APPENDIX B

This Appendix is circulated to Shareholders of AsiaMedic Limited (the "**Company**") together with the Company's Annual Report. Its purpose is to explain to Shareholders the rationale and provide information relating to the proposed renewal of the general mandate for recurrent transactions with specific interested persons ("**IPT General Mandate**") to be tabled at the Annual General Meeting ("**AGM**") to be held on Monday, 29 April 2019, 9.30 a.m. at 350 Orchard Road, #10-01 Shaw House, Singapore 238868.

The Notice of AGM and Proxy Form are enclosed with the Annual Report.

If you are in any doubt about its contents or the action you should take, you should consult your legal, financial, tax or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of AsiaMedic Limited (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward the Annual Report (and the accompanying appendices (including this Appendix), the Notice of AGM and the Proxy Form) to the purchaser or transferee as arrangements will be made by CDP for the Annual Report (and the accompanying appendices (including this Appendix), the Notice of AGM and the Proxy Form) to be sent to the purchaser or transferee. If you have sold or transferred all your ordinary shares in the Company represented by physical share certificate(s), you should forward the Annual Report (and the accompanying appendices (including this Appendix), the Notice of AGM and the Proxy Form) immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Appendix has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Xandar Capital Pte Ltd (the "**Sponsor**"), for compliance with the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").The Sponsor has not independently verified the contents of this Appendix including the accuracy or completeness of any of the information disclosed or the correctness of any of the statements made, opinions expressed or reports contained in this Appendix.

This Appendix has not been examined or approved by the SGX-ST. The SGX-ST and the Sponsor assume no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made, or reports contained in this Appendix.

Contact person for the Sponsor: Ms Pauline Sim (Registered Professional, Xandar Capital Pte Ltd)
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ASIAMEDIC LIMITED

(Registration Number: 197401556E)
(Incorporated in the Republic of Singapore on 29 August 1974)

APPENDIX IN RELATION TO THE PROPOSED RENEWAL OF THE INTERESTED PERSON TRANSACTIONS GENERAL MANDATE

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DEFINITIONS

For the purpose of this Appendix, the following definitions have, where appropriate, been used:

"**Act**"	:	The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
"**Associate**"	:	(a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its Subsidiary or holding company or is a Subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
"**Associated Company**"	:	A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group
"**Audit and Risk Management Committee**"	:	The audit and risk management committee of the Company from time to time
"**Board**"	:	The board of Directors of the Company
"**Catalist**"	:	The sponsor-supervised listing platform of the SGX-ST
"**Catalist Rules**"	:	Any or all of the rules in the SGX-ST Listing Manual Section B: Rules of Catalist, as amended, supplemented or modified from time to time
"**CDP**"	:	The Central Depository (Pte) Limited

"**Controlling Shareholder**"	:	A person who: (a) holds directly or indirectly 15% or more of the voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over a company
"**CPF**"	:	Central Provident Fund
"**CPF Approved Nominees**"	:	Agent banks included under the CPFIS
"**CPFIS**"	:	Central Provident Fund Investment Scheme
"**Director**"	:	A director of the Company for the time being
"**FY**"	:	Financial year ended or ending 31 December, as the case may be
"**Group**"	:	The Company and its Subsidiaries
"**Independent Director**"	:	An independent director of the Company
"**Interested Person Transactions**"	:	The category of transactions set out in Section 2.4.2 of this Appendix with the Interested Persons
"**Interested Persons**"	:	The category of the Company's interested persons set out in Section 2.4.1 of this Appendix
"**IPT General Mandate**"	:	A general mandate given by Shareholders pursuant to Chapter 9 of the Catalist Rules to authorise the Company and its Subsidiaries which are considered to be "entities at risk" within the meaning of Rule 904(2) of the Catalist Rules, in their ordinary course of businesses, to enter into categories of transactions with specified classes of the Company's interested persons, provided that such transactions are entered into on an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders
"**Latest Practicable Date**"	:	22 March 2019, being the latest practicable date prior to the printing of this Appendix
"**LLSGL**"	:	Luye Life Sciences Group Ltd, a Controlling Shareholder as at the Latest Practicable Date
"**LMGPL**"	:	Luye Medical Group Pte. Ltd., a Controlling Shareholder as at the Latest Practicable Date

