**Senipuri SPA**”, and the transactions therein, the “**Senipuri Acquisition**”). Senipuri has a direct interest of 12.4% in MMCSB, and effective interests of 8.1% in each of RSHSB and RMCSA through its 12.4% shareholdings in MMGSB and MCSB respectively. Senipuri is a holding entity of a group of Singapore-based doctors, including Dr. Cheah Way Mun;
- (c) all the 6,000 issued ordinary shares in the capital of 2M and the acceptance of an assignment of outstanding non interest-bearing shareholders’ loans of approximately SGD3,331,334.74, from the 2M Shareholders for SGD8,873,232, being the SGD equivalent of RM26,956,866 (the “**2M SPA**”, and the transactions therein, the “**2M Acquisition**”). 2M has direct interests of 6.0% in each of RSHSB and RMCSA. 2M is a holding entity of a group of Singapore-based doctors, including Dr. Cheah Way Mun;
- (d) 600 ordinary shares and 100 redeemable convertible preference shares in the capital of MMGSB, 30,000 ordinary shares in the capital of MMCSB and 100 ordinary shares in the capital of MCSB from Dr. Ang Eng Lip for SGD341,457, being the SGD equivalent of RM1,037,346 (the “**Dr. A SPAs**”, and the transactions therein, the “**Dr. A Acquisition**”). Dr. Ang Eng Lip has a direct interest of 0.1% in MMCSB, and effective interests of less than 0.1% in each of RSHSB and RMCSA through his 0.1% shareholdings in MMGSB and MCSB respectively; and
- (e) 522 ordinary shares and 87 redeemable convertible preference shares in the capital of MMGSB, 26,000 ordinary shares in the capital of MMCSB and 87 ordinary shares in the capital of MCSB from Dr. Fan Richard @Fan Foo Tang Richard for SGD296,250, being the SGD equivalent of RM900,007 (the “**Dr. B SPAs**”, and the transactions therein, the “**Dr. B Acquisition**”). Dr. Fan Richard @Fan Foo Tang Richard has a direct interest of less than 0.1% in MMCSB, and effective interests of less than 0.1% in each of RSHSB and RMCSA through his less than 0.1% shareholdings in MMGSB and MCSB respectively.

The consideration for the Acquisition will be satisfied by a combination of cash and Consideration Shares to be issued at an issue price of SGD0.57 per Consideration Share as follows:

Acquisition	Seller	Cash Consideration	Number of Consideration Shares	Total Consideration
MIL Acquisition	MM	SGD43,291,990	154,203,259	SGD131,187,848
Senipuri Acquisition	Senipuri Shareholders	SGD21,247,724	37,276,703	SGD42,495,448
2M Acquisition	2M Shareholders	SGD4,436,616	7,783,536	SGD8,873,232
Dr. A Acquisition	Dr. Ang Eng Lip	SGD170,729	299,524	SGD341,457
Dr. B Acquisition	Dr. Fan Richard @Fan Foo Tang Richard	SGD148,125	259,868	SGD296,250
Total		SGD69,295,184	199,822,890	SGD183,194,235

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The net proceeds of the Rights Issue will be used to partially pay the cash consideration for the MIL Acquisition, the Senipuri Acquisition and the 2M Acquisition. The aggregate cash purchase price of SGD318,854 for the Dr. A Acquisition and Dr. B Acquisition will be satisfied from the Company's internal cash resources.

Dr. Cheah Way Mun, an independent non-executive Director, holds 64,280 ordinary shares in the capital of Senipuri (or 25.7% of the total issued share capital of Senipuri) and 1,000 ordinary shares in the capital of 2M (or 16.7% of the total issued share capital of 2M), and has non interest-bearing shareholder's loans amounting to SGD555,222.12 owing to him from 2M.

Pursuant to the Senipuri SPA, the Company has agreed to acquire 64,280 ordinary shares in the capital of Senipuri from Dr. Cheah Way Mun. Pursuant to the 2M SPA, the Company has agreed to acquire 1,000 ordinary shares in the capital of 2M from Dr. Cheah Way Mun, and accept an assignment from Dr. Cheah Way Mun of SGD555,222.12 in non interest-bearing shareholder's loan owing to him from 2M (collectively, the "**CWM Acquisition**").

The aggregate consideration for the CWM Acquisition is SGD12,405,302, being the SGD equivalent of RM37,687,308 (the "**CWM Purchase Price**"). The CWM Purchase Price will be satisfied by a combination of cash amounting to SGD6,202,651 and 10,881,843 Consideration Shares to be issued at an issue price of SGD0.57 per Consideration Share.

The CWM Acquisition constitutes an "interested person transaction" requiring the approval of the Shareholders under Rule 906 of the Listing Manual as:

- (a) Dr. Cheah Way Mun is an independent non-executive Director of the Company; and
- (b) the CWM Purchase Price represents 16.2% of the Group's latest audited consolidated net tangible assets as at 30 June 2016 of RM232.3 million (SGD76.5 million).

The CWM Purchase Price, as part of the overall Purchase Price, is a negotiated price, agreed on an arm's length basis between the Company and the Sellers. It takes into account, among other things, the profit contributions of Mahkota Medical Centre and Regency Specialist Hospital, the Company's internal valuations for Mahkota Medical Centre and Regency Specialist Hospital based on relative valuation methodologies and negotiations with the Sellers², and the fact that the Sellers will continue to retain a significant exposure to the growth of the business via the Consideration Shares as well as a partial monetisation in cash.

The CWM Acquisition was approved by the Shareholders at an extraordinary general meeting of the Company held on 10 February 2017.

6. If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.

Not applicable. The net proceeds from the Rights Issue are not currently intended to be used to finance or refinance the acquisition of another business.

² For the avoidance of doubt, the Company did not engage an independent valuer to conduct a formal valuation on Mahkota Medical Centre and Regency Specialist Hospital.

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7. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.

Not applicable. The net proceeds from the Rights Issue are not currently intended to be used to discharge, reduce or retire the indebtedness of the Company or of the Group.

8. In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.

Not applicable. The Rights Issue is not underwritten and no placement or selling agent has been appointed by the Company in relation to the Rights Issue.

Information on the Relevant Entity

9. Provide the following information:

- (a) the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office);

Registered Office and	:	7 Temasek Boulevard
Principal Place of Business	:	#12-10
		Suntec Tower One
		Singapore 038987

Telephone number	:	+65 6804 9888
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Facsimile number	:	+65 6253 8259
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- (b) the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;

Overview

The principal activities of the Group are provision of healthcare and healthcare education services.

The Group's key assets comprise two hospitals in Malaysia, the Mahkota Medical Centre in Malacca and the Regency Specialist Hospital in Johor. The hospitals are supported by a network of 17 patient referral centres across Southeast Asia. The Group also provides hospital management, project consultancy and advisory services, and owns and operates the HMI Institute of Health Sciences in Singapore.

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Mahkota Medical Centre

The Company first acquired a 20.0% direct stake in Mahkota Medical Centre in 1999, and gradually increased its shareholding to the current 48.9% by 2007. Operational since 1994, Mahkota Medical Centre is a 288-bed capacity tertiary hospital in Malacca, Malaysia. It serves almost 300,000 patients per year, with over 120 practising consultants in a wide range of specialities including oncology, cardiology, neurology, obstetrics & gynaecology and orthopaedic surgery.

In FY2016, Mahkota Medical Centre continued to grow its revenue by 8.3% from RM229.0 million (SGD75.4 million) to RM248.0 million (SGD81.6 million), with EBITDA increasing 11.8% from RM61.0 million (SGD20.1 million) to RM68.2 million (SGD22.4 million). For FY2016, Mahkota Medical Centre recorded a pre-tax profit of RM50.7 million (SGD16.7 million). Patient load in FY2016 increased by 1.9% to around 295,000, and the beds occupancy rate for FY2016, calculated based on the midnight bed census, was 65%.

Operationally, Mahkota Medical Centre continues to expand its core specialities and sub-specialities, invest in the latest medical equipment, further develop its Centres of Excellence and increase utilisation of its existing facilities for patient services.

Regency Specialist Hospital

The Company first acquired a 44.0% effective stake in Regency Specialist Hospital in 2007 and gradually increased its effective shareholding to the current 60.8% by 2009. Operational since 2009, Regency Specialist Hospital is a 218-bed capacity tertiary hospital in Iskandar, Johor, Malaysia. It serves over 110,000 patients per year, with over 70 practising consultants in a wide range of specialities including oncology, cardiology, neurology, obstetrics & gynaecology and orthopaedic surgery.

In FY2016, Regency Specialist Hospital continued to grow its revenue by 27.8% from RM110.9 million (SGD36.5 million) to RM141.7 million (SGD46.6 million), with EBITDA increasing 45.8% from RM19.2 million (SGD6.3 million) to RM28.0 million (SGD9.2 million). For FY2016, Regency Specialist Hospital recorded a pre-tax profit of RM23.6 million (SGD7.8 million). Patient load in FY2016 increased by 13.9% to around 114,000, and the beds occupancy rate for FY2016, calculated based on the midnight bed census, was 70%.

To cater to the growing number of patients, Regency Specialist Hospital will be constructing a new hospital extension block adjacent to its existing hospital building. The new block will more than double its existing capacity with more inpatient beds, clinical services, operating theatres, as well as clinical suites for sale or rental to doctors. Construction is expected to commence in the second half of 2017 and take approximately 2.5 years to complete. As at the Latest Practicable Date, the capital expenditure for the extension block is estimated at approximately RM160 million. This is a preliminary estimate that is subject to change as the expansion plans are still being finalised. The expansion is expected to be funded by debt and internal cash resources. The amount of loan that would be needed is not finalised yet as the expansion plans are still being finalised. As of 30 June 2016, the audited cash and cash equivalent balance for the Group was RM78.9 million (SGD26.0 million), of which RM29.1 million (SGD9.6

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million) was the cash and cash equivalent balance for Regency Specialist Hospital. This expansion project is not expected to adversely affect the Company's internal cash resources or Regency Specialist Hospital's operations during the construction period.

HMI Institute of Health Sciences

HMI Institute of Health Sciences provides nationally accredited nursing education and healthcare vocational skills training, and also offers courses on Emergency Life Support (Pre-Hospital Care). As at the Latest Practicable Date, the institute is one of only two Singapore Workforce Development Agency-appointed Continuing Education and Training centres for the healthcare support sector in Singapore.

Subsidiaries and Associated Companies

As at the Latest Practicable Date, the subsidiaries and associated companies of the Company and their principal activities are as follows:

	Principal Activities	Country of Incorporation	Holding Interest (%)
Subsidiaries (held by the Company)			
HMI Institute of Health Sciences Pte. Ltd.	Healthcare education and training	Singapore	100
HMI Health Management (M) Sdn. Bhd.	Hospital management services	Malaysia	100
Mahkota Medical Centre Sdn. Bhd. ("MMCSB") ⁽¹⁾	Hospital and healthcare services	Malaysia	48.95
Mahkota Medical Group Sdn. Bhd. ("MMGSB") ⁽²⁾	Investment holding	Malaysia	48.95
Regency Specialist Hospital Sdn. Bhd. ("RSHSB") ⁽³⁾	Hospital and healthcare services	Malaysia	29
Subsidiaries held by MMCSB (48.95% held by the Company)			
Makhota Realty Sdn. Bhd.	Dormant	Malaysia	75
Makhota Land Sdn. Bhd.	Property investment	Malaysia	75
PT. Mahkota Healthcare Services	Hospital management and consulting services	Indonesia	95

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	Principal Activities	Country of Incorporation	Holding Interest (%)
Subsidiary held by MMGSB (48.95% held by the Company)			
Regency Specialist Hospital Sdn. Bhd. ("RSHSB") ⁽³⁾	Hospital and healthcare services	Malaysia	65
Subsidiary held by RSHSB (60.82% held by the Company)			
Regency Specialist Hospital (S) Pte. Ltd.	Hospital management and consulting services	Singapore	100
Associated Companies (held by the Company)			
Nathill Track (M) Sdn. Bhd.	Dormant	Malaysia	30
Mahkota Commercial Sdn. Bhd. ("MCSB")	Holding company of investment properties	Malaysia	48.95
Regency Healthcare Sdn. Bhd.	Dormant	Malaysia	35
Regency Medical Centre (Seri Alam) Sdn. Bhd. ("RMCSA")	Development and lease of a hospital building	Malaysia	29
Panodahlia Sdn. Bhd. ⁽⁴⁾	Healthcare education and training	Malaysia	43.45
Silver Uptown Sdn. Bhd. ⁽⁵⁾	Investment holding	Malaysia	48.95
Associated Companies held by MCSB (48.95% held by the Company)			
Mahkota Realty Sdn. Bhd.	Dormant	Malaysia	25
Raspuri Sdn. Bhd.	Dormant	Malaysia	100
Mahkota Land Sdn. Bhd.	Property investment	Malaysia	25
Pancastle Sdn. Bhd.	Dormant	Malaysia	100
Regency Healthcare Sdn. Bhd.	Dormant	Malaysia	65
Regency Medical Centre (Seri Alam) Sdn. Bhd. ("RMCSA")	Development and lease of a hospital building	Malaysia	65
Associated Companies held by Regency Healthcare Sdn. Bhd. (66.82% held by the Company)			
Regency Medical Centre (Sungai Petani) Sdn. Bhd.	Dormant	Malaysia	85

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Notes:

- (1) Although the Company holds 48.95% equity interest in MMCSB, pursuant to an agreement signed by the shareholders of MMCSB on 21 September 2002, the Company exercises control over the Board of Directors, by having the power to cast majority votes at meetings of the Board of Directors, and accordingly considers MMCSB as a subsidiary.
- (2) Although the Company holds 48.95% equity interest in MMGSB, pursuant to an agreement signed by the shareholders of MMGSB on 22 October 2008, the Company exercises control over the Board of Directors, by having the power to cast majority votes at meetings of the Board of Directors, and accordingly considers MMGSB as a subsidiary.
- (3) The Company controls directly and indirectly interest of 29% and 31.82% respectively and accordingly considers RSHSB a subsidiary.
- (4) The Company operates Mahkota Institute of Health Sciences and Nursing.
- (5) The Company acquired 50% of the issued and paid-up capital of Silver Uptown Sdn. Bhd. on 12 June 2015, and subsequently subscribed 48,947 ordinary shares, representing 48.95% of the enlarged issued and paid-up capital of Silver Uptown Sdn. Bhd. on 16 November 2015.

(c) the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –

- (i) the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**
- (ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**

Key Developments in FY2014

In FY2014, Mahkota Medical Centre added four more specialities and sub-specialities, including respiratory medicine, hepatopancreatobiliary surgery, neo-natal cardiology and paediatric cardiology, to its list of specialities. These new specialities provide a fuller complement of medical services for the hospital's Centre of Excellences. A new specialist outpatient clinic was also established in Mahkota Medical Centre. In FY2014, Mahkota Medical Centre achieved re-accreditation of the Malaysian Society for Quality in Health for a four-year period, and was also awarded The Brand Laureate – SME Master Award 2013 from the Asia Pacific Brand Foundation.

In FY2014, Regency Specialist Hospital opened a new specialist outpatient clinic to cater to the growing needs of patients and to accommodate new doctors joining the hospital. Regency Specialist Hospital also revamped its business centre to improve patient flow, streamlined internal processes and implemented a new hospital information system.