"**Notice of AGM**"	:	The notice of AGM accompanying the Annual Report of the Company
"**Proxy Form**"	:	The proxy form accompanying the Annual Report of the Company
"**Shareholders**"	:	The registered holders of the Shares (other than the CDP) and in the case of Depositors, Depositors who have Shares entered against their names in the Depository Register
"**Shares**"	:	Issued and paid-up ordinary shares in the capital of the Company
"**Subsidiaries**"	:	Shall bear the meaning ascribed in Section 5 of the Act and "**Subsidiary**" shall be construed accordingly
"**Substantial Shareholder**"	:	A person who has an interest or interests in one or more voting Shares in the Company and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all voting Shares of the Company

The terms "Depositor" and "Depository Register" shall have the meanings ascribed to them respectively by Section 81SF of the Securities and Futures Act (Cap. 289) of Singapore.

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.

Any word defined under the Act or any statutory modification thereof and used in this Appendix shall have the meaning assigned to it under the said act.

Any reference to a time of a day in the Appendix is a reference to Singapore time.

THE PROPOSED RENEWAL OF THE IPT GENERAL MANDATE

1. INTRODUCTION

At the extraordinary general meeting of the Company held on 24 April 2017, the Shareholders approved the IPT General Mandate for the Group to enter into certain Interested Person Transactions in accordance with the guidelines and review procedures as described in the circular to Shareholders dated 7 April 2017 (the "**IPT General Mandate**"). The IPT General Mandate was renewed at the AGM held on 23 April 2018 and will expire at the upcoming AGM of the Company. Accordingly, the Directors are seeking Shareholders' approval for the proposed renewal of the IPT General Mandate (the "**Proposed Renewal**") in the AGM of the Company to be held on 29 April 2019.

The purpose of this Appendix is to provide Shareholders with information relating to and explaining the rationale for the Proposed Renewal which shall be tabled at the AGM. This Appendix has been prepared solely for the purpose set out herein and may not be relied on by any persons (other than Shareholders) nor for any other purpose.

The SGX-ST takes no responsibility for the accuracy or correctness of any statements or opinions made, or reports contained in this Appendix.

2. THE PROPOSED RENEWAL OF THE IPT GENERAL MANDATE

2.1 Background on Chapter 9 of the Catalist Rules

Chapter 9 of the Catalist Rules governs transactions in which a listed company or any of its Subsidiaries or Associated Companies (known as an "**entity at risk**") enters into or proposes to enter into with a party who is an "**interested person**" of the listed company. The objective of Chapter 9 (as stated in Rule 901 of the Catalist Rules) is to guard against the risk that such interested persons could influence a listed company, its Subsidiaries or Associated Companies to enter into transactions with interested persons that may adversely affect the interests of the listed company or its shareholders. The main terms used in Chapter 9 of the Catalist Rules such as "entity at risk", "interested person" and "Associated Companies" as well as other terms used are defined in the Section entitled "Definitions" of this Appendix and in Section 2.2 of this Appendix.

Rule 920 of the Catalist Rules allows a listed company to seek a general mandate from its shareholders for recurrent transactions with "interested persons" where such transactions are of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials, but not in respect of the purchase or sale of assets, undertakings or businesses. A general mandate granted by Shareholders is subject to annual renewal.

2.2 Main terms used in Chapter 9 of the Catalist Rules

For the purposes of Chapter 9 of the Catalist Rules:

(a) an "**approved exchange**" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Catalist Rules;

(b) an "**entity at risk**" means:

(i) the issuer;

(ii) a Subsidiary of the issuer that is not listed on the SGX-ST or an approved exchange; or

(iii) an Associated Company of the issuer that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the Associated Company;

(c) an "**interested person**" means (i) a director, chief executive officer, or controlling shareholder of the issuer; or (ii) an Associate of any such director, chief executive officer, or controlling shareholder;

(d) an "**interested person transaction**" means a transaction between an "entity at risk" and an "interested person"; and

(e) a "**transaction**" includes (i) the provision or receipt of financial assistance; (ii) the acquisition, disposal or leasing of assets; (iii) the provision or receipt of services; (iv) the issuance or subscription of securities; (v) the granting of or being granted options; and (vi) the establishment of joint ventures or joint investments, whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one or more interposed entities).

2.3 Rationale and effect

2.3.1. General requirements applicable to interested person transactions

When Chapter 9 of the Catalist Rules applies to a transaction with an "interested person" (except for any transaction which is below S$100,000 in value and certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its "interested person" and are hence excluded from certain requirements of Chapter 9 of the Catalist Rules) and the value of the transaction alone or on aggregation with other transactions conducted with the "interested person" during the financial year reaches or exceeds certain materiality thresholds (which are based on the listed group's latest audited consolidated NTA), the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders' approval for the transaction.

Threshold 1: Three per cent. (3%) of the latest audited consolidated NTA of the listed company and its Subsidiaries.

Threshold 2: Five per cent. (5%) of the latest audited consolidated NTA of the listed company and its Subsidiaries.

An immediate announcement is required where:

(a) the value of a transaction with interested persons is equal to, or more than, three per cent. (3%) of the listed group's latest audited consolidated NTA; or

(b) the transaction, when aggregated with other transactions entered into with the same interested person during the same financial year amounts to three per cent. (3%) or more of the listed group's latest audited consolidated NTA.

In addition, shareholders' approval is required for an "interested person transaction" of a value equal to, or exceeding:

(i) five per cent. (5%) of the listed group's latest audited consolidated NTA; or

(ii) five per cent. (5%) of the listed group's latest audited consolidated NTA, when aggregated with the values of other transactions entered into with the same "interested person" (such term as construed under Chapter 9 of the Catalist Rules) during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.

For the purposes of aggregation, any transaction which is below S$100,000 in value is to be excluded.

2.3.2. Purpose and effect of the renewal of the IPT General Mandate

The Company is proposing the renewal of the IPT General Mandate, pursuant to Chapter 9 of the Catalist Rules, to enable the Company and its Subsidiaries, which are considered to be "entities at risk" to continue to enter in the ordinary course of business into certain type of transactions with specified classes of the Company's "interested persons", provided that such transactions are made on normal commercial terms and in accordance with the review procedures established for such transactions. The renewal of the IPT General Mandate will:

(i) facilitate entry into the mandated transactions with the specified classes of Interested Persons in the ordinary course of the Group's business;

(ii) eliminate the need for the Company to convene separate general meetings on each occasion, pursuant to the thresholds imposed under Chapter 9 of the Catalist Rules as described in Section 2.3.1 above, to seek Shareholders' approval as and when such transactions with the Interested Persons arise, thereby:

a. reducing substantially the time, inconvenience, costs and administrative expense associated with convening such meetings; and

b. enabling the Group to be able to capitalise on commercial and business opportunities that may avail themselves promptly, in order to ensure competitiveness, and not be placed at a disadvantage to other competitors.

Furthermore, provision of services to Interested Persons will represent an additional source of revenue to the Group.

2.4 Scope of the IPT General Mandate

2.4.1 Class of interested persons

As at the Latest Practicable Date, LMGPL and LLSGL are both Controlling Shareholders of the Company. LMGPL directly holds 95,431,396 Shares representing approximately 24.44% of the Company's issued and paid up share capital (excluding treasury shares). LLSGL is deemed to be interested in all of the Shares held by LMGPL. As at the Latest Practicable Date, LMGPL and LLSGL each have a Subsidiary (the "**Interested Persons**") incorporated in Singapore in the medical and healthcare business which may require the Group's services of the scope as set out in Section 2.4.2 below. The aforementioned Subsidiaries are Brookline Medical Pte. Ltd. and Vela Diagnostics Holding Pte. Ltd. respectively. Brookline Medical Pte. Ltd. is in the business of operating medical clinics and Vela Diagnostics Holding Pte. Ltd. is in the business of providing molecular diagnostics services.

The Company proposes to renew the IPT General Mandate for transactions carried out with the Interested Persons within the scope set out in Section 2.4.2. As LMGPL and LLSGL are Controlling Shareholders of the Company, LMGPL, LLSGL and their Associates (including their Subsidiaries) are "interested persons" within the meaning of Chapter 9 of the Catalist Rules.

As it is anticipated that the Group may provide the category of services set out in Section 2.4.2 below in the ordinary course of its business to the Interested Persons, the Company proposes the renewal of the IPT General Mandate.

The IPT General Mandate will apply to the Interested Person Transactions between the Group and the Interested Persons.

2.4.2 Nature of the Interested Person Transactions

The nature of the Interested Person Transactions to which the IPT General Mandate is applicable, and the benefits to be derived, is set out below.