In September 2013, Nam See Investment (Pte) Ltd. made a voluntary conditional cash partial offer to acquire 61,000,000 ordinary shares in the capital of the Company, representing approximately 10.6 per cent. of the issued share capital of the Company as at the date of the offer announcement, at SGD0.16 for each ordinary share. Following the completion of the acquisition in November 2013, Nam See Investment (Pte) Ltd. became the holder of 279,883,673 ordinary shares in the capital of the Company, representing approximately 48.5 per cent. of the issued share capital of the Company.

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In May 2014, the Company announced that it had invested a sum of RM5,220,000 in RSHSB by subscribing for 52,200 redeemable convertible preference shares in RSHSB of RM100.00 each, with par value of RM0.01 and premium of RM99.99 each that were offered to the Company in proportion to the number of shares held by the Company. With the subscription, the Company's equity stake in RSHSB remained at 29.0 per cent. of the total paid up share capital of RSHSB. The Company also announced that its subsidiary, MMGSB, had invested a sum of RM11,700,000 in RSHSB by subscribing for 117,000 of the same redeemable convertible preference shares. The shareholders of MMGSB extended an unsecured and interest-free loan to MMGSB in connection with the subscription, and the Company's share of the unsecured and interest-free loan to MMGSB amounted to RM5,726,914.

Key Developments in FY2015

In FY2015, Mahkota Medical Centre added a new speciality and a sub-speciality, emergency medicine and ophthalmology (retinal services), to its list of specialities. Mahkota Medical Centre also started renovation works to add a new day surgery unit, which will allow the hospital to accommodate more day surgeries. In FY2015, Mahkota Medical Centre was conferred the Frost & Sullivan Best Practices Award 2015: Malaysia Medical Tourism Hospital of the Year Award.

In FY2015, Regency Specialist Hospital signed several memoranda of understanding with key associations in Indonesia to increase its share of the medical tourism market. Regency Specialist Hospital also added a new speciality, nephrology, started its dialysis services and commenced its open heart surgery programme.

In November 2014, the Company announced that pursuant to the HMI Performance Share Plan, it had granted 3,528,000 share awards, comprising 3,528,000 Shares, to each of Dr. Gan See Khem and Ms. Chin Wei Jia, and 1,764,000 share awards, comprising 1,764,000 Shares, to Dr. Chin Koy Nam. The Company also announced that pursuant to the HMI Employee Share Option Scheme, it had granted 1,512,000 options, comprising 1,512,000 Shares, to each of Dr. Gan See Khem and Ms. Chin Wei Jia, and 756,000 options, comprising 756,000 Shares, to Dr. Chin Koy Nam.

In March 2015, the Company announced that MMCSB had entered into termination agreements with several associated companies of the Company, namely MCSB, Pancastle Sdn. Bhd. and Raspuri Sdn. Bhd. to terminate the sale and purchase agreements entered into between the parties in relation to the assets restructuring undertaken by the Group between 2000 and 2004. The assets restructuring exercise involved a transfer of medical, hospital services and commercial units within Mahkota Medical Centre to MCSB, Pancastle Sdn. Bhd. and Raspuri Sdn. Bhd. (the "**Assets Restructuring**"). On 1 January 2014, new restrictions were imposed on foreign-owned companies acquiring more than three units of commercial properties in Melaka, Malaysia. As MCSB, Pancastle Sdn. Bhd. and Raspuri Sdn. Bhd. are foreign-owned companies that own more than three units, they may not be able to obtain consent of the State Authority of Malaysia for the Assets Restructuring. Accordingly, the Assets Restructuring was reconsidered and it was decided that it will be in the best interest of the Group for the exercise to be terminated.

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In June 2015, the Company announced that it had acquired one ordinary share in the capital of Silver Uptown Sdn. Bhd. at a cash consideration of RM1.00, and will subscribe for an additional 48,947 ordinary shares, representing 48.95 per cent. of the enlarged issued and paid-up capital of Silver Uptown Sdn. Bhd. at a cash consideration of RM48,947.00.

Key Developments in FY2016

In FY2016, Mahkota Medical Centre further developed the Mahkota Women and Child Centre with the launch of a new neonatology service. Mahkota Medical Centre also established three new Centres of Excellence, the Mahkota Emergency & Trauma Centre, the Mahkota Liver & Gastro Centre and the Mahkota Diabetes Centre. A new day surgery centre, which houses minor operating theatres and day recovery beds, was also launched in FY2016. New business counters for corporate and insurance patients were set up at the hospital to reduce patient waiting time, and additional personalised logistical support was provided for international patients.

In FY2016, Regency Specialist Hospital launched the Regency Heart Centre in conjunction with World Heart Day 2015, and a new aesthetic service was also set up. Regency Specialist Hospital also increased its number of operational inpatient beds and started refurbishing its wards to improve ambience and nursing work flow.

In September 2015, the Company announced that it had invested a sum of RM4,350,000 in RSHSB by subscribing for 43,500 redeemable convertible preference shares in RSHSB of RM100.00 each, with a par value of RM0.01 and premium of RM99.99 each that were offered to the Company in proportion to the number of shares held by the Company. With the subscription, the Company's equity stake in RSHSB remained at 29.0 per cent. of the total paid up share capital of RSHSB. The Company also announced that its subsidiary, MMGSB, had invested a sum of RM9,750,000 in RSHSB by subscribing for 97,500 of the same redeemable convertible preference shares.

In April 2016, the Company announced the redemption of its 52,200 redeemable convertible preference shares in RSHSB of RM100.00 each, for an aggregate redemption price of RM5,220,000, and the redemption of 117,000 of the same redeemable convertible preference shares held by MMGSB for an aggregate redemption price of RM11,700,000. The Company also announced that it had invested a sum of RM5,220,000 in RMCSA by subscribing for 52,200 redeemable convertible preference shares in RMCSA of RM100.00 each, with a par value of RM0.01 and premium of RM99.99 each that were offered to the Company in proportion to the number of ordinary shares in RMCSA held by the Company. The Company also announced that its associated company, MCSB, had invested a sum of RM11,700,000 in RMCSA by subscribing for 117,000 of the same redeemable convertible preference shares in RMCSA.

Key Developments in 6M2017

In August 2016, the Company announced that it had allotted and issued an aggregate of 8,820,000 new Shares to Dr. Gan See Khem, Ms. Chin Wei Jia and Dr. Chin Koy Nam pursuant to the vesting of the share awards granted to them under the HMI Performance

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Share Plan as announced in November 2014. Following the allotment and issuance of the new Shares, the total number of issued Shares increased to 586,092,286 (which includes the 1,209,600 treasury shares).

In September 2016, the Company announced the adoption of a scrip dividend scheme, the Health Management International Ltd Scrip Dividend Scheme. Under the terms of the scheme, Shareholders may elect to receive fully paid new Shares in lieu of the cash amount of any dividend which is declared on the Shares held by them.

In November 2016, the Company announced that it had agreed to increase its ownership in 48.9%-owned Mahkota Medical Centre and 60.8%-owned Regency Specialist Hospital to 100% each, for an aggregate purchase price of RM556.5 million (or SGD183.2 million). Please refer to paragraph 5 of Part IV “**Key Information – Use of Proceeds from Offer and Expenses Incurred**” of the Sixteenth Schedule for details.

In December 2016, the Company announced that it had allotted and issued an aggregate of 3,780,000 new Shares to Dr. Gan See Khem, Ms. Chin Wei Jia and Dr. Chin Koy Nam pursuant to the exercise of all 3,780,000 share options granted to them under the HMI Employee Share Option Scheme as announced on 14 November 2014. Following the allotment and issuance of the new Shares, the total number of issued Shares increased to 589,872,286 (which includes the 1,209,600 treasury shares).

Key Developments from 1 January 2017 to the Latest Practicable Date

None.

(d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –

- (i) in the case of the equity capital, the issued capital; or**
- (ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;**

As at the Latest Practicable Date, the issued share capital of the Company is approximately SGD43.6 million divided into 588,662,686 Shares (excluding 1,209,600 treasury shares).

As at the Latest Practicable Date, the Company has no loan capital.

(e) where –

- (i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or**

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- (ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;

The interests of the Substantial Shareholders as at the Latest Practicable Date are set out below:

Name	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Nam See Investment (Pte) Ltd.	280,967,473	47.7	—	—	280,967,473	47.7
Dr. Gan See Khem ⁽²⁾⁽³⁾	10,204,600	1.7	298,376,995	50.7	308,581,595	52.4
Dr. Chin Koy Nam ⁽²⁾⁽³⁾	4,044,000	0.7	304,537,595	51.7	308,581,595	52.4
Kabouter Management, LLC ⁽⁴⁾	—	—	48,881,965	8.3	48,881,965	8.3

Notes:

- (1) Based on the total number of issued and outstanding Shares of 588,662,686 (excluding 1,209,600 treasury shares) 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, Ms. Chin Wei Jia, Mr. Chin Wei Yao and Ms. Chin Wei Shan.
- As at the Latest Practicable Date, (i) Ms. Chin Wei Jia has a direct interest in 9,782,400 Shares, (ii) Mr. Chin Wei Yao has a direct interest in 2,147,600 Shares, and (iii) Ms. Chin Wei Shan has a direct interest in 1,435,522 Shares.
- (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, Ms. Chin Wei Jia, Mr. Chin Wei Yao and Ms. Chin Wei Shan.
- (4) Kabouter Management, LLC's deemed interest in the Company is held through funds managed by Kabouter Management, LLC.

- (f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;

As at the date of this Offer Information Statement, the Directors are not aware of any legal or arbitration proceedings to which any member of the Group is a party or which is pending or known to be contemplated which may have or which have had in the 12 months immediately preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

- (g) where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –
- (i) if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- (ii) if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests; and

On 26 August 2016, an aggregate of 8,820,000 new Shares were allotted and issued at an issue price of SGD0.28 to Dr. Gan See Khem, Ms. Chin Wei Jia and Dr. Chin Koy Nam pursuant to the vesting of the awards granted to them under the HMI Performance Share Plan as announced on 14 November 2014.

On 28 December 2016, an aggregate of 3,780,000 new Shares were allotted and issued at an issue price of SGD0.28 to Dr. Gan See Khem, Ms. Chin Wei Jia and Dr. Chin Koy Nam pursuant to the exercise of all 3,780,000 share options granted to them under the HMI Employee Share Option Scheme as announced on 14 November 2014.

Save as disclosed above, the Company has not issued any securities or equity interests in the 12 months immediately preceding the Latest Practicable Date.

- (h) a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.

Save as disclosed below, the Group has not entered into any material contracts outside the ordinary course of business for the period of two years immediately preceding the date of lodgement of this Offer Information Statement:

- (i) a senior secured five-year term loan of up to SGD62.0 million provided by Credit Suisse AG, Singapore Branch, which will be secured against shares in key subsidiaries, MMCSB, RSHSB and RMCSA, and certain fixed assets, amongst other collateral. The interest rate of the term loan is the prevailing three-month Singapore Swap Offer Rate plus a margin which shall be 4.25% initially, to be stepped up over time;
- (ii) the share purchase agreements for the Acquisition, the details of which are set out under paragraph 5 of Part IV **“Key Information – Use of Proceeds from Offer and Expenses Incurred”** of the Sixteenth Schedule; and
- (iii) the Irrevocable Undertakings, the details of which are set out under paragraph 7 of Part VI **“The Offer and Listing – Plan of Distribution”** of the Sixteenth Schedule.

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PART V – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

1. Provide selected data from –

- (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and
- (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.

The audited consolidated statements of comprehensive income of the Group for FY2014 to FY2016 and the unaudited consolidated statements of comprehensive income of the Group for 6M2016 and 6M2017 are set out below:

	Audited FY2014 RM'000	Audited FY2015 RM'000	Audited FY2016 RM'000	Unaudited 6M2016 RM'000	Unaudited 6M2017 RM'000
Turnover	292,912	345,224	397,810	190,701	216,364
Cost of services	(207,078)	(242,166)	(268,033)	(127,927)	(143,839)
Gross profit	85,834	103,058	129,777	62,774	72,525
Interest income	2,498	1,690	1,703	890	917
Other gains/(losses) – net	1,187	(581)	1,353	(1,618)	887
Distribution and marketing costs	(2,698)	(2,458)	(2,703)	(1,227)	(1,537)
Administrative costs	(41,966)	(46,726)	(65,162)	(30,411)	(34,849)
Finance costs	(3,562)	(3,354)	(3,637)	(2,296)	(999)
Share of results of associates	4,906	3,134	2,051	1,433	831
Profit before tax	46,199	54,763	63,382	29,545	37,775
Income tax expense	(10,157)	(1,406)	(17,931)	(9,682)	(10,849)
Profit after tax	36,042	53,357	45,451	19,863	26,926
Other comprehensive income					
Item that may be reclassified subsequently to profit or loss:					
Currency translation differences arising from consolidation – gains	1,089	3,260	3,307	4,110	2,783
Total comprehensive income	37,131	56,617	48,758	23,973	29,709

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

	Audited FY2014 RM'000	Audited FY2015 RM'000	Audited FY2016 RM'000	Unaudited 6M2016 RM'000	Unaudited 6M2017 RM'000
Profit attributable to:					
Equity holders of the Company	16,027	27,643	19,899	6,776	11,502
Non-controlling interests	20,015	25,714	25,552	13,087	15,424
	<u>36,042</u>	<u>53,357</u>	<u>45,451</u>	<u>19,863</u>	<u>26,926</u>
Total comprehensive income attributable to:					
Equity holders of the Company	17,113	30,897	23,202	10,879	14,281
Non-controlling interests	20,018	25,720	25,556	13,094	15,428
Total comprehensive income	<u>37,131</u>	<u>56,617</u>	<u>48,758</u>	<u>23,973</u>	<u>29,709</u>

2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:

- (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
- (b) earnings or loss per share; and
- (c) earnings or loss per share, after any adjustment to reflect the sale of new securities.

	Audited FY2014 RM sen	Audited FY2015 RM sen	Audited FY2016 RM sen	Unaudited 6M2016 RM sen	Unaudited 6M2017 RM sen
Dividends per Share (sen)	–	–	0.75	–	–
<u>Earnings per Share (sen)⁽¹⁾</u>					
Before Rights Issue					
Basic	2.78	4.79	3.45	1.17	1.98
Diluted	2.78	4.69	3.38	1.15	1.95
After Rights Issue (Assuming Maximum Subscription Scenario)⁽²⁾⁽³⁾					
Basic	2.63	4.54	3.27	1.11	1.87
Diluted	2.63	4.44	3.20	1.09	1.85
After Rights Issue (Assuming Minimum Subscription Scenario)⁽²⁾⁽⁴⁾					
Basic	2.70	4.65	3.35	1.14	1.92
Diluted	2.70	4.56	3.28	1.12	1.90

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Notes:

- (1) The basic earnings per Share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the corresponding period. The diluted earnings per Share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding (computed on a fully-diluted basis) during the corresponding period.
- (2) For the calculation of the earnings per Share after the Rights Issue, it was assumed that (a) the Rights Issue has been completed and (b) the Rights Shares have been issued on the first day of the relevant financial period.
- (3) Based on 32,376,443 Rights Shares to be allotted and issued under the Maximum Subscription Scenario.
- (4) Based on 16,971,977 Rights Shares to be allotted and issued under the Minimum Subscription Scenario.

Please also refer to the consolidated statements of comprehensive income set out in paragraph 1 of Part V “**Operating And Financial Review And Prospects – Operating Results**” of the Sixteenth Schedule.

3. In respect of –

- (a) **each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and**
- (b) **any subsequent period for which interim financial statements have been published,**

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

6M2017 compared to 6M2016

For 6M2017, the Group’s turnover increased by RM25.7 million or 13.5% from RM190.7 million to RM216.4 million, when compared with 6M2016. Turnover from the Group’s hospital and healthcare business accounted for approximately RM22.5 million of the increase mainly due to increased patient load, more specialist consultants recruited and higher average bill sizes per patient at both hospitals. The Group’s healthcare education business registered a RM3.1 million increase in revenue in 6M2017 as compared to 6M2016 due to higher student headcount.

Gross profit margin improved to 33.5% in 6M2017 from 32.9% in 6M2016 as a result of higher revenue intensity driven by more complex medical procedures in both hospitals and better cost management. Other gains of RM0.9 million was recorded in 6M2017 compared to other losses of RM1.6 million in 6M2016. The increase was mainly due to gains recorded from sale of medical suites and a decrease of RM1.7 million in foreign exchange losses recorded in 6M2017 due to the weakening Malaysian ringgit against the Singapore dollar. In 6M2016, RM3.8 million of foreign exchange losses were recorded.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Distribution and marketing expenses in 6M2017 were comparable to 6M2016. Administrative expenses in 6M2017 increased by RM4.4 million as compared to 6M2016 mainly due to incurrence of RM0.9 million in professional fees relating to the Acquisition, and increase in general operating costs, offset by RM1.0 million lower share-based payment expenses in 6M2017. Finance costs decreased by RM1.3 million mainly due to full repayment of amounts owing to the associated companies in FY2016.

As a result of the above, the Group registered a profit before tax of RM37.8 million in 6M2017, 28.1% higher as compared to RM29.5 million in 6M2016. Tax expense increased by RM1.2 million mainly due to higher profitability in both hospitals. The profit attributable to shareholders was RM11.5 million and RM6.8 million in 6M2017 and 6M2016 respectively, whereas profit attributable to non-controlling interests was RM15.4 million and RM13.1 million in 6M2017 and 6M2016 respectively.

FY2016 compared to FY2015

For FY2016, the Group's turnover increased by RM52.6 million or 15.2% from RM345.2 million to RM397.8 million, when compared with FY2015. Turnover from the Group's hospital and healthcare business accounted for approximately RM51.4 million of the increased turnover, mainly due to increased patient load, more specialist consultants recruited and higher average bill sizes per patient at both hospitals. The revenue for the Group's healthcare education business grew marginally by RM1.2 million in FY2016 as compared to FY2015 due to higher student headcount.

Despite the higher expenses arising from input goods and services tax which could not be recovered, gross profit margin improved to 32.6% in FY2016 from 29.9% in FY2015 as a result of higher revenue intensity driven by more complex medical procedures in both hospitals and better cost management. Other gains increased by RM1.9 million, mainly due to lower foreign exchange losses of RM0.8 million in FY2016 and higher sponsorship income recorded in FY2016 as compared to FY2015.

Distribution and marketing expenses for FY2016 were comparable to that of FY2015. Administrative expenses increased by RM18.4 million to RM65.2 million as compared to FY2015 mainly due to an increase in indirect labour costs of RM4.5 million, higher facility related expenses of RM2.2 million, higher share-based payment expenses of RM1.0 million, higher provision for doubtful debts of RM1.5 million, one-off reversal of provision in prior financial year amounting to RM2.2 million and higher general operating expenses. Finance costs increased by RM0.3 million in FY2016 as a result of higher balances owing to associated companies during the year.

As a result of the above, the Group registered a profit before tax of RM63.4 million in FY2016, 15.7% higher than in FY2015. Tax expense increased by RM16.5 million mainly due to one-off recognition of deferred tax assets of RM9.0 million by RSHSB in FY2015 and the subsequent utilisation of RM5.5 million of deferred tax assets by RSHSB in FY2016. The profit attributable to shareholders was RM19.9 million and RM27.6 million in FY2016 and FY2015 respectively, whereas profit attributable to non-controlling interests was RM25.6 million and RM25.7 million in FY2016 and FY2015 respectively.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

FY2015 compared to FY2014

For FY2015, the Group's turnover increased by RM52.3 million or 17.9% from RM292.9 million to RM345.2 million, when compared with FY2014. Turnover from the Group's hospital and healthcare business accounted for approximately RM51.0 million of the increase mainly due to higher patient load and average bill sizes in its two hospitals. The Group's healthcare education business registered a RM1.3 million increase in revenue due to higher student headcount.

Gross profit margin remained consistent at 29.8% for FY2015 and 29.3% for FY2014. Interest income was RM0.8 million lower in FY2015 due to lower amounts owing by associated companies due to the Assets Restructuring. Higher foreign exchanges losses of RM3.7 million as a result of the weakening Malaysian ringgit against the Singapore dollar and the absence of non-recurring one-off sponsorships which were received in the first half of FY2014 resulted in other losses of RM0.6 million for FY2015, as compared to other gains of RM1.2 million in FY2014.

Distribution and marketing expenses for FY2015 were comparable to that of FY2014. Administrative expenses increased by RM4.8 million to RM46.7 million in FY2015 as compared to FY2014 mainly due to RM3.0 million increase in share-based expenses recorded for the first time in FY2015. The remaining RM1.8 million increase was due to higher general operating expenses as a result of higher patient volume and higher depreciation expenses as a result of the Assets Restructuring. The rate of increase in expenses was lower than the rate of increase in turnover mainly due to improved cost management. Finance expenses for FY2015 decreased by RM0.2 million due to the repayment of bank borrowings during the year and offset by higher finance costs arising from higher amounts owing to associated companies.

As a result of the above, the Group registered a 18.5% increase in profit before tax of RM54.8 million in FY2015, as compared to RM46.2 million in FY2014. Tax expense decreased significantly by RM8.8 million mainly due to the reversal of deferred tax liabilities in 3Q2015 as a result of the Assets Restructuring and recognition of deferred tax assets of approximately RM9.0 million by RSHSB. The profit attributable to shareholders was RM27.6 million and RM16.0 million in FY2015 and FY2014 respectively, whereas profit attributable to non-controlling interests was RM25.7 million and RM20.0 million in FY2015 and FY2014 respectively.

Financial Position

- 4. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of –**
- (a) the most recent completed financial year for which audited financial statements have been published; or**
 - (b) if interim financial statements have been published for any subsequent period, that period.**

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

The audited consolidated statement of financial position of the Group as at 30 June 2016 and the unaudited consolidated statement of financial position of the Group as at 31 December 2016 are set out below:

	Group	
	As at 30-Jun-16 RM'000	As at 31-Dec-16 RM'000
ASSETS		
Current Assets		
Cash and cash equivalents	78,928	94,488
Trade and other receivables	57,400	57,821
Tax recoverable	6	22
Inventories	14,050	12,984
Other current assets	4,167	3,386
	154,551	168,701
Non-Current Assets		
Trade and other receivables	121	131
Other non-current assets	436	457
Investments in associated corporations	46,355	48,128
Property, plant and equipment	177,867	181,446
Deferred income tax assets	3,555	5
	228,334	230,167
Total Assets	382,885	398,868
LIABILITIES		
Current Liabilities		
Trade and other payables	79,299	66,234
Current income tax liabilities	3,673	5,383
Borrowings	27,495	25,760
Deferred income	2,062	1,763
	112,529	99,140
Non-Current Liabilities		
Trade and other payables	18,251	18,251
Borrowings	14,362	14,011
Deferred income tax liabilities	5,479	5,470
	38,092	37,732
Total Liabilities	150,621	136,872
NET ASSETS	232,264	261,996
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	90,564	102,131
Treasury shares	(1,022)	(1,022)
Currency translation reserve	12,417	15,196
Other reserves	7,130	68
Retained earnings	61,553	68,573
	170,642	184,946
Non-controlling interests	61,622	77,050
TOTAL EQUITY	232,264	261,996

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities;
 - (b) net assets or liabilities per share; and
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.

For illustrative purposes only, the following is an analysis of the financial effects of the Rights Issue on the net asset value per Share.

	Audited As at 30 June 2016		Unaudited As at 31 December 2016	
	Assuming the Minimum Subscription Scenario	Assuming the Maximum Subscription Scenario	Assuming the Minimum Subscription Scenario	Assuming the Maximum Subscription Scenario
<u>Before the Rights Issue</u>				
Number of Shares ('000)	576,063 ⁽¹⁾	576,063 ⁽¹⁾	588,663 ⁽²⁾	588,663 ⁽²⁾
Net asset value per Share (cents)	29.62 ⁽¹⁾	29.62 ⁽¹⁾	31.42 ⁽²⁾	31.42 ⁽²⁾
<u>Adjusted for the Rights Issue⁽³⁾</u>				
Number of Shares ('000)	593,035 ⁽⁴⁾	608,439 ⁽⁵⁾	605,635 ⁽⁴⁾	621,039 ⁽⁵⁾
Net asset value per Share (cents)	33.34 ⁽⁴⁾	36.81 ⁽⁵⁾	35.18 ⁽⁴⁾	38.69 ⁽⁵⁾

Notes:

- (1) Based on the existing issued Shares as at 30 June 2016.
- (2) Based on the existing issued Shares as at 31 December 2016.
- (3) For the calculation of the net asset value per Share after the Rights Issue, it was assumed that (a) the Rights Issue has been completed and fully subscribed for and (b) the Rights Shares have been issued by the end of the relevant financial period.
- (4) Based on 16,971,977 Rights Shares to be allotted and issued under the Minimum Subscription Scenario.
- (5) Based on 32,376,443 Rights Shares to be allotted and issued under the Maximum Subscription Scenario.

Please also refer to paragraph 4 of Part V “Operating And Financial Review And Prospects – Financial Position” of the Sixteenth Schedule.

Liquidity and Capital Resources

6. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of –
- (a) the most recent completed financial year for which financial statements have been published; and
 - (b) if interim financial statements have been published for any subsequent period, that period.

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The audited consolidated statement of cash flows of the Group for FY2016 and the unaudited consolidated statement of cash flows of the Group for 6M2017 are set out below:

	Audited FY2016 RM'000	Unaudited 6M2017 RM'000
Cash Flows from Operating Activities		
Profit after tax	45,451	26,926
Adjustments for:		
– Income tax expense	17,931	10,849
– Depreciation	18,306	9,792
– Allowance for impairment of trade and other receivables – net	3,580	6
– Interest expense	3,637	999
– Share-based payment expenses	4,036	1,238
– Interest income	(1,703)	(917)
– Loss/(gain) on disposal and write-off of property, plant and equipment	95	(3)
– Share of profit of associated corporations	(2,051)	(831)
– Currency translation differences	845	1,200
Operating cash flow before working capital changes	90,127	49,259
Changes in operating assets and liabilities:		
– Inventories	(1,240)	1,066
– Trade and other receivables	372	651
– Other current and non-current assets	(148)	801
– Trade and other payables	4,390	(3,386)
– Deferred income	757	(389)
Cash provided by operations	94,258	48,002
Interest paid	(3,637)	(999)
Income tax paid	(9,048)	(5,294)
Net cash provided by operating activities	81,573	41,709
Cash Flows from Investing Activities		
Drawdown of loans from associated corporations	(7,840)	–
Additions to property, plant and equipment	(11,244)	(4,684)
Proceeds from disposal of property, plant and equipment	175	64
Capital injection in an associated corporation	(5,269)	–
Interest received	1,703	917
Net cash used in investing activities	(22,475)	(3,703)
Cash Flows from Financing Activities		
Drawdown of borrowings	1,772	3,650
Repayment of borrowings	(5,553)	(6,437)
Repayment of lease liabilities	(4,291)	(4,383)
Dividends paid to non-controlling interests by a subsidiary	(14,294)	(10,210)
Capital injection in a subsidiary from non-controlling interests	900	–
Repayment of amount owing to non-controlling interests of a subsidiary	(996)	–
Redemption of redeemable convertible preference shares in a subsidiary by non-controlling interests	(1,080)	–
Purchase of treasury shares	(975)	–
Proceeds from issuance of ordinary shares	–	3,267
Dividends paid to equity holders of the Company	–	(4,482)
Net cash used in financing activities	(24,517)	(18,595)
Net increase in cash and cash equivalents	34,581	19,411
Cash and cash equivalents at beginning of financial period	38,835	74,326
Effect of exchange rate changes on cash and cash equivalents	910	751
Cash and cash equivalents at end of financial period	74,326	94,488

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

6M2017

The profit after tax before working capital changes for 6M2017 was driven primarily by the Group's hospital and healthcare business. Better business performance and cash management for 6M2017 resulted in higher cash flow generated from operating activities of RM41.7 million.

Net cash used in investing activities during 6M2017 was RM3.7 million, mainly due to purchases of RM4.7 million in fixed assets and offset by RM0.9 million of interest received.

Net cash used in financing activities during 6M2017 of RM18.6 million included RM10.8 million net repayment of borrowings and lease liabilities, RM10.2 million dividend payment to non-controlling interests and RM4.5 million dividends paid to equity holders of the Company, offset by a drawdown of RM3.7 million from credit facilities and receipt of RM3.3 million from the exercise of 3,780,000 share options.

FY2016

The profit after tax before working capital changes for FY2016 was driven primarily by the Group's hospital and healthcare business. Better business performance and cash management for FY2016 resulted in higher cash flow generated from operating activities of RM81.6 million.

Net cash used in investing activities during FY2016 was RM22.5 million, mainly due to net repayment of RM7.8 million in amounts owing to associated companies, purchases of RM11.2 million in fixed assets and RM5.3 million of capital injection in associated companies.

Net cash used in financing activities during FY2016 of RM24.5 million included RM9.8 million net repayment of borrowings and lease liabilities, RM14.3 million dividend payment to non-controlling interests, RM1.1 million paid out to non-controlling interests during FY2016 as a result of redemption of redeemable convertible preference shares by a subsidiary and RM1.0 million purchase of treasury shares, offset by drawdown of RM1.8 million from credit facilities.

- 7. Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgment of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.**

In the reasonable opinion of the Directors, after taking into consideration the existing banking facilities available to the Group, the Group's internal resources and operating cash flows, and barring any unforeseen circumstances, the working capital available to the Group as of the date of lodgment of this Offer Information Statement is sufficient to meet its present requirements.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

8. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide –
- (a) a statement of that fact;
 - (b) details of the credit arrangement or bank loan; and
 - (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).

As at the Latest Practicable Date, to the best of the Directors' knowledge, the Group is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Company.

Trend Information and Profit Forecast or Profit Estimate

9. Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.

Based on the current economic outlook and barring unforeseen circumstances, the Directors expect the Group to continue to grow in FY2017.

The Group's hospitals in Malaysia have registered year-on-year increases in revenue and patient volume in FY2015 and FY2016. Mahkota Medical Centre was conferred the Malaysia Medical Tourism Hospital of the Year Award in FY2015 by Frost & Sullivan and the Directors believe that Mahkota Medical Centre remains a well-regarded brand for healthcare in Southeast Asia. Regency Specialist Hospital has been operating for seven years and continues to further expand its range of specialist healthcare offerings, improve customer experience and strengthen connections with the local community.