Provision of diagnostic radiology and imaging services

This category of Interested Person Transactions will be for the provision by the Group of diagnostic radiology services including general radiography, ultrasound, positron emission topography (PET), computed tomography (CT) and magnetic resonance imaging (MRI).

2.4.3 Benefits to the Group

The renewal of the IPT General Mandate, if approved by the Shareholders, will eliminate the need for the Company to announce and convene separate general meetings on each occasion to seek Shareholders' approval for each separate Interested Person Transaction to be entered into between the Group and the Interested Persons of a revenue nature or those necessary for its business or operations. This will substantially reduce the expenses associated with the convening of general meetings (including the engagement of external advisers and preparation of documents), improve administrative efficacy and allow manpower resources and time to be channelled towards attaining other business objectives.

Furthermore, provision of services to Interested Persons will represent an additional source of revenue for the Group and optimise the usage of equipment for diagnostic radiology and imaging services.

The proposed renewal of the IPT General Mandate is intended to facilitate transactions in the normal course of business of the Group which are transacted from time to time with the Interested Persons, provided that they are made on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

2.4.4 Value of the Interested Person Transactions

Based on the latest audited consolidated financial statements of the Group for FY2018, the NTA of the Group as at FY2018 was approximately S$3,853,000. For the purposes of Chapter 9 of the Catalist Rules, 5% of the NTA of the Group would be approximately S$192,000.

2.5 Guidelines and review procedures for Interested Person Transactions

2.5.1. Introduction

The Group has in place internal control systems to ensure that transactions with the "interested persons" (including the Interested Persons) are made on normal commercial terms, and are consistent with the Group's usual business practices and policies. The Audit and Risk Management Committee of the Company (which currently comprises Mr Goh Kian Chee (chairman), Mr Chua Keng Woon and Mr Tan Soo Kiat) will also review and approve the Interested Person Transactions where applicable on a half-yearly basis, and to ensure that all Interested Person Transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Group or the minority Shareholders.

The Audit and Risk Management Committee shall also review from time to time the guidelines and review procedures of Interested Person Transactions to determine if they are adequate and/or commercially practicable in ensuring that Interested Person Transactions are conducted on normal commercial terms and not prejudicial to the interests of the Company, the Group and the minority Shareholders. It will take into account all relevant quantitative and non-quantitative factors. Transaction documents and its supporting documents or such other data as may be deemed necessary by the Audit and Risk Management Committee shall be made available to the Audit and Risk Management Committee when so requested. The Audit and Risk Management Committee shall, when it deems fit, have the right to require the appointment of independent sources or advisers to provide additional information pertaining to the transaction under review. In the event that a member of the Audit and Risk Management Committee is interested in any such transaction, he will abstain from participating in the review and approval process in relation to that particular transaction.

Pursuant to Rule 920(1)(b)(vii) of the Catalist Rules, if during its periodic reviews, the Audit and Risk Management Committee is of the opinion that the guidelines and procedures as stated above are inappropriate or not sufficient to ensure that Interested Person Transactions will be carried out on an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, the Company will seek a fresh mandate from Shareholders, where applicable, based on new guidelines and procedures. During the period prior to obtaining a fresh mandate from Shareholders, all transactions with Interested Persons will be subject to prior review and approval by the Audit and Risk Management Committee.

The Board will also ensure that all disclosure, approval and other requirements on Interested Person Transactions, including those required by prevailing legislation, the Catalist Rules and accounting standards, are complied with.

The following guidelines and review procedures had been implemented by the Group:

2.5.2. Guidelines

(a) All Interested Person Transactions shall be conducted in accordance with the Group's usual business practices and policies, consistent with the usual margins, rates (including fees) or prices received or extended by the Group for the same or substantially similar type of transactions between the Group and unrelated third parties, and the terms are not more favourable to the Interested Person compared to those extended to or received from unrelated third parties after taking into account all pertinent factors, including but not limited to the requirements, specifications, usage, delivery time of services, complexity, types of patients, industry norms, capacity availability and utilisation of the resources required for the provision of services to