To cope with the growing number of patients at the Group's hospitals, both Mahkota Medical Centre and Regency Specialist Hospital continue to progress on their respective upgrading and expansion plans. At Mahkota Medical Centre, the hospital has added a new day surgery centre and has begun its nuclear medicine service with a new Positron Emission Tomography scanner. This is in line with the hospital's aim to become a comprehensive "one-stop" medical centre for its local and overseas patients. Mahkota Medical Centre is also planning to increase inpatient bed capacity in 2017.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

To cater to the growing number of patients, Regency Specialist Hospital will be constructing a new hospital extension block adjacent to its existing hospital building. The new block will more than double its existing capacity with more inpatient beds, clinical services, operating theatres, as well as clinical suites for sale or rental to doctors. Construction is expected to commence in the second half of 2017 and take approximately 2.5 years to complete. As at the Latest Practicable Date, the capital expenditure for the extension block is estimated at approximately RM160 million. This is a preliminary estimate that is subject to change as the expansion plans are still being finalised. The expansion is expected to be funded by debt and internal cash resources.

The Directors believe that in Malaysia, a healthy rising trend in domestic insurance penetration, an aging population and increasing regional connectivity are expected to further contribute to the growth of private healthcare services. In addition, Malaysia is an attractive destination for medical tourists due to the availability of medical personnel, quality medical treatment, advanced healthcare infrastructure and cost competitiveness.

However, the Directors believe that the healthcare landscape in Malaysia will remain competitive. In Malacca and Johor where the Group's hospitals operate, new hospitals have opened which have led to increased competition for patients, doctors and other skilled manpower. In addition, economic uncertainties might also potentially reduce healthcare expenditure by self-funded patients.

Certain business factors or risks which could materially affect the Group's profitability are set out in the section "**Risk Factors**" set out in **Appendix A** to this Offer Information Statement. There are uncertainties, demands, commitments or events that may have a material and adverse impact on the business, results of operations, financial condition and prospects of the Group, should they take place.

The section "**Risk Factors**" set out in **Appendix A** to this Offer Information Statement is only a summary, and is not an exhaustive description, of all uncertainties, demands, commitments or events. There may be additional uncertainties, demands and commitments or events not presently known to the Group or that the Group may currently deem immaterial, which could affect its business, results of operations, financial condition and prospects.

Save as disclosed in this Offer Information Statement and, in particular, the section "**Risk Factors**" set out in **Appendix A** to this Offer Information Statement, the Company's annual reports, circulars and SGXNET announcements, the Directors are not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group's net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition of the Group.

10. **Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**

Not applicable as no profit forecast is disclosed in this Offer Information Statement.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**

Not applicable as no profit forecast or profit estimate is disclosed in this Offer Information Statement.

- 12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.**

Not applicable as no profit forecast is disclosed in this Offer Information Statement.

- 13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part –**

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or**
- (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.**

Not applicable as no profit forecast is disclosed in this Offer Information Statement.

- 14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part –**

- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or**

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable as no profit forecast is disclosed in this Offer Information Statement.

Significant Changes

15. Disclose any event that has occurred from the end of –

- (a) the most recent completed financial year for which financial statements have been published; or
- (b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

Save as disclosed in this Offer Information Statement or as may have been publicly announced by the Company via SGXNET, the Directors are not aware of any event that has occurred since 31 December 2016 up to the Latest Practicable Date which has not been publicly announced which may have a material effect on the Group's financial position and results.

Meaning of “published”

16. In this Part, “published” includes publication in a prospectus, in an annual report or on the SGXNET.

Noted.

PART VI – THE OFFER AND LISTING

Offer and Listing Details

- 1. Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, the method by which the offer price is to be determined must be explained.**

Issue Price : SGD0.57 for each Rights Share, payable in full on acceptance and/or application.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

The expenses incurred in the Rights Issue will not be specifically charged to subscribers or purchasers of the Rights Shares.

An administrative fee will be incurred for each Electronic Application made through the ATMs of the respective Participating Banks. Such administrative fee shall be borne by the subscribers of the Rights Shares.

- 2. If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**

The Shares are, and the Rights Shares will be, traded on the Main Board of the SGX-ST.

- 3. If –**

- (a) any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities being offered; and**
- (b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,**

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

Other than the Nil-Paid Rights, none of the Shareholders have pre-emptive rights to subscribe for the Rights Shares.

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the section "**Eligibility of Shareholders to Participate in the Rights Issue**" of this Offer Information Statement for further information.

- 4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange –**
- (a) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –**
 - (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and**
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or**

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

The highest and lowest traded prices and the volume of the Shares traded on the SGX-ST during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 February 2017 to the Latest Practicable Date are as follows:

Month	Price Range		Volume of Shares Traded ⁽³⁾
	High ⁽¹⁾	Low ⁽²⁾	
	(S\$)	(S\$)	('000)
February 2016	0.310	0.290	1,840.0
March 2016	0.340	0.305	3,178.6
April 2016	0.340	0.320	774.7
May 2016	0.350	0.320	3,004.6
June 2016	0.355	0.320	1,692.6
July 2016	0.365	0.325	5,721.8
August 2016	0.515	0.340	45,031.8
September 2016	0.560	0.480	55,419.9
October 2016	0.660	0.525	39,647.6
November 2016	0.755	0.540	32,571.8
December 2016	0.730	0.610	18,954.8
January 2017	0.670	0.610	11,265.2
1 February 2017 to the Latest Practicable Date	0.680	0.605	10,152.7

Notes:

- (1) Based on the highest market price for the Shares in a particular month/period.
- (2) Based on the lowest market price for the Shares in a particular month/period.
- (3) Based on the total volume of the Shares traded in a particular month/period.
- (4) Bloomberg Finance L.P. has not consented for the purposes of Section 249 and Section 277 of the SFA to the inclusion of the information above which is publicly available, and is thereby not liable for such information under Sections 253 and 254 of the SFA. The Company has included the above information in its proper form and context and has not verified the accuracy of the content of such information. The Company is not aware of any disclaimers made by Bloomberg Finance L.P. in relation to the above information.

(b) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –

- (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and**
- (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;**

Not applicable. The Shares have been listed and quoted on the Main Board of the SGX-ST for more than 12 months immediately preceding the Latest Practicable Date.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and

There has been no significant trading suspension of the Shares which are listed on Main Board of the SGX-ST during the three years immediately preceding the Latest Practicable Date.

- (d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.

Please refer to paragraph 4(a) of Part VI “**The Offer and Listing – Offer and Listing Details**” of the Sixteenth Schedule for the volume of Shares traded during each of the last 12 calendar months immediately preceding the Latest Practicable Date and for the period from 1 February 2017 to the Latest Practicable Date.

5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide –

- (a) a statement of the rights, preferences and restrictions attached to the securities being offered; and
- (b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.

The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing issued Shares, except that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares.

The Rights Shares are to be issued pursuant to a specific approval granted by Shareholders to the Directors at the Company’s extraordinary general meeting held on 10 February 2017.

Plan of Distribution

6. Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.

Basis of Provisional Allotment

The Rights Issue is made on a renounceable non-underwritten basis to Entitled Shareholders on the basis of 11 Rights Shares for every 200 existing Shares held by Entitled Shareholders as at the Books Closure Date at the Rights Price, fractional entitlements to be disregarded.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Based on 588,662,686 Shares (excluding 1,209,600 treasury shares) in issue as at the Books Closure Date:

- (a) under the Maximum Subscription Scenario, the number of Rights Shares to be allotted and issued under the Rights Issue will be 32,376,443 Rights Shares; and
- (b) under the Minimum Subscription Scenario, the number of Rights Shares to be allotted and issued under the Rights Issue will be 16,971,977 Rights Shares.

The Rights Shares are payable in full upon acceptance and/or application and will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares.

Entitled Shareholders

Entitled Shareholders will be provisionally allotted Rights Shares under the Rights Issue on the basis of their shareholdings as at the Books Closure Date, fractional entitlements to be disregarded. Entitled Shareholders are eligible to participate in the Rights Issue and to receive this Offer Information Statement together with the ARE or the PAL, as the case may be, and other accompanying documents at their respective Singapore addresses.

Entitled Shareholders may accept, decline, renounce or trade, in whole or in part, their Nil-Paid Rights and will be eligible to apply for additional Rights Shares in excess of their Nil-Paid Rights. Entitled Depositors will be able to trade their Nil-Paid Rights on the SGX-ST under the book-entry (scripless) settlement system during the Nil-Paid Rights trading period prescribed by the SGX-ST.

Fractional entitlements to the Rights Shares will be disregarded in arriving at the Entitled Shareholders' entitlements, and will, together with the Rights Shares represented by the provisional allotments which are not allotted or taken up for any reason be aggregated and used to satisfy applications (if any) for excess Rights Shares, or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

In the allotment of excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for rounding of odd lots and allotment of excess Rights Shares. For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or renouncees) shall be entitled to apply for excess Rights Shares.

The Rights Shares are not offered through the selling efforts of any broker or dealer.

The allotment and issue of the Rights Shares pursuant to the Rights Issue is governed by the terms and conditions as set out in this Offer Information Statement, the ARE, the ARS and the PAL and (if applicable) the Constitution of the Company.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Foreign Shareholders

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the section “**Eligibility of Shareholders to Participate in the Rights Issue**” of this Offer Information Statement for further details.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.

The Rights Issue is not underwritten.

Irrevocable Undertakings

On 10 November 2016, the Undertaking Shareholders had irrevocably undertaken (the “**Irrevocable Undertakings**”) that, *inter alia*, in they will subscribe and make payment in full for their *pro rata* entitlements to the Rights Shares under the Rights Issue in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date.

As at the Latest Practicable Date, the Undertaking Shareholders have an aggregate interest in 308,581,595 Shares, representing approximately 52.4 per cent. of the total issued Shares. Therefore, the Undertaking Shareholders will subscribe and pay for an aggregate of 16,971,977 Rights Shares, being their *pro rata* entitlements to the Rights Shares under the Rights Issue and which constitute approximately 52.4 per cent. of the total number of Rights Shares.

PART VII – ADDITIONAL INFORMATION

Statements by Experts

1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person’s name, address and qualifications.

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert –

(a) state the date on which the statement was made;

(b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and

(c) include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

- 3. The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.**

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

Consents from Issue Managers and Underwriters

- 4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**

The Manager has given, and has not, before the lodgement of this Offer Information Statement with the Authority, withdrawn its written consent to being named in this Offer Information Statement as the Manager of the Rights Issue.

Other Matters

- 5. Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly –**
- (a) the relevant entity's business operations or financial position or results; or**
 - (b) investments by holders of securities in the relevant entity.**

Save as disclosed in this Offer Information Statement or as may have been publicly announced by the Company via SGXNET, the Directors are not aware of any other matter which could materially affect, directly or indirectly, the Group's business operations, financial position or results, or investments by holders of securities in the Company.

PART VIII – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES

Not applicable.

PART IX – ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART X – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE

1. Provide –

(a) the particulars of the rights issue;

Please refer to the section “**Summary of the Rights Issue**” of this Offer Information Statement for the particulars of the Rights Issue.

(b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;

3 March 2017 at 5.00 p.m. (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

(c) the last day and time for acceptance of and payment for the securities to be issued pursuant to the rights issue;

9 March 2017 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications through ATMs of Participating Banks) (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

(d) the last day and time for renunciation of and payment by the renouncee for the securities to be issued pursuant to the rights issue;

9 March 2017 at 5.00 p.m. (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Entitled Depositors who wish to renounce their provisional allotments of Rights Shares in favour of a third party should note that CDP requires three (3) Market Days to effect such renunciation. As such, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for the renouncee to accept his provisional allotment of Rights Shares.

(e) the terms and conditions of the offer of securities to be issued pursuant to the rights issue;

The allotment and issue of the Rights Shares pursuant to the Rights Issue are governed by the terms and conditions as set out in this Offer Information Statement, in particular **Appendices B to D** to this Offer Information Statement and in the ARE, the ARS and the PAL.

(f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and

Please refer to paragraph 7 of Part VI “**The Offer and Listing – Plan of Distribution**” of the Sixteenth Schedule for details of the terms of the Irrevocable Undertakings.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

- (g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.

The Company has decided to undertake the Rights Issue on a non-underwritten basis in view of the Irrevocable Undertakings provided by the Undertaking Shareholders and the savings in costs by the Company as no underwriting fees are payable.

Please refer to paragraph 7 of Part VI “**The Offer and Listing – Plan of Distribution**” of the Sixteenth Schedule for details of the terms of the Irrevocable Undertakings.

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

REVIEW OF WORKING CAPITAL

1. A review of the working capital for the last three financial years and the latest half year, if applicable.

The summary of the working capital of the Group for the last three financial years as at 30 June 2014, 30 June 2015 and 30 June 2016 and the latest half year as at 31 December 2016 are set out below.

RM'000	As at 30 June 2014 (Audited)	As at 30 June 2015 (Audited)	As at 30 June 2016 (Audited)	As at 31 December 2016 (Unaudited)
Total current assets	107,007	143,745	154,551	168,701
Total current liabilities	93,018	97,363	112,529	99,140
Net current assets	13,989	46,382	42,022	69,561

6M2017 compared to FY2016

The Group's total current assets increased by RM14.2 million from RM154.6 million as at 30 June 2016 to RM168.7 million as at 31 December 2016. This was mainly attributable to an increase in cash and cash equivalent of RM15.6 million mainly due to net cash provided by operating activities, offset by a decrease in inventories of medical drugs and supplies by RM1.1 million mainly due to the timing of purchases of such inventories based on operational requirements.

The Group's total current liabilities decreased by RM13.4 million from RM112.5 million as at 30 June 2016 to RM99.1 million as at 31 December 2016. This was mainly attributable to (i) a decrease in trade and other payables of RM13.1 million as a result of payment of RM10.2 million dividends to non-controlling interests by a subsidiary; (ii) an increase in current income tax liabilities of RM1.7 million due to higher profitability of the Group's hospitals; and (iii) a decrease in current borrowings of RM1.7 million when compared to 30 June 2016.

FY2016 compared to FY2015

The Group's total current assets increased by RM10.8 million from RM143.7 million as at 30 June 2015 to RM154.6 million as at 30 June 2016. This was mainly attributable to (i) an increase in cash and cash equivalent of RM39.9 million mainly due to net cash provided by operating activities; (ii) an increase in inventories of medical drugs and supplies by RM1.2 million mainly due to the timing of purchases of such inventories based on operational requirements; and (iii) a decrease in trade and other receivables of RM30.2 million mainly due to repayment of amounts owing by associated companies.

The Group's total current liabilities increased by RM15.2 million from RM97.4 million as at 30 June 2015 to RM112.5 million as at 30 June 2016. This was mainly attributable to (i) an increase in trade and other payables of RM13.1 million mainly due to the increased operating

ADDITIONAL DISCLOSURE REQUIREMENTS FOR RIGHTS ISSUES UNDER APPENDIX 8.2 OF THE LISTING MANUAL

activities; and (ii) an increase in current income tax liabilities of RM2.6 million when compared to 30 June 2015 due to the lower tax incentives available to MMCSB in FY2016 resulting in a higher effective tax rate.

FY2015 compared to FY2014

The Group's total current assets increased by RM36.7 million from RM107.0 million as at 30 June 2014 to RM143.7 million as at 30 June 2015. This was mainly attributable to (i) an increase in trade and other receivables of RM16.7 million mainly due to higher credit sales; (ii) an increase in cash and cash equivalent of RM13.1 million mainly due to net cash provided by operating activities; and (iii) an increase in inventories of RM7.5 million, of which RM5.8 million can be attributed to the restoration of the Group's ownership of clinic suites, which are held for sale, as part of the exercise to restore the Group's ownership of certain hospital assets previously transferred to associated companies. This transaction was completed in 3Q2015 and announced via SGXNET on 13 March 2015 as a reversal of the Assets Restructuring. Higher turnover in the hospitals for FY2015 resulted in an increase in inventories of medical drugs and supplies held.