Interested Persons. When providing any services to an Interested Person, two other quotations for comparable services rendered by the Group to non-Interested Persons will be obtained for comparison to ensure that the interests of the Group or the minority Shareholders are not disadvantaged. The fee for the services provided to the Interested Persons shall not be more favourable than the fees or price charged by the Group to non-Interested Persons for similar services after taking into account all pertinent factors, including but not limited to the requirements, specifications, usage, delivery time of services, industry norms, complexity, types of patients, capacity and utilisation of the resources required as well as costing and earnings for the provision of services to Interested Persons; and

(b) in circumstances where it is impractical or impossible to obtain comparable prices of contemporaneous transactions of similar services due to the complexity of the services to be provided, any two of the executive officers and/or Directors of the Company with no interest, direct or indirect, in the proposed Interested Person Transaction will, subject to the procedures as set out in Section 2.5.3 of this Appendix, take such necessary steps which would include but is not limited to (1) relying on corroborative inputs from reasonably experienced market practitioners in order to determine that the terms provided to the Interested Persons are fair and reasonable; and (2) evaluate and weigh the benefits of, and rationale for transacting with the Interested Persons, taking into account factors such as, but not limited to, the nature of the services, requirements, specifications, usage, delivery time of services, industry norms, complexity, types of patients, capacity and utilisation of the resources required as well as costing and earnings for the provision of services to Interested Persons.

2.5.3. Review procedures

In addition to the guidelines set out in Section 2.5.2 above, the following review procedures have been implemented to ensure that Interested Person Transactions are undertaken on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

Diagnostic radiology and imaging scans may occur on a day-to-day basis. The prices of scans ("**Price List**") will be fixed in advanced by the Group Financial Controller (the "**GFC**") or such other independent executive officer of the Company as appointed by the Audit and Risk Management Committee prior to being contracted after consultation and discussion with input from the relevant sales personnel (who shall also not be interested in any of the Interested Person Transactions). The said Price List shall be approved by the Audit and Risk Management Committee.

The GFC or such other independent executive officer of the Company as appointed by the Audit and Risk Management Committee shall review the said Price List together with the volume and quantum of the Interested Person Transactions as well as the fees for similar services provided to the non-Interested Person on a regular basis (at least on a half-yearly basis or such other period as may be approved by the Audit and Risk Management Committee) and in the event there are material variations or update, the GFC or such other independent executive officer of the Company as appointed by the Audit and Risk Management Committee shall escalate and, where applicable, propose any change deemed necessary to the Audit and Risk Management Committee. The Audit and Risk Management Committee will consider the revision of the said Price List and/or the review procedures as and when necessary and appropriate.

The Audit and Risk Management Committee shall review and approve the Price List together with the volume and quantum of the Interested Person Transactions as well as the fees for similar services provided to the non-Interested Person on a half-yearly basis (at least on a half-yearly basis or such other period as may be approved by the Audit and Risk Management Committee).

The review procedures set out above is adopted by the Company taking into account, *inter alia*, the nature, volume, recurrent frequency and size of the transactions as well as the Group's day-to-day operations, administration and businesses. It is arrived at as a result of the balancing exercise after considering the operational efficiency for the day-to-day business operations of the Group and the internal control for Interested Person Transactions. The review procedures act as an additional safeguard to supplement the guidelines set by the Company for Interested Person Transactions.

In addition to the guidelines and review procedures set out above, the following procedures have been implemented to supplement existing internal control procedures and ensure that the Interested Person Transactions carried out under the IPT General Mandate are undertaken on an arms' length basis and on normal commercial terms:

(i) where the aggregate value of the Interested Person Transactions is greater than 10% but lesser than 25% of the Group's latest audited NTA, the Price List shall be reviewed and approved by the GFC and one member of the Audit and Risk Management Committee (who is not interested, direct or indirect, in the Interested Person Transactions); and

(ii) where the aggregate value of the Interested Person Transactions is equal or greater than 25% of the Group's latest audited NTA, the Price List shall be reviewed and approved by the GFC and two members of the Audit and Risk Management Committee (who are not interested, direct or indirect, in the Interested Person Transactions).

For avoidance of doubt, Interested Person Transactions which have been approved by the Audit and Risk Management Committee need not be aggregated for the purpose of the above.

2.5.4. Additional controls and disclosure requirements for all Interested Person Transactions

The Company shall prepare all the relevant information to assist the Audit and Risk Management Committee in its review and will continue to keep a register to record all Interested Persons Transactions (the "IPT Register"). The IPT Register records all information pertinent to the Interested Person Transactions (including transactions below S$100,000), such as but not limited to, the list of Associates, the nature of the Interested Person Transactions, the basis and rationale for entry into the transactions, including the quotations and other evidence obtained to support such basis with written approvals.