The Group's total current liabilities increased by RM4.4 million from RM93.0 million as at 30 June 2014 to RM97.4 million as at 30 June 2015. This was mainly attributable to (i) an increase in trade and other payables of RM9.8 million mainly due to the increased operating activities; and (ii) a decrease in current borrowings of RM4.9 million mainly due to repayment of the current portion of long-term bank loans and bank overdrafts during the period.

2. CONVERTIBLE SECURITIES

- (i) Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832 of the Listing Manual**
- (ii) Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price-fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.**

Not applicable.

3. MANAGER'S RESPONSIBILITY STATEMENT

As provided in Appendix 8.2 of the Listing Manual, this requirement is not applicable if an issuer has to comply with the offer information statement requirements in the SFA.

APPENDIX A: RISK FACTORS

To the best of the Directors' knowledge and belief, the risk factors that are material to prospective investors and/or subscribers in making an informed judgment on the Rights Issue are set out below. Prospective investors and/or subscribers should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding whether to invest or subscribe for the Rights Shares. The Group may be affected by a number of risks that may relate to the industry in which the Group operates as well as those that may generally arise from, inter alia, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive.

There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations, possibly materially. If any of the following considerations and uncertainties develops into actual events, the business, financial considerations and results of operations of the Company and the Group could be materially and adversely affected. In such cases, the trading price of the Shares could decline and a prospective investor or subscriber may lose all or part of his investment in the Shares and the Rights Shares.

*Prospective investors and/or subscribers should also note that certain of the statements set forth below constitute "forward-looking statements" that involve risks and uncertainties – please see the section "**Cautionary Note on Forward-Looking Statements**" of this Offer Information Statement.*

RISKS RELATING TO THE GROUP'S BUSINESS, FINANCIAL CONDITION AND/OR RESULTS OF OPERATIONS

The Group may be affected by competition from existing hospitals as well as new entrants to the market

The healthcare industry in Southeast Asia, including in Malaysia and Indonesia, is very competitive, with many public and private healthcare service providers. The Group faces competition from existing healthcare service providers, and the opening of new private hospitals in Malaysia, Indonesia and other countries in Southeast Asia has also intensified competition for patients, medical consultants and specialised healthcare professionals. In particular, with the development and opening of new hospitals in Malacca and Johor, the competition faced by the Group's hospitals has intensified and is expected to further intensify over the next few years.

The Group's success depends on its ability to compete effectively. There can be no assurance that the Group would be able to compete successfully in the future. The Group's ability to compete may be adversely affected by various factors, including if it has poor brand or service differentiation, poor quality of medical equipment or uncompetitive pricing. The Group's ability to retain its customers and to attract new customers and business opportunities is important to its continued success. There is no assurance that the Group's patient loads will not decrease with the entry of new competitors. In the event that the Group is not able to compete effectively, its operating results may be adversely affected.

The Group is dependent on its continued ability to attract and retain skilled and qualified personnel

The Group considers the retention of skilled and qualified personnel as one of the key factors for growth and future success. The Group's continued success is dependent, to a large extent, on its ability to attract, develop and retain key personnel with the appropriate skill set, experience and competency. Such key personnel include members of senior management, clinical staff and medical physicians.

APPENDIX A: RISK FACTORS

The Group faces fierce competition for specialist doctors. The supply of specialist doctors is limited by the long training period needed and availability of speciality training places. Accordingly, it may be difficult for the Group to recruit such specialist doctors. There is also a shortage of supply of other healthcare professionals, including nurses, physiotherapists, radiographers and pharmacists, who are needed to support the multi-specialty and complex treatment practices at the Group's hospitals.

The Group may face difficulties in recruiting or retaining suitable personnel, including specialist doctors and management personnel with extensive experience and knowledge of the healthcare industry. Qualified candidates to fill the Group's posts may be difficult to find, and there is competition from the Group's competitors to recruit the best employees. The Group may also face difficulties in ensuring adequate number of staff working or available for work to ensure normal hospital operations. Without sufficient numbers of skilled employees, the Group's operations and financial performance may be adversely affected and its future expansion plans may not be implemented effectively.

The Group may be subject to lawsuits and other claims in relation to malpractice and professional negligence

As an operator of hospitals, the Group is exposed to the inherent risk of legal claims and/or regulatory actions arising from medical malpractice and professional negligence in the provision of healthcare services. Examples of circumstances where claims may be brought against the Group include the provision of healthcare services below accepted industry standards, infections to patients and staff under medical care settings, giving of wrong diagnoses, performance of wrong surgical procedures, dispensation of wrong medication, patient misidentification and retention of foreign objects during surgical procedures.

There is no certainty that medical negligence insurance taken by the Group will be sufficient to fully indemnify it against all such liabilities. If such claims exceed the insurance coverage taken up by the Group or the claims are not covered by insurance policies taken by the Group, the Group would have to fund such losses or damages from its internal resources which may have an adverse impact on its financial results. In addition, the existence of such claims may tarnish the professional standing and market reputation of the Group, the hospitals and/or the doctors.

The Group's insurance coverage may not adequately protect the Group against certain operational risks

The Group maintains comprehensive insurance coverage, covering its assets, public liability, consequential loss from fire, and employees, in line with general business practices in the industry in which it operates, with policy specifications and insured limits which the Group believes are reasonable.

Certain incidents, including corruption, fraud, illegal acts or other misconduct committed by its employees or third parties that affect the Group's operations (whether in the form of loss of money, physical inventories, assets or otherwise), fire, severe weather conditions, earthquake, war, flooding and power outage, and the consequences resulting therefrom, may not be covered adequately, if at all, by its insurance policies.

If the Group incurs substantial liabilities which are not covered by its insurance policies, or if its business operations are interrupted for more than the period of coverage, the Group may incur expenses and losses that would materially and adversely affect its operating results.

APPENDIX A: RISK FACTORS

The Group is subject to legal and regulatory risks associated with its business and may be adversely affected if the Group is unable to maintain its existing licences, registrations, permits, approvals or exemptions

The Group operates in the healthcare industry, which is subject to extensive legislation, governmental regulation and regulatory changes.

The Group's business and operations are dependent on licences, approvals and permits issued by the relevant authorities, including the Ministry of Health, Malaysia. The hospitals are subject to laws and regulations, including but not limited to, licensing, approval requirements and periodic facility inspections of the hospitals by governmental and other authorities to ensure continued compliance with such laws and regulations.

There can be no assurance that the Group will be able to successfully apply for new licences, approvals or permits that it may require or renew its existing licences, approvals or permits upon expiry of their fixed terms in a timely manner or at all, or that the issue or renewal of such licences, approvals or permits will not be attached with terms and conditions which the Group may find difficult to comply with. Any rejection of an application for such licences, approvals or permits, or revocation or non-renewal of the Group's existing licences, approvals or permits may have an adverse effect on the Group's business, financial condition and results of operations. There is also no assurance that the Group's existing licences, approvals or permits will not be revoked prior to expiry of their fixed terms, if the relevant authorities determine that the Group does not meet the required standards or requirements.

Further, any failure to comply with the applicable laws and regulations, code of ethics and conduct or other accepted industry practices could result in the imposition of fines and/or other penalties by the relevant authorities.

Changes in government regulations, or the introduction of new laws and regulations, which apply to the Group, including those relating to clinical operations and patient safety requirements, and which are unfavourable to the Group, may have a negative impact on the Group's business and operations. Such changes may result in an increase in operating expenses of the Group due to higher costs of compliance. In addition, new laws, policies or guidelines may be introduced, or existing laws, policies or guidelines may be interpreted, to impose foreign ownership restrictions or other requirements on private hospitals in Malaysia. There can be no assurance that the Group will be able to successfully meet such requirements.

Regulatory changes in other Southeast Asian countries, such as increased medical subsidies for local healthcare services, may also make it less attractive for patients from such countries to use the Group's healthcare services.

There is no assurance on the sustainability of the growth of the Group

Apart from the Group's development plans and business strategies, other factors, like intense market competition and customers' preferences, which are beyond its control, may also affect its growth. There is no assurance that the Group will be able to execute its growth strategies successfully or achieve or maintain similar levels of growth in revenue and profit in the future. If the Group fails to manage its expansion plans and the related risks and costs, its business and financial performance would be adversely affected. The past results of the Group should not be used as an indicator of its future performance.

APPENDIX A: RISK FACTORS

The Group may require additional funding for its future growth plans

To maintain its competitive edge, the Group may have to constantly offer new services and/or enhance its existing healthcare services and expand or upgrade its hospitals' and/or clinics' facilities. The Group may also find future opportunities to grow through potential acquisitions and/or investments in complementary businesses which it has not identified at this juncture. Under such circumstances, the Group may need to obtain additional debt and/or equity financing to implement these growth opportunities.

These expenditures are likely to be incurred in advance of any increases in revenue. There is no assurance that the Group's revenue will increase after these expenditures are incurred. The Group's failure to increase its revenue after these expenditures are incurred could reduce its profitability.

Additional debt financing may, apart from increasing interest expense and gearing:

- (a) limit the Group's ability to pay dividends;
- (b) increase the Group's vulnerability to general adverse economic and industry conditions; and/or
- (c) require the Group to dedicate a substantial portion of cash flow from operations to payments on its debt, thereby reducing the availability of its cash flow to fund capital expenditure, working capital and other requirements.

The Group is unable to assure investors that it will be able to obtain the additional debt and/or equity financing on terms that are acceptable to it or at all. Any inability to secure additional debt and/or equity financing may materially and adversely affect its business, implementation of its business strategies and future plans and financial position.

The Group's facilities may experience costs overruns, delays in completion or delays in reaching full operational capacity and may not achieve the expected synergies and other benefits expected from such an expansion

New hospital projects are characterised by long gestation periods and substantial capital expenditure. Development and construction costs of these new projects may escalate substantially beyond the Group's estimates, resulting in pressure on the Group's financial condition and cash flows or in the project being no longer feasible. The Group is also unable to assure investors that such new hospital projects, if proceeded with, will be completed within the expected timeframe. Any delays in the completion of such projects may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group may also not achieve the operating levels that it expects and it may not be able to achieve its targeted returns on investment on, or intended benefits from, these projects. To cater to the growing number of patients, Regency Specialist Hospital will be constructing a new hospital extension block adjacent to its existing hospital building. The new block will more than double its existing capacity with more inpatient beds, clinical services, operating theatres, as well as clinical suites for sale or rental to doctors. Construction is expected to commence in the second half of 2017 and take approximately 2.5 years to complete. Achieving full operational capacity at the new block, and reaching the target inpatient occupancy rate, may take longer than anticipated. If the Group is unable to manage the growth of its business or is unable to successfully commence

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operations at the new block, the Group's reputation and ability to compete effectively could be impaired, which would have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Rapid technological advances, technological and equipment failures, cyber-attacks and other challenges related to the Group's medical equipment and information technology systems could adversely affect the Group's business

Hospitals face the risk of increasing competition from new products or services, and medical equipment often needs to be upgraded frequently as innovation can rapidly make existing equipment obsolete. Replacement, upgrading or maintenance of equipment may involve significant costs. The rising cost of healthcare technology may adversely impact the revenue of the hospitals as well. Hospitals may also have persistent losses when adopting a new medical or surgical service, and revenue patterns may be erratic as a result. If the Group is unable to keep up with technological advances, its doctors and patients may turn to other hospitals with more advanced equipment, which may have a material adverse effect on the Group's business, financial condition, results of operation and prospects.

The Group's information technology systems and equipment are a critical part of its business and internal control and management systems, and help the Group to manage clinical systems, medical records and inventory. Any technical failure or breakdown of critical machinery, equipment, facilities or information technology systems may lead to prolonged disruption of operations, loss of revenue, unauthorised access to confidential patient data and damage to reputation for the Group. Unauthorised intrusions or cyber-attacks on the hospitals' information technology systems, including its website and data centres, may also lead to third parties gaining unauthorised access to confidential patient data, which will result in non-compliance with laws governing patient confidentiality and cause damage to the Group's reputation. This could have a material adverse effect on the Group's business, financial condition, results of operation and prospects.

The Group is reliant on its "Mahkota" and "Regency" brand names

The Company's key subsidiaries each rely upon certain brand names and trademarks in their respective businesses, including "Mahkota" and "Regency". The Group believes that its business will depend in part on increasing brand recognition amongst customers. Failure to maintain, protect and enhance the image of its brand names and quality standards associated with its brand names may have an adverse impact on its business and financial performance.

Intellectual property rights may be costly and difficult to enforce and the Group may not be able to renew its intellectual property rights or may be subject to claims for infringement of third parties' intellectual property rights

The Group has registered trademarks in the markets that it operates in. Effective enforcement of intellectual property rights is important for the protection of the Group's interests as it considers the recognition of its trademarks to be vital in its business. Unauthorised use of the Group's trademarks may damage the brand recognition and reputation of the Group. Although the Group has registered its trademarks, it may be possible for third parties to infringe the Group's intellectual property rights in the conduct of their business. In the event that third parties infringe upon the Group's intellectual property rights in respect of its trademarks or imitate or use the Group's trademarks without its authorisation, the Group may face considerable difficulties and costly litigation in order to fully protect these intellectual property rights, which may in turn affect its reputation, business and financial performance.

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In addition, there is no assurance that the Group can renew its intellectual property rights upon their expiry. In the event that the Group is unable to do so, its business and financial performance may be adversely affected.

Further, the Group may during the course of business inadvertently infringe upon other registered trademarks or intellectual property rights belonging to third parties. As such, the Group may be subject to legal proceedings and claims relating to such infringement. In the event of any claims or litigation involving infringement of intellectual property rights of third parties, whether with or without merit, it could result in a diversion of the management's time and resources and the Group's business operations may be materially and adversely affected. In addition, any successful claim against the Group arising out of such proceedings could result in substantial monetary liability and may materially affect the Group's reputation and consequently, the Group's financial performance.

Damage to the Group's reputation or brand name may have an adverse effect on its business

Maintaining the Group's reputation is vital to its ability to attract and maintain customers, investors and employees. The Group's reputation could be damaged through a variety of circumstances, including, among others, adverse litigation judgments or regulatory decisions, unfavourable outcomes of governmental inspections, publication of industry findings, research reports or health concerns, or complaints from patients with regard to the quality of its healthcare services.

Negative public coverage of the Group, even if inaccurate, may have a materially adverse effect on its reputation, thereby affecting its business, financial condition and results of operations. These reputational harms could lead to a decreased number of patients visiting its healthcare facilities, reduced income and higher operating costs and may have a material adverse effect on the Group's business, financial condition and results of operations.

The Company is a holding company with no revenue generating operations of its own

The Company is a holding company. Substantially all of its business operations are conducted through its wholly or partly-owned subsidiaries and associates. As a result of the holding company structure, the Company's ability to make payments depends upon the receipt of dividends, distributions or advances from its subsidiaries and associates. The ability of its subsidiaries and associates to pay dividends or such other amounts to the Company may be subject to their profitability, to applicable laws and regulations and to restrictions contained in financing or other agreements. If the results of the Company's key subsidiaries were to decline, it may have a material adverse effect on the Group's business, financial condition, results of operations and prospects. There can be no assurance that the key subsidiaries will generate sufficient earnings and cash flows to meet the Group's obligations.

The Group is exposed to risks arising from global economic and financial conditions

The success and profitability of the Group's activities depend, in part, on global economic growth. A slowdown in economic growth may cause potential patients to be more cautious about their medical and hospitalisation expenses. The demand for non-essential surgical operations and medical procedures, including aesthetic surgery, anti-aging programmes and wellness programmes may decline.

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In addition, an economic or financial crisis may lead to the scaling back of medical benefits by some affected companies that would normally be extended to their employees in better times. Potential patients may decide to be admitted to their local or public hospitals to save costs. Thus, the Group's revenue and income from non-essential surgical operations and medical procedures may be adversely affected.

Changes in the economic, political and social conditions of Malaysia and policies adopted by the Malaysian Government may adversely affect the Group's business, growth strategies, financial condition and results of operations

The Group's revenue is mainly derived from its operations in Malaysia. As a result, the Group's business is subject to the economic, political, legal and social developments of Malaysia, which are beyond the control of the Group. Changes in the economic, political and social conditions or the relevant policies of the Malaysian Government, such as changes in laws and regulations (or the interpretation thereof) or restrictive financial measures, could have adverse effects on the overall economic growth of Malaysia and the industry in which the Group operates, which could in turn hinder its current or future business, growth strategies, financial position and results of operations. Any change in laws or regulations restricting foreign ownership of companies or other property in Malaysia may have an adverse impact on the Group's business. The Group recognises that such risks arising from changes in the economic, political and social conditions or the relevant policies of the Malaysian Government can never be eliminated totally and that the cost of mitigating these risks could be high.

The Group is exposed to currency risks

The Group is exposed to foreign exchange risks on purchases of medical equipment, cash and cash equivalents, receivables, payables and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As the vast majority of the Group's purchases and sales are denominated in Malaysian ringgit, but some of its costs, expenses and capital expenditures are incurred in other currencies, exchange rate fluctuations between the Malaysian ringgit and those other currencies could adversely affect the Group's results of operations.

An epidemic or the outbreak of communicable diseases, if uncontrolled, could materially and adversely affect the Group's business

An epidemic or the outbreak of communicable diseases, including the Zika virus, influenza A (H1N1) and its variations, bird flu, or other potentially life-threatening illnesses or contamination could materially and adversely affect the Group's business. In the event that an outbreak occurs, the government may impose regulations on hospitals, affecting their normal routine operations and possibly leading to lower numbers of patients who are willing to visit the hospitals. The hospitals may also be required to adopt measures such as creating temporary quarantine areas and setting up temperature scanning stations outside the entrances to the hospitals. Such measures demand greater manpower and staffing levels, which may in turn affect the Group's capability to continue normal operations of the hospital.

Should patients infected with such illnesses be housed in any of the Group's hospitals, the hospital could see a negative impact on its reputation, resulting in a lower number of people who are willing to visit that hospital for other kinds of medical or surgical treatment due to fear of infection.

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If any of the Group's employees are infected or suspected to be infected with any communicable diseases, the Group may also be required to quarantine some of its employees, which may in turn affect the Group's capability to continue normal operations of the hospital due to staffing constraints.

The Group may also be required to shut down part or all of its operations to prevent the spread of the diseases. This would restrict the Group's ability to operate its existing business and may, as a result, lead to loss of business and affect its ability to attract new business.

Acts of war, terrorist attacks, political unrest, and other events could adversely affect the Group's business

Acts of war, terrorist attacks and responses to terrorist attacks cause political instability and volatility. The Group's geographic presence in Asia may make it vulnerable in the event of increased tension or hostilities in many countries including Malaysia, Indonesia, China, Taiwan, Thailand or North Korea. Such instability could be caused by, among other things, terrorism, civil war, guerrilla activities, military repression, civil disorder, labour unrest, strikes, crime, workforce instability, changes in governmental policy or the ruling party, economic or other sanctions imposed by other countries, extreme fluctuations in currency exchange rates or high inflation. Any such events may cause damage or disruption to the Group's business, employees, facilities, markets and customers, any of which could materially impact its revenue, costs of operations, results and financial condition.

A decrease in the volume of medical tourists could adversely affect the Group's business

An increase in the threat of terrorism or armed conflicts and the occurrence of natural or man-made disasters that affect travel security or the global economy could reduce the volume of medical tourists to the Group's hospitals. Governments and immigration authorities may also impose (as some have done in the past) travel restrictions on their nationals, which may take the form of levies, visa restrictions, exit controls or cessation of flight routes, leading to a decrease in the volume of medical tourists. The occurrence of natural or man-made disasters and adverse weather in Southeast Asia, including past aviation accidents and haze, may also reduce the number of medical tourists travelling to the region and adversely affect the desirability of Malaysia as a medical tourism destination. Exchange rate fluctuations, such as a weakening of the domestic currency of patients from foreign countries against the Malaysian ringgit, may also make it less attractive for such patients from foreign countries to use the Group's healthcare services.

RISKS RELATING TO THE COMPANY'S RELATIONSHIP WITH THE UNDERTAKING SHAREHOLDERS

Controlling interest owned by the Undertaking Shareholders may limit the ability of minority Shareholders to influence the outcome of decisions requiring the approval of Shareholders

As at the Latest Practicable Date, the Undertaking Shareholders own a controlling interest (as defined under the Listing Manual) in the Company. Please refer to paragraph 9(e) of Part IV "Key Information – Information on the Relevant Entity" of the Sixteenth Schedule. In connection with the Rights Issue, each of the Undertaking Shareholders has irrevocably undertaken that it will subscribe and pay in full for their *pro rata* entitlements to the Rights Shares under the Rights Issue. Therefore, the Undertaking Shareholders will be able to significantly influence the Company's affairs and business which require Shareholders' approval, including the election of directors and the approval of mergers and acquisitions. The Undertaking Shareholders

APPENDIX A: RISK FACTORS

hold sufficient Shares to pass an ordinary resolution of Shareholders by its affirmative votes on a poll or to defeat an ordinary resolution of Shareholders by its negative votes on a poll. This concentration of ownership could have the effect of delaying or preventing a change in control of the Company or may otherwise discourage a potential acquirer from attempting to obtain control of the Company at a premium over the then current market price of the Shares.

RISKS ASSOCIATED WITH THE RIGHTS ISSUE, THE RIGHTS SHARES AND THE SHARES

An active trading market may not develop for the Nil-Paid Rights and, if a market does develop, the Nil-Paid Rights may be subject to greater price volatility than the Shares

A trading period for the Nil-Paid Rights has been set from 23 February 2017 at 9.00 a.m. to 3 March 2017 at 5.00 p.m.. There is no assurance that an active trading market for the Nil-Paid Rights on the SGX-ST will develop during the Nil-Paid Rights trading period or that any over-the-counter trading market in the Nil-Paid Rights will develop. Even if an active market develops, the trading price of the Nil-Paid Rights, which depends on the trading price of the Shares, may be volatile and subject to the same risks as noted elsewhere in this Offer Information Statement. In addition, in certain jurisdictions, Shareholders are not allowed to participate in the Rights Issue. The Nil-Paid Rights relating to the Shares held by such ineligible Shareholders may be sold by the Company, which could make the market price of the Nil-Paid Rights fall.

Shareholders who do not or are not able to accept their provisional allotment of Rights Shares will experience a dilution in their ownership of the Company

If Shareholders do not or are not able to accept their provisional allotment of Rights Shares, their proportionate ownership of the Company will be reduced. They may also experience a dilution in the value of their Shares. Even if a Shareholder sells his Nil-Paid Rights, or such Nil-Paid Rights are sold on his behalf, the consideration he receives, if any, may not be sufficient to compensate him fully for the dilution of his ownership of the Company as a result of the Rights Issue.

Foreign Shareholders should note that if it is practicable to do so, the Company may, at its absolute discretion, arrange for provisional allotments of Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders, to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the Nil-Paid Rights commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto. In addition, where the amount of net proceeds to be distributed to any single Foreign Shareholder or persons acting to the account or benefit of any such persons is less than SGD10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder or persons acting to the account or benefit of any such persons shall have any claim whatsoever against the Company, the Directors, the Manager, the Share Registrar, or CDP and their respective officers in connection therewith.

Investors may experience future dilution in the value of their Shares

The Company may need to raise additional funds in the future to finance the expansion of the Group's business and strengthen its capital base, repay borrowings and/or finance future investments. If additional funds are raised through the issuance by the Company of new Shares other than on a *pro rata* basis to existing Shareholders, the percentage ownership of existing Shareholders may be reduced and existing Shareholders may experience dilution in the value of their Shares.

APPENDIX A: RISK FACTORS

The Company's share price may fluctuate

The market price for the Shares on the SGX-ST (including the Nil-Paid Rights and the Rights Shares) could be subject to significant fluctuations. Any fluctuation may be due to the market's perception of the likelihood of completion of the Rights Issue and/or be in response to various factors some of which are beyond the Group's control. The sale of a significant amount of Shares on the SGX-ST after the Rights Issue, or the perception that such sales may occur, could materially affect the market price of the Shares. This volatility may adversely affect the price of the Shares, including the Rights Shares, regardless of the Group's operating performance. Examples of such factors include, *inter alia*:

- (a) variations in the Group's operating results;
- (b) changes in financial estimates and recommendations by securities analysts;
- (c) success or failure of the Group's management team in implementing business and growth strategies including the failure to complete the Acquisition;
- (d) the gain or loss of an important business relationship or contract;
- (e) the operating and stock price performance of other companies in a similar industry;
- (f) developments affecting the Group, its customers or competitors;
- (g) fluctuations in general stock market prices and trading volume;
- (h) changes or uncertainty in the political, economic and regulatory environment in the markets that the Group operates;
- (i) changes in accounting policies; and
- (j) other events or factors described in this Offer Information Statement.

The issue price is fixed at SGD0.57 for each Rights Share. A fall in the price of the Shares could have a material adverse impact on the value of the Nil-Paid Rights and the Rights Shares. There is no assurance that investors will be able to sell the Rights Shares at a price equal to or greater than the Rights Price. Accordingly, investors who are existing Shareholders or have acquired Nil-Paid Rights in the secondary market and/or subscribed to the Rights Shares, whether existing Shareholders or not, may suffer a loss.

The liquidity of the Shares may not change or improve

Active and liquid trading of securities generally results in lower volatilities in price and more efficient execution of buy and sell orders for investors. Generally, the liquidity of the market for a particular share is dependent on, amongst others, the size of the free float, the price of each board lot, institutional interest, the business prospects of the Group as well as the prevailing market sentiment. There is no assurance that the liquidity of the Shares or the volume of the Shares as traded on the SGX-ST may change or improve after the Rights Issue.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

1. INTRODUCTION

- 1.1 Entitled Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SSH Service.
- 1.2 The provisional allotments of Rights Shares are governed by the terms and conditions of this Offer Information Statement, the enclosed ARE and (if applicable) the Constitution of the Company.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE, fractional entitlements (if any) having been disregarded. The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and the application and payment for excess Rights Shares are set out in this Offer Information Statement as well as the ARE.

- 1.3 If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for excess Rights Shares in addition to the Rights Shares which have been provisionally allotted to him, he may do so by completing and signing the relevant sections of the ARE and/or by way of an Electronic Application. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which his acceptance of the provisional allotment of Rights Shares and (if applicable) application for excess Rights Shares may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed, or if the “Free Balance” of the relevant Securities Account is not credited with, or is credited with less than, the relevant number of Rights Shares accepted as at the Closing Date, or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or this Offer Information Statement, at CDP’s absolute discretion, and to return or refund all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply by way of an Electronic Application through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE** in Singapore currency **SENT BY ORDINARY POST** to his/their mailing addresses as maintained in the records of CDP or in such other manner as he/they may have agreed with CDP for the payment of any cash distribution (if he/they accept and (if applicable) apply through CDP), as the case may be, in each case **AT HIS/THEIR OWN RISK** without interest or any share of revenue or other benefit arising therefrom.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENT OF RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK AS DESCRIBED BELOW. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SSH SERVICE.

With regard to any acceptance, application and/or payment which does not conform strictly to the terms and conditions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Right Shares and/or excess Rights Shares in relation to the Rights Issue, or where the “Free Balance” of the Entitled Depositor’s Securities Account is not credited with, or is credited with less than, the relevant number of Rights Shares subscribed for as at the Closing Date, or which does not comply with the instructions for an Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an acceptance and/or application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.

The Company and/or CDP shall be authorised and entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, each application for excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Depositor, on its own, without regard to any other application and payment that may be submitted by the same Entitled Depositor. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for excess Rights Shares.

- 1.4 For CPFIS Members, acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares must be made through their respective approved CPF agent banks. CPFIS Members must use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF investment accounts to pay for the acceptance of the Nil-Paid Rights and (if applicable) application for excess Rights Shares.**

CPFIS Members who wish to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares must have sufficient funds in their CPF investment accounts and must instruct their respective CPF agent banks, where such CPFIS Members hold their CPF investment accounts, to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement. In the case of insufficient monies in their CPF investment accounts or stock limit, such CPFIS Members could top-up cash into their CPF investment accounts before instructing their respective CPF agent banks to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares. CPF Funds may not, however, be used for the purchase of Nil-Paid Rights directly from the market.

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CPFIS Members are advised to provide their respective CPF agent banks, where such CPFIS Members hold their CPF investment accounts, with the appropriate instructions no later than the deadlines set by their respective CPF agent banks in order for their respective CPF agent banks to make the relevant acceptance and (if applicable) application on their behalf in accordance with the terms and conditions of this Offer Information Statement by the Closing Date. For CPFIS Members, any acceptance of the Nil-Paid Rights and/or (if applicable) application for excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected.

- 1.5 For SRS investors, acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares must be made through their respective approved banks in which they hold their SRS accounts. SRS investors who have subscribed for or purchased Shares using their SRS accounts must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the acceptance of their Nil-Paid Rights and (if applicable) application for excess Rights Shares.

Such investors who wish to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares using SRS monies, must instruct their respective approved banks in which they hold their SRS accounts to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement. Such investors who have insufficient funds in their SRS accounts may, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective approved banks before instructing their respective approved banks to accept their Nil-Paid Rights and (if applicable) apply for excess Rights Shares on their behalf. SRS monies may not, however, be used for the purchase of the Nil-Paid Rights directly from the market.

Such investors are advised to provide their respective approved banks in which they hold their SRS accounts, with the appropriate instructions no later than the deadlines set by their respective approved banks in order for such approved banks to make the relevant acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares on their behalf by the Closing Date. For such investors, any acceptance of the Nil-Paid Rights and/or (if applicable) application for excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected.

- 1.6 For investors who hold Shares through finance companies or Depository Agents, acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares must be done through their respective finance companies or Depository Agents.

Such investors are advised to provide their respective finance companies or Depository Agents with the appropriate instructions no later than the deadlines set by their respective finance companies or Depository Agents in order for their respective finance companies or Depository Agents to make the relevant acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares on their behalf in accordance with the terms and conditions in this Offer Information Statement

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

by the Closing Date. For such investors, any acceptance of the Nil-Paid Rights and/or (if applicable) application for excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected.