The register of Interested Person Transactions is prepared, maintained and monitored by senior personnel such as the GFC of the Company (who shall not be interested in any of the Interested Person Transactions) and who are duly delegated to do so by the Audit and Risk Management Committee.

In addition, the Audit and Risk Management Committee shall on a half-yearly basis or for such other periods as determined by the Audit and Risk Management Committee (but in any event not less frequent than once every six months), review the basis and documents of all approved Interested Person Transactions to ensure that the procedures for review, approvals as well as monitoring and administration are adequate, sufficient and adhered to,

in ensuring that Interested Person Transactions are undertaken on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

In the event that a member of the Audit and Risk Management Committee is interested in any Interested Person Transaction, he shall abstain from participating in the review and approval of that particular transaction.

The Audit and Risk Management Committee shall on an annual basis, and as and when it deems fit, engage such internal auditors or professionals as are required to audit the basis and documents of all approved Interested Person Transactions and the IPT Register, to ensure good corporate governance and that the procedures for review, approvals as well as monitoring and administration are adequate, sufficient and adhered to, in ensuring that Interested Person Transactions are undertaken on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

The Audit and Risk Management Committee shall, when it deems fit, have the right to require the appointment of independent advisers or internal auditors to audit or provide additional information or advice pertaining to the transactions approved or under review or to be advised on whether the then existing or amended review procedures are appropriate and sufficient to ensure that Interested Person Transactions will be carried out on an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders and the outcome of such review shall be documented and minuted.

The GFC (or equivalent person) shall maintain a list of the Chief Executive Officer, Directors and Controlling Shareholders, and the Associates of the aforementioned persons (which is to be updated immediately if there are any changes) to enable identification of Interested Persons. The master list of Interested Persons which is maintained shall be reviewed by the Audit and Risk Management Committee at least once every six months and subject to such verifications or declarations as required by the Audit and Risk Management Committee from time to time or for such periods as determined by them.

The GFC (or equivalent person) will obtain signed letters of confirmation from the Chief Executive Officer, Chief Operating Officer, GFC, Directors and Controlling Shareholders at least once every six months with respect to their interests in any material transactions (such materiality levels to be determined and set by the Audit and Risk Management Committee) with the Group. Such letters of confirmation will be reviewed by the Audit and Risk Management Committee.

For purposes of the above review and approval process, any Director of the Company who is not considered independent for purposes of the IPT General Mandate and/or any Interested Person Transactions will abstain from voting in relation to any respective resolution, and/or abstain from participating in the Audit and Risk Management Committee's decision during its review of the established review procedures for the Interested Person Transactions or during its review or approval of any Interested Person Transaction.

The Company shall announce the aggregate value of Interested Person Transactions conducted with Interested Persons pursuant to the IPT General Mandate for each financial period which the Company is required to report on pursuant to Rule 705 of the Catalist Rules and within the time required for the announcement of such report in accordance with Rule 920(1)(a)(ii) of the Catalist Rules.

Disclosure shall also be made in the annual report of the Company of the aggregate value of the Interested Person Transactions conducted with Interested Persons pursuant to the IPT General Mandate during the current financial year, and in the annual reports for the subsequent financial years during which the IPT General Mandate is in force in accordance with Rule 920(1)(a)(i) of the Catalist Rules.

The name of the "interested person" and the corresponding aggregate value of the "interested person transactions" shall be presented in the following format in accordance with Rule 907 of the Catalist Rules:

Name of interested person	**Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920 of the Catalist Rules)**	**Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S$100,000)**

2.6 Validity period of the IPT General Mandate

The renewal of the IPT General Mandate is subject to Shareholders' approval at the Company's AGM to be held on 29 April 2019. If approved by Shareholders at the Company's AGM to be held on that date, the renewed IPT General Mandate will take effect from the date of the passing of the ordinary resolution as set out in the Notice of AGM in respect of the renewed IPT General Mandate, and will (unless revoked or varied by the Company in a general meeting) continue to be in force until the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier.