- 1.7 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE and/or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. MODE OF ACCEPTANCE AND APPLICATION

2.1 Acceptance/Application by way of an Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications through an ATM of a Participating Bank to accept the Rights Shares provisionally allotted or (if applicable) to apply for excess Rights Shares will appear on the ATM screens of the respective Participating Banks. Please refer to **Appendix C** to this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND (IF APPLICABLE) HAS APPLIED FOR EXCESS RIGHTS SHARES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR/ITS ABSOLUTE DISCRETION, DEEM FIT.

2.2 Acceptance/Application through CDP

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares through CDP, unless otherwise agreed with the Company, he must:

- (a) complete and sign the ARE. In particular, he must state in Part C(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept and the number of excess Rights Shares applied for and in Part C(ii) of the ARE the 6 digits of the Cashier's Order/Banker's Draft; and

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) excess Rights Shares applied for:
- (i) by hand to **HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or
 - (ii) by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case, so as to arrive not later than **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) excess Rights Shares applied for at the Rights Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – HMI RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

2.3 Acceptance through the SGX-SSH Service (for Depository Agents only)

Depository Agents may accept the provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares through the SGX-SSH Service provided by CDP as listed in Schedule 3 of the "Terms and Conditions for User Services for Depository Agents". CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and subject to each of the terms and conditions contained in the ARE and this Offer Information Statement as if the ARE had been completed and submitted to CDP.

2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Depositor and (if applicable) the excess Rights Shares applied for by the Entitled Depositor, the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this **Appendix B** which set out the circumstances and manner in which the Company and/or CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares and/or excess Rights Shares in relation to the Rights Issue.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

2.5 Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares and trade the balance of his provisional allotment of Rights Shares on the SGX-ST, he should:

- (a) complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 of this **Appendix B** to CDP; or
- (b) accept and subscribe for that part of his provisional allotment of Rights Shares by way of an Electronic Application in the prescribed manner as described in paragraphs 2.1 or 2.3 of this **Appendix B**.

The balance of his provisional allotment of Rights Shares may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares or 1 Rights Share, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

2.6 Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the Purchasers as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARS are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP for the period up to **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Purchasers should also note that if they make any purchase on or around the last trading day of the Nil-Paid Rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Shares. Purchasers may obtain a copy from CDP. Alternatively, Purchasers may accept and subscribe by way of Electronic Applications in the prescribed manner in paragraph 2.1 of this **Appendix B**.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Foreign Purchasers are advised that their participation in the Rights Issue may be restricted or prohibited by the laws of the jurisdiction in which they are located or resident.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES REPRESENTED BY THE PROVISIONAL ALLOTMENTS PURCHASED, THEY ARE ADVISED TO PROVIDE THEIR RESPECTIVE FINANCE COMPANIES OR DEPOSITORY AGENTS, AS THE CASE MAY BE, WITH THE APPROPRIATE INSTRUCTIONS NO LATER THAN THE DEADLINES SET BY THEM, IN ORDER FOR SUCH INTERMEDIARIES TO ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ON THEIR BEHALF.

2.7 Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with CDP’s “Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee **BY ORDINARY POST** and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) (if acceptance is made through CDP) or **9.30 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) (if acceptance is made by way of an Electronic Application through an ATM of a Participating Bank).

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares by way of the ARE and/or the ARS and also by way of Electronic Application(s) and/or has applied for excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or application for excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF 11 RIGHTS SHARES FOR EVERY 200 EXISTING ORDINARY SHARES AT AN ISSUE PRICE OF SGD0.57)

As an illustration, if an Entitled Depositor has 100,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 5,500 Rights Shares as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

- (a) Accept his entire provisional allotment of 5,500 Rights Shares and (if applicable) apply for excess Rights Shares

Procedures to be taken

- (i) Accept his entire provisional allotment of 5,500 Rights Shares and (if applicable) apply for excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Alternatives

Procedures to be taken

- (ii) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance in full of his provisional allotment of 5,500 Rights Shares and (if applicable) the number of excess Rights Shares applied for and forward the original signed ARE together with a single remittance for SGD3,135.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to **"CDP – HMI RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** for the full amount due on acceptance and (if applicable) application, by hand to **HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED**, at **9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, at his own risk, in the self-addressed envelope provided to **HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Alternatives

Procedures to be taken

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

- (b) Accept a portion of his provisional allotment of Rights Shares, for example his entitlement to 1,000 provisionally allotted Rights Shares, not apply for excess Rights Shares and trade the balance on the SGX-ST

- (i) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

- (ii) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares, and forward the original signed ARE, together with a single remittance for SGD570.00, in the prescribed manner described in alternative (a)(ii) above, to CDP, so as to arrive not later than **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 4,500 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares will be tradable in the ready market in board lots, each board lot comprising provisional allotments of 100 Rights Shares or 1 Rights Share or any other board lot size which the SGX-ST may require.

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Alternatives

- (c) Accept a portion of his provisional allotment of Rights Shares, for example his entitlement to 1,000 provisionally allotted Rights Shares, not apply for excess Rights Shares and reject the balance

Procedures to be taken

- (i) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (ii) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares and forward the original signed ARE, together with a single remittance for SGD570.00, in the prescribed manner described in alternative (a)(ii) above to CDP so as to arrive not later than **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 4,500 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or if an acceptance is not made through CDP by **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1 Timing

THE LAST TIME AND DATE FOR ACCEPTANCES OF AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES UNDER THE RIGHTS ISSUE IS:

- (A) 9.30 P.M. ON 9 MARCH 2017 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; AND**
- (B) 5.00 P.M. ON 9 MARCH 2017 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP OR SGX-SSH SERVICE.**

If acceptance of and (if applicable) excess application and payment for the Rights Shares in the prescribed manner as set out in the ARE and/or the ARS (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All monies received in connection therewith will be returned or refunded by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST** to their mailing addresses as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution (where acceptance and/or application has been made through CDP), or by crediting their accounts with the relevant Participating Banks (where acceptance and/or application has been made through Electronic Application at the ATMs of the Participating Banks) and **AT THE ENTITLED DEPOSITORS' OR THE PURCHASERS' (AS THE CASE MAY BE) OWN RISK.**

IF ANY ENTITLED DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

5.2 Appropriation

Without prejudice to paragraph 1.3 of this **Appendix B**, an Entitled Depositor should note that:

- (a) by accepting his provisional allotment of Rights Shares and/or applying for excess Rights Shares, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares and/or excess Rights Shares in relation to the Rights Issue, differs from the amount actually received by CDP, the Company and/or CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares and/or excess Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for excess Rights Shares. The determination and appropriation by the Company and/or CDP shall be conclusive and binding;
- (b) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares and/or excess Rights Shares in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and/or CDP, in applying the amounts payable for his acceptance of the Rights Shares and (if applicable) his application for excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares and/or excess Rights Shares in relation to the Rights Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for excess Rights Shares by way of the ARE and also by way of an Electronic Application, the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or excess application for Rights Shares (including an Electronic Application) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3 Application for Excess Rights Shares

The excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, any unsold Nil-Paid Rights (if any) of Foreign

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Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. In the event that applications are received by the Company for more excess Rights Shares than are available, the excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors of the Company, will rank last in priority for rounding of odd lots and allotment of excess Rights Shares. The Company reserves the right to refuse any application for excess Rights Shares, in full or in part, without assigning any reason whatsoever therefor. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the event that the number of excess Rights Shares allotted to an Entitled Depositor is less than the number of excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of excess Rights Shares actually allotted to him.

If no excess Rights Shares are allotted or if the number of excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be returned or refunded to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares, by crediting their bank accounts with the relevant Participating Banks **AT THEIR OWN RISK** (if they had applied for excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Company, the Manager and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST** to their mailing addresses as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution **AT THEIR OWN RISK** (if they had applied for excess Rights Shares through CDP).

5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotments of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Shares is effected by **9.30 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company);
- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) excess Rights Shares applied for at the Rights Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – HMI RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft is

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submitted by hand to **HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED**, at **9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

- (c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent for the Rights Shares is effected by **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotments of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All monies received in connection therewith will be returned or refunded to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST** to their mailing addresses as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution (where acceptance and/or application has been made through CDP), or by crediting their accounts with the relevant Participating Banks (where acceptance and/or application has been made by way of an Electronic Application through an ATM of a Participating Bank), and **AT THE ENTITLED DEPOSITORS' OR THE PURCHASERS' (AS THE CASE MAY BE) OWN RISK**.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5 Certificates

The certificates for the Rights Shares and excess Rights Shares will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares and excess Rights Shares, CDP will send to the mailing address of each of the Entitled Depositors or the Purchasers (as the case may be) as maintained in the records of CDP, **BY ORDINARY POST AND AT THE ENTITLED DEPOSITOR'S OR THE PURCHASER'S (AS THE CASE MAY BE) OWN RISK**, a notification letter showing the number of Rights Shares and excess Rights Shares credited to the Securities Account of the Entitled Depositor or the Purchaser (as the case may be).

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5.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted and credited to the Securities Accounts of the Entitled Depositors or the Purchasers (as the case may be). The Entitled Depositors or the Purchasers (as the case may be) can verify the number of Rights Shares provisionally allotted and credited to their respective Securities Accounts online if they have registered for CDP Internet Access or through the CDP Automated Phone Services Hotline number (65) 6535-7511 using their telephone pin (T-Pin). Alternatively, they may proceed personally to CDP with their identity card or passport to verify the number of Rights Shares provisionally allotted and credited to their Securities Accounts.

It is the responsibility of the Entitled Depositors or the Purchasers (as the case may be) to ensure that the ARE and/or the ARS is accurately completed in all respects and signed. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or the ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or the ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS SHARES IS IRREVOCABLE.

No receipt or acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. The Entitled Depositors or the Purchasers (as the case may be) can check the status of their acceptance of the provisional allotment of Rights Shares and (if applicable) their application for excess Rights Shares through the CDP Automated Phone Services Hotline number (65) 6535-7511 using their T-Pin.

CDP Phone User Guide

1. Dial (65) 6535-7511
2. Press '1' for English; Press '2' for Mandarin
3. Press '3' for 'Corporate Actions Announcement and Transactions'
4. Press '2' for your rights application status
5. Enter your 12 digit CDP securities account number
6. Enter your six (6) digit telephone pin

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

All communications, notices, documents and remittances to be delivered or sent to the Entitled Depositors or the Purchasers (as the case may be) will be sent **BY ORDINARY POST** to their respective mailing addresses in Singapore as maintained in the records of CDP, and **AT THEIR OWN RISK**.

5.7 Personal Data Privacy

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, an Entitled Depositor or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Participating Banks, the Share Registrar, Securities Clearing and Computer Services (Pte) Limited, CDP, CPF Board, the SGX-ST, the Company and the Manager (the “**Relevant Persons**”) for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

6. PROCEDURE TO COMPLETE THE ARE/ARS

6.1 Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares
currently held by you

XX,XXX

This is your
shareholdings as at
Books Closure Date.

Number of Rights
Shares provisionally
allotted*

Shares as at
XX January 2015
(Record Date)

This is the date to
determine your rights
entitlements.

XX,XXX

This is your number of
rights entitlement.

Issue Price

S\$0.0X per Rights Share

This is price that
you need to pay when
you subscribe for one
rights share.

6.2 Select your application options

This is the payee name to be issued on your Cashier's Order where XXXXX is the name of the Company.

6.3 Declaration

Sign within the box.

APPENDIX B: PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

6.4 Sample of a Cashier's Order

CASHIER'S ORDER		DATE
		DD / MM / YY
PAY CDP -	RIGHTS ISSUE ACCOUNT	
SINGAPORE DOLLARS	**SEVEN THOUSAND SIX HUNDRED ONLY**	OR ORDER S\$ 7,600.00
BANK REF. : 01050B5000052 S1		
VALID FOR SIX MONTHS ONLY FROM DATE OF ISSUE		
001764 7171 1051 1050999997		

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

The procedures for Electronic Applications through ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Please read carefully the terms and conditions of this Offer Information Statement, the procedures for Electronic Applications on the ATM screens of the relevant Participating Banks and the terms and conditions for Electronic Applications through an ATM of a Participating Bank set out below before making an Electronic Application through an ATM of a Participating Bank. An ATM card issued by one Participating Bank cannot be used to accept provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares at an ATM belonging to other Participating Banks. Any Electronic Application through an ATM of a Participating Bank which does not strictly conform to the instructions set out on the screens of the ATM of a Participating Bank through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications through an ATM of a Participating Bank and the procedures for Electronic Applications on the ATM screens of the relevant Participating Banks shall mean the Entitled Depositor or his renounee or the Purchaser of the provisional allotments of Rights Shares who accepts the provisional allotments of Rights Shares or (as the case may be) who applies for the Rights Shares through an ATM of a Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Banks before he can make an Electronic Application through an ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction through an ATM of a Participating Bank, the Applicant will receive an ATM transaction slip, confirming the details of his Electronic Application. The ATM transaction slip is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him by that Participating Bank in his own name. Using his own Securities Account number with an ATM card which is not issued to him by that Participating Bank in his own name will render his acceptance or (as the case may be) excess application liable to be rejected.

For CPFIS Members, acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares must be made through their respective approved CPF agent banks. Such CPFIS Members are advised to provide their respective approved CPF agent banks with the appropriate instructions no later than the deadlines set by their respective approved CPF agent banks in order for such approved CPF agent banks to make the relevant acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares on their behalf by the Closing Date. For CPFIS Members, any acceptance of the Nil-Paid Rights and/or (if applicable) application for excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected.

For SRS investors or investors who hold Shares through finance companies or Depository Agents, acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares must be made through their respective approved banks in which they hold their SRS accounts, finance companies or Depository Agents. Such investors are advised to provide their respective approved banks in which they hold their SRS accounts, finance companies or Depository Agents, as the case may be, with the appropriate instructions no

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

later than the deadlines set by such intermediaries in order for such intermediaries to make the relevant acceptances of the Nil-Paid Rights and (if applicable) applications for excess Rights Shares on their behalf by the Closing Date. For such investors, any acceptance of the Nil-Paid Rights and/or (if applicable) application for excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected.

For renounees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the Nil-Paid Rights purchased must be done through their respective finance companies or Depository Agents, as the case may be. Such renounees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions no later than the deadlines set by their respective finance companies or Depository Agents in order for such intermediaries to make the relevant acceptances of the Nil-Paid Rights on their behalf by the Closing Date. Any acceptance of the Nil-Paid Rights by such renounees and Purchasers made directly through CDP, the Share Registrar, the Company and/or by way of Electronic Application will be rejected.

The Electronic Application through an ATM of a Participating Bank shall be made on, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

1. In connection with his Electronic Application through an ATM of a Participating Bank for the Rights Shares, the Applicant is required to confirm statements to the following effect in the course of activating the ATM of a Participating Bank for his Electronic Application:
 - (a) that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of and (as the case may be) application for the Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and
 - (b) that he consents to the disclosure of his name, NRIC/passport number, address, nationality, Securities Account number, CPF Investment Account number and application details (the “Relevant Particulars”) from his account with that Participating Bank to the Share Registrar, CDP, Securities Clearing and Computer Services (Pte) Limited, CPF Board, the SGX-ST, the Company and the Manager (the “Relevant Parties”).

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM of a Participating Bank unless he presses the “Enter” or “OK” or “Confirm” or “Yes” key, as the case may be. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key, as the case may be, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by the Participating Bank of the Relevant Particulars to the Relevant Parties.

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

2. An Applicant may make an Electronic Application through an ATM of any Participating Bank for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his bank account with such Participating Bank.
3. The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Rights Shares provisionally allotted and excess Rights Shares applied for as stated on the ATM transaction slip confirming the details of his Electronic Application, or the number of provisionally allotted Rights Shares standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date (whichever is the lesser number). In the event that the Company decides to allot any lesser number of excess Rights Shares or not to allot any number of excess Rights Shares to the Applicant, the Applicant agrees to accept the Company's decision as final and binding.
4. If the Applicant's Electronic Application through an ATM of a Participating Bank is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be, on the ATM screen of a Participating Bank) of the number of Rights Shares accepted and/or excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares accepted and/or excess Rights Shares applied for that may be allotted to him.
5. In the event that the Applicant accepts the Rights Shares both by way of the ARE and/or the ARS (as the case may be) and also by Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of Rights Shares which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of provisionally allotted Rights Shares which are standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date and the aggregate number of Rights Shares which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of Rights Shares which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE and/or the ARS, or by way of the acceptance through Electronic Application through an ATM of a Participating Bank, which he has authorised or deemed to have authorised to be applied towards the payment in respect of his acceptance.
6. If applicable, in the event that the Applicant applies for excess Rights Shares both by way of the ARE and also by Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of excess Rights Shares which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of excess Rights Shares not exceeding the aggregate number of excess Rights Shares for which he has applied by way of the ARE and by way of application through Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of excess Rights Shares which the Applicant has given valid

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

instructions for the application of, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application for the excess Rights Shares, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE, or by way of application through Electronic Application through an ATM of a Participating Bank, which he has authorised or deemed to have authorised to be applied towards the payment in respect of his application.

7. The Applicant irrevocably requests and authorises the Company to:
 - (a) register or to procure the registration of the Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application through an ATM of a Participating Bank in respect of the Rights Shares not be accepted and/or excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares; and
 - (c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application through an ATM of a Participating Bank for excess Rights Shares be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within three (3) business days after the commencement of trading of the Rights Shares.
8. **BY MAKING AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS A NOMINEE OF ANY OTHER PERSON.**
9. The Applicant irrevocably agrees and acknowledges that his Electronic Application through an ATM of a Participating Bank is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Company, the Share Registrar and/or the Manager and any events whatsoever beyond the control of CDP, the Participating Banks, the Company, the Share Registrar and/or the Manager, and if, in any such event, CDP, the Participating Banks, the Company, the Share Registrar and/or the Manager do not record or receive the Applicant's Electronic Application through an ATM of a Participating Bank by **9.30 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application through an ATM of a Participating Bank and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Company, the Directors, the Share Registrar and/or the Manager and their respective officers for any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damage in connection therewith or in relation thereto.

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

10. **Electronic Applications may only be made through ATMs of the Participating Banks from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m., excluding public holidays.**
11. Electronic Applications through ATMs of Participating Banks shall close at **9.30 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
12. All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application through an ATM of his Participating Bank shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application through an ATM of his Participating Bank, the Applicant shall promptly notify his Participating Bank.
13. The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application through an ATM of his Participating Bank, failing which his Electronic Application will not be completed. Any Electronic Application made through ATMs of the Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
14. Where an Electronic Application through an ATM of a Participating Bank is not accepted, it is expected that the full amount of the acceptance/application monies will be returned or refunded in Singapore currency (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's bank account with the relevant Participating Bank within three (3) business days after the commencement of trading of the Rights Shares. An Electronic Application through an ATM of a Participating Bank may also be accepted in part, in which case the balance amount of acceptance/application monies will be refunded on the same terms.
15. In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), and by making and completing an Electronic Application through an ATM of a Participating Bank, the Applicant agrees that:
 - (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document is lodged with the Authority);
 - (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, CDP, the Participating Banks, the Share Registrar nor the Manager shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 of this **Appendix C** or to any cause beyond their respective control;

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

- (d) he will not be entitled to exercise any remedy of rescission for misrepresentation at any time after his acceptance of the provisionally allotted Rights Shares and (if applicable) his application for excess Rights Shares;
 - (e) in respect of the Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement and/or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
16. The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Banks are correct and identical; otherwise, his Electronic Application through an ATM of a Participating Bank may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.
17. The existence of a trust will not be recognised. Any Electronic Application through an ATM of a Participating Bank by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
18. In the event that the Applicant accepts or subscribes for the provisionally allotted Rights Shares or (if applicable) applies for excess Rights Shares, as the case may be, by way of the ARE and/or the ARS and/or by way of Electronic Application through any ATM of the Participating Banks, the provisionally allotted Rights Shares and/or excess Rights Shares will be allotted in such manner as the Company and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be returned or refunded, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares by any one or a combination of the following:
- (a) by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST** to his mailing address as maintained in the records of CDP or in such other manner as he may have agreed with CDP for the payment of any cash distribution **AT HIS OWN RISK** if he accepts and (if applicable) applies through CDP; and

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

- (b) by crediting the Applicant's bank account with the Participating Bank **AT HIS OWN RISK** if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank being a good discharge of the Company's, the Manager's and CDP's obligations.
19. The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of Rights Shares which he can validly accept, the Company and/or CDP are entitled, and the Applicant hereby authorises the Company and/or CDP, to take into consideration:
- (a) the total number of Rights Shares represented by the provisional allotment of Rights Shares which the Applicant has validly accepted, whether under the ARE and/or the ARS or any other form of application (including an Electronic Application through an ATM of a Participating Bank) for the Rights Shares;
 - (b) the total number of Rights Shares represented by the provisional allotment of Rights Shares standing to the credit of the "Free Balance" of the Applicant's Securities Account which is available for acceptance; and
 - (c) the total number of Rights Shares represented by the provisional allotment of Rights Shares which has been disposed of by the Applicant.

The Applicant hereby acknowledges that the Company's and/or CDP's determination shall be conclusive and binding on him.

20. The Applicant irrevocably requests and authorises CDP to accept instructions from the Participating Bank through whom the Electronic Application through an ATM of that Participating Bank is made in respect of the provisional allotment of Rights Shares accepted by the Applicant and (if applicable) the excess Rights Shares which the Applicant has applied for.
21. With regard to any acceptance, application and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Right Shares and/or excess Rights Shares in relation to the Rights Issue, or where the "Free Balance" of the Applicant's Securities Account is not credited with, or is credited with less than, the relevant number of provisionally allotted Rights Shares subscribed as at the Closing Date, or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an acceptance and/or application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.

APPENDIX C: ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM OF A PARTICIPATING BANK

22. The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, each application for excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Applicant, on its own, without regard to any other application and payment that may be submitted by the same Applicant. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for excess Rights Shares.

APPENDIX D: PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

- 1.1 Entitled Scripholders are entitled to receive this Offer Information Statement with the following documents which are enclosed with, and are deemed to constitute a part of, this Offer Information Statement:

PAL incorporating:

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination	Form D
Excess Rights Shares Application Form	Form E

- 1.2 The provisional allotment of the Rights Shares is governed by the terms and conditions of this Offer Information Statement, the PAL and (if applicable) the Constitution of the Company. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL. Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue.
- 1.3 Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split their provisional allotments are set out in this Offer Information Statement as well as the PAL.
- 1.4 With regard to any acceptance, application and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Right Shares and/or excess Rights Shares in relation to the Rights Issue or which does not comply with the terms and conditions of this Offer Information Statement, or in the case of an acceptance and/or application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Registrar may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittance at any time after receipt in such manner as they/it may deem fit.
- 1.5 The Company and/or the Share Registrar shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, application for excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid and evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for excess Rights Shares.

APPENDIX D: PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

- 1.6 **Entitled Scripholders who intend to trade any part of their provisional allotments of Rights Shares on the SGX-ST should note that all dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.**
- 1.7 Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the PAL has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. FORM OF ACCEPTANCE (FORM A)

2.1 Acceptance

An Entitled Scripholder who wishes to accept his entire provisional allotment of Rights Shares or to accept any part of it and decline the balance, should:

- (a) complete and sign the Form of Acceptance (Form A) for the number of Rights Shares which he wishes to accept; and
- (b) forward **AT THE SENDER'S OWN RISK**, by post in the self-addressed envelope provided, the PAL in its entirety, duly completed and signed, together with a single remittance for the full amount due and payable on acceptance in the manner hereinafter prescribed to **HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2 Insufficient Payment

The attention of the Entitled Scripholder is also drawn to paragraph 2.3 of this **Appendix D** entitled "Appropriation" which sets out the circumstances and manner in which the Company and/or the Share Registrar shall be authorised and entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

2.3 Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares, he acknowledges that, the Company and/or the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore.

**APPENDIX D: PROCEDURES FOR ACCEPTANCE,
SPLITTING, RENUNCIATION, EXCESS APPLICATION AND
PAYMENT BY ENTITLED SCRIPHOLDERS**

3. REQUEST FOR SPLITTING (FORM B) AND FORM OF RENUNCIATION (FORM C)

- 3.1 Entitled Scripholders who wish to accept a portion of their provisional allotments of Rights Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares under the PAL split into separate PALs (“**Split Letters**”) according to their requirements. The duly completed and signed Request for Splitting (Form B) together with the PAL in its entirety should then be returned, by post in the self-addressed envelope provided, **AT THE SENDER’S OWN RISK**, to **HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623**, not later than **5.00 p.m. on 3 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B together with the PAL in its entirety is received after **5.00 p.m. on 3 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.2 The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce may be renounced by completing and signing the Form of Renunciation (Form C) before delivery to the Renouncee. Entitled Scripholders should complete and sign the Form of Acceptance (Form A) of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any. The said Split Letter(s) together with the remittance for the payment (if required) in the prescribed manner should be forwarded to **HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 3 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).
- 3.3 Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete and sign the Form of Renunciation (Form C) for the number of provisional allotments of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the Renouncees.

4. FORM OF NOMINATION (WITH CONSOLIDATED LISTING FORM) (FORM D)

- 4.1 The renouncee(s) should complete and sign the Form of Nomination (Form D) and forward the Form of Nomination (Form D), together with the PAL in its entirety, duly completed and signed, and a single remittance for the full amount due and payable in the prescribed manner by post **AT HIS/THEIR OWN RISK**, in the self-addressed envelope provided, to **HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623**, so as to arrive not later than **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

APPENDIX D: PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

- 4.2 Each Entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing the Form of Acceptance (Form A) and the Consolidated Listing Form in the Form of Nomination (Form D) of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renouncee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in the Form of Nomination (Form D) of only one (1) PAL or Split Letter (the **"Principal PAL"**) by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALs AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO THE FORM OF ACCEPTANCE (FORM A) OR THE FORM OF NOMINATION (FORM D) (AS THE CASE MAY BE).**

5. PAYMENT

- 5.1 Payment in relation to the PALs must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to **"HMI RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. The completed PAL and remittance should be addressed and forwarded, by post in the self-addressed envelope provided and **AT THE SENDER'S OWN RISK, to HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**
- 5.2 If acceptance and (if applicable) excess application and payment in the prescribed manner as set out in this Offer Information Statement and the PAL is not received by **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotments of Rights Shares will be deemed to have been declined and will forthwith lapse and become void and cease to be capable of acceptance and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return or refund all unsuccessful application monies received in connection therewith **BY ORDINARY POST AND AT THE RISK OF THE ENTITLED SCRIPHOLDERS OR THEIR RENOUNCEE(S), AS THE CASE MAY BE**, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of trading of the Rights Shares.

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6. EXCESS RIGHTS SHARES APPLICATION FORM (FORM E)

- 6.1 Entitled Scripholders who wish to apply for excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing the Excess Rights Shares Application Form (Form E) and forwarding it together with the PAL in its entirety with a **separate single** remittance for the full amount payable in respect of the excess Rights Shares applied for in the form and manner set out in paragraph 5 of this **Appendix D**, by post in the self-addressed envelope provided **AT THEIR OWN RISK**, to **HEALTH MANAGEMENT INTERNATIONAL LTD C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD., 50 RAFFLES PLACE #32-01, SINGAPORE LAND TOWER, SINGAPORE 048623** so as to arrive not later than **5.00 p.m. on 9 March 2017** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**
- 6.2 The excess Rights Shares available for application are subject to the terms and conditions contained in the PAL, the Excess Rights Shares Application Form (Form E), this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, the unsold provisional allotments of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the PAL, the Excess Rights Shares Application Form (Form E), this Offer Information Statement and (if applicable) the Constitution of the Company. In the event that applications are received by the Company for more excess Rights Shares than are available, the excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company, will rank last in priority for rounding of odd lots and allotment of excess Rights Shares. The Company reserves the right to reject, in whole or in part, any application for excess Rights Shares without assigning any reason whatsoever.
- 6.3 If no excess Rights Shares are allotted to Entitled Scripholders or if the number of excess Rights Shares allotted to them is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be returned or refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within 14 days of the Closing Date, **BY ORDINARY POST** to their mailing addresses as maintained with the Company **AT THEIR OWN RISK**.

7. GENERAL

- 7.1 No acknowledgements or receipts will be issued in respect of any acceptances, remittances, applications or payments received.

APPENDIX D: PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

- 7.2 **Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**
- 7.3 Upon listing and quotation on the Main Board of the SGX-ST, the Rights Shares, when allotted and issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", as the same may be amended from time to time. Copies of the above are available from CDP.
- 7.4 **To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names if they do not already maintain such Securities Accounts in order that the number of Rights Shares and, if applicable, the excess Rights Shares that may be allotted to them can be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or apply for the excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the excess Rights Shares allotted to them. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on the SGX-ST under the book entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title. These physical share certificates will be sent BY ORDINARY POST to person(s) entitled thereto AT HIS/THEIR OWN RISK.**
- 7.5 If the Entitled Scripholders' addresses stated in the PAL are different from their addresses maintained in the records of CDP, they must inform CDP of their updated addresses promptly, failing which the notification letter on successful allotments and other correspondences will be sent to their addresses last registered with CDP.
- 7.6 A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly executed instrument(s) of transfer (including any applicable fee) in favour of CDP, and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.

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7.7 THE FULL AMOUNT PAYABLE FOR THE RELEVANT NUMBER OF RIGHTS SHARES ACCEPTED/APPLIED FOR WILL BE ROUNDED UP TO THE NEAREST WHOLE CENT, IF APPLICABLE.

7.7 THE LAST TIME AND DATE FOR ACCEPTANCES OF AND/OR (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IS 5.00 P.M. ON 9 MARCH 2017 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).

7.8 Personal Data Privacy

By completing and delivering the PAL, an Entitled Scripholder or a renouncee (i) consents to the collection, use and disclosure of his personal data by the Relevant Persons for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

APPENDIX E: LIST OF PARTICIPATING BANKS

PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM:

1. Oversea-Chinese Banking Corporation Limited
2. DBS Bank Ltd. (including POSB)
3. United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited

OFFER INFORMATION STATEMENT

Dated this 21st day of February 2017.

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Offer Information Statement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading. Where information in this Offer Information Statement 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 Offer Information Statement in its proper form and context.

For and on behalf of HEALTH MANAGEMENT INTERNATIONAL LTD

Dr. Gan See Khem
(Executive Chairman and
Managing Director)

Ms. Chin Wei Jia
(Executive Director and
Group Chief Executive Officer)

Mr. Chin Wei Yao
(Executive Director and
Group Chief Financial Officer)

Professor Annie Koh
(Lead Independent Director)

Dr. Cheah Way Mun
(Independent Non-Executive Director)

Professor Tan Chin Tiong
(Independent Non-Executive Director)