Approval from the Shareholders will be sought for the renewal of the IPT General Mandate at each subsequent annual general meeting of the Company, subject to satisfactory review by the Audit and Risk Management Committee of the continued requirement of the IPT General Mandate and the continued sufficiency of the review procedures to ensure that the transactions with Interested Persons will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

2.7 Audit and Risk Management Committee statement

The Audit and Risk Management Committee (currently comprising Mr Goh Kian Chee, Mr Chua Keng Woon and Mr Tan Soo Kiat (of which Mr Tan Soo Kiat has abstained from the deliberation)) having considered, *inter alia*, the review procedures for the Interested Person Transactions and the reviews to be made periodically by the Audit and Risk Management Committee in relation thereto, are of the view that the methods or procedures set out in Section 2.5 above for determining transaction prices in respect of the Interested Person Transactions are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the issued share capital of the Company are as follows:

	Number of Shares			
Directors	**Direct Interest**	**%(1)**	**Deemed Interest**	**%(1)**
Tan Soo Kiat(2)	–	–	8,000,000	2.05
Charles Wang Chong Guang	–	–	–	–
Goh Kian Chee	–	–	–	–
Chua Keng Woon	–	–	–	–

	Number of Shares			
Substantial Shareholders	**Direct Interest**	**%(1)**	**Deemed Interest**	**%(1)**
Luye Medical Group Pte. Ltd.(3)	95,431,396	24.44	–	–
Luye Medical Investment Pte. Ltd.(4)	–	–	95,431,396	24.44
Luye Life Sciences Group Ltd(5)	–	–	95,431,396	24.44
Nelumbo Investments Limited(6)	–	–	95,431,396	24.44
Ginkgo (PTC) Limited(7)	–	–	95,431,396	24.44
Shorea LBG(9)	–	–	95,431,396	24.44
The Asoka Trust(8)	–	–	95,431,396	24.44
Liu Dianbo(8)(9)	–	–	95,431,396	24.44
Wang Cuilian(8)	–	–	95,431,396	24.44
Aona Liu(8)	–	–	95,431,396	24.44
Alina W Liu(8)	–	–	95,431,396	24.44

Notes:

(1) Based on the Company's existing share capital as at the Latest Practicable Date of 390,488,125 Shares (excluding 100,000 treasury shares).

(2) Tan Soo Kiat's deemed interest arises from Shares held in a nominee account.

(3) Luye Medical Group Pte. Ltd. holds its shares in the Company directly.

(4) Luye Medical Investment Pte. Ltd. holds 100% of the issued and paid-up share capital of Luye Medical Group Pte. Ltd. and is deemed to have an interest in the shares held by Luye Medical Group Pte. Ltd. by virtue of Section 4 of the Securities and Futures Act (Chapter 289) of Singapore ("**SFA**").

(5) Luye Life Sciences Group Ltd holds 100% of the issued and paid-up share capital of Luye Medical Investment Pte. Ltd. Luye Medical Investment Pte. Ltd. is deemed to have an interest in the shares held by Luye Medical Group Pte. Ltd. by virtue of Section 4 of the SFA. Accordingly, Luye Life Sciences Group Ltd is deemed to have an interest in the shares held by Luye Medical Group Pte. Ltd. by virtue of Section 4 of the SFA.

(6) Nelumbo Investments Limited holds 70% of the issued and paid up share capital of Luye Life Sciences Group Ltd. Luye Life Sciences Group Ltd is deemed to have an interest in the shares held by Luye Medical Group Pte. Ltd. by virtue of Section 4 of the SFA. Accordingly, Nelumbo Investments Limited is deemed to have an interest in the shares held by Luye Medical Group Pte. Ltd. by virtue of Section 4 of the SFA.

(7) The shares representing 100% of the issued and paid up share capital of Nelumbo Investments Limited are held by Ginkgo (PTC) Limited as trustee of The Asoka Trust. Nelumbo Investments Limited is deemed to have an interest in the shares held by Luye Medical Group Pte. Ltd. by virtue of Section 4 of the SFA. Accordingly, Ginkgo (PTC) Limited is deemed to have an interest in the shares held by Luye Medical Group Pte. Ltd. by virtue of Section 4 of the SFA.

(8) The shares representing 100% of the issued and paid up share capital of Nelumbo Investments Limited are the trust property of The Asoka Trust. The settlor of The Asoka Trust is Mr Liu Dianbo. The beneficiaries of The Asoka Trust are Mr Liu Dianbo, his spouse Mdm Wang Cuilian, and his daughters Ms Aona Liu and Ms Alina W Liu. Nelumbo Investments Limited is deemed to have an interest in the shares held by Luye Medical Group Pte. Ltd. by virtue of Section 4 of the SFA. Accordingly, The Asoka Trust and the beneficiaries of The Asoka Trust are deemed to have an interest in the shares held by Luye Medical Group Pte. Ltd. by virtue of Section 4 of the SFA.

(9) Shorea LBG holds 100% of the issued and paid up share capital of Ginkgo (PTC) Limited and is in turn wholly-owned by Mr Liu Dianbo. Ginkgo (PTC) Limited is deemed to have an interest in the shares held by Luye Medical Group Pte. Ltd. by virtue of Section 4 of the SFA. Accordingly, each of Shorea LBG and Mr Liu Dianbo are deemed to be indirectly interested in the shares that Ginkgo (PTC) Limited has an interest in.

Mr Tan Soo Kiat, our Non-Executive Director, has declared that Intergate Pte Ltd (of which he is a director) has in the past and continues to provide corporate advisory services to LMGPL and one of its related companies and in this respect, Mr Tan Soo Kiat has declared that he is interested in the Proposed Renewal and has accordingly abstained from deliberating on the Proposed Renewal.

Mr Charles Wang Chong Guang is an employee of an Associate of LMGPL. He has declared that he is interested in the Proposed Renewal and has accordingly abstained from deliberating on the Proposed Renewal.

Save as disclosed above, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Renewal.

4. INDEPENDENT DIRECTORS' RECOMMENDATION

The Independent Directors having considered, *inter alia*, the rationale and information relating to the Proposed Renewal, are of the opinion that it is in the interests of the Company that the Group be permitted to have the flexibility to enter into the Interested Person Transactions described in Section 2.4.2 above in their ordinary course of business with the Interested Persons for reasons stated in this Appendix. Accordingly, the Independent Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Renewal.

Any Shareholder who may require specific advice in relation to his/her Shares should consult his/her legal, financial, tax or other professional adviser.

5. ABSTENTION FROM VOTING

LMGPL will abstain from voting on the Proposed Renewal and has undertaken to ensure that its Associates will abstain from voting in respect of the Proposed Renewal. LMGPL shall also decline and have undertaken to ensure that its Associates shall also decline, to accept appointment as proxies to vote at and attend the forthcoming AGM in respect of the Proposed Renewal unless the Shareholder concerned has given specific instructions as to the manner in which his votes are to be cast.

Mr Tan Soo Kiat and Mr Charles Wang Chong Guang will also abstain from voting on the Proposed Renewal and have undertaken to ensure that their respective Associates will abstain from voting in respect of the Proposed Renewal. Mr Tan and Mr Wang shall also decline and have undertaken to ensure that their respective Associates shall also decline, to accept appointment as proxies to vote at and attend the forthcoming AGM in respect of the Proposed Renewal unless the Shareholder concerned has given specific instructions as to the manner in which his votes are to be cast.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the AGM and who wish to appoint a proxy or proxies to attend and vote on their behalf should complete, sign and return the Proxy Form attached to the Notice of AGM in accordance with the instructions printed therein as soon as possible and, in any event, so as to arrive at the registered office of the Company at 350 Orchard Road #08-00, Shaw House, Singapore 238868, not later than 72 hours before the time fixed for the AGM. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the AGM if he so wishes in place of the proxy if he finds that he is able to do so.

A Depositor shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register maintained by CDP pursuant to Division 7A of Part IV of the Act at least 72 hours before the AGM.

CPFIS investors may wish to check with their CPF Approved Nominees on the procedure and deadline for the submission of their written instructions to their CPF Approved Nominees to vote on their behalf.

7. DIRECTORS' RESPONSIBILITY STATEMENT

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

8. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 350 Orchard Road #08-00, Shaw House, Singapore 238868 during normal business hours from the date of the Notice of AGM up to and including the date of the AGM:

(a) the Constitution of the Company; and

(b) the annual report of the Company for the financial year ended 31 December 2018.

9. COMPLIANCE WITH GOVERNING LAWS, REGULATIONS AND THE CONSTITUTION

The Company confirms that the Proposed Renewal do not contravene any laws and regulations governing the Company and the constitution of the Company.