CIRCULAR DATED 4 JANUARY 2016

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

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 this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular 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 this Circular, the Notice of Extraordinary General Meeting and the attached 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 Circular 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 Circular 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 Circular.

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

The contact person for the Sponsor is Ms Pauline Sim (Registered Professional, Xandar Capital Pte Ltd) at 3 Shenton Way, #24-02 Shenton House, Singapore 068805, telephone: (65) 6319 4954.

ASIAMEDIC LIMITED

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

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

(1) THE PROPOSED PLACEMENT OF AN AGGREGATE OF 11,500,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT THE PLACEMENT PRICE OF S$0.055 FOR EACH PLACEMENT SHARE TO MR TAN SOO KIAT AND MR KOH BOON HOW, EACH A DIRECTOR OF THE COMPANY;

(2) THE PROPOSED IMPLEMENTATION OF THE ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016;

(3) THE PROPOSED PARTICIPATION OF CONSULTANT RADIOLOGISTS (AS DEFINED HEREIN) IN THE ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016; AND

(4) THE PROPOSED GRANT OF OPTIONS UNDER THE ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016 AT A DISCOUNT

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	17 January 2016 at 3.00 p.m.
Date and time of Extraordinary General Meeting	:	19 January 2016 at 3.00 p.m.
Place of Extraordinary General Meeting	:	Kent Ridge Guild House, 9 Kent Ridge Drive, Singapore 119241

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DEFINITIONS

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

"**Act**" or "**Companies Act**"	:	The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time
"**AsiaMedic ESOS**"	:	The AsiaMedic Employee Share Option Scheme 2016, as modified, supplemented or amended from time to time
"**AsiaMedic Share Award Scheme**"	:	The AsiaMedic Share Award Scheme of the Company, which was approved at an extraordinary general meeting of the Company held on 30 April 2011
"**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
"**Auditors**"	:	The auditors of the Company for the time being
"**Award**"	:	A contingent award of Shares granted pursuant to the rules of the AsiaMedic Share Award Scheme, as the case may be
"**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

"**Circular**"	:	This Circular to Shareholders dated 4 January 2016
"**Committee**"	:	The Remuneration Committee of the Company, or such other committee comprising Directors of the Company or such persons as may be duly authorised and appointed by the Board to administer the AsiaMedic ESOS
"**Company**"	:	AsiaMedic Limited
"**Consultant Radiologists**"	:	Radiologists who are independent contractors and who provide Consultancy Services to the Group
"**Consultancy Services**"	:	Diagnostic imaging consultancy services
"**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
"**Date of Grant**"	:	The date on which an Option is granted to a Participant pursuant to the rules of the AsiaMedic ESOS
"**Director**"	:	A director of the Company for the time being
"**Director Placees**"	:	Mr Tan Soo Kiat and Mr Koh Boon How, and each of them a "**Director Placee**"
"**Directors Placement Shares**"	:	An aggregate of 11,500,000 Shares to be issued and allotted to the Director Placees at the Placement Price
"**Directors Subscription Agreements**"	:	The subscription agreements dated 7 December 2015 between the Company and the Director Placees in relation to the Proposed Directors Placement
"**Discounted Option**"	:	An Option in respect of which the Exercise Price is at a discount to the Market Price
"**EGM**"	:	The extraordinary general meeting of the Company to be held on 19 January 2016, notice of which is set out in page 32 of this Circular
"**EPS**"	:	Earnings per Share

"ESOS Shares" : The new Shares which may be allotted and issued from time to time pursuant to the exercise of Options which may be granted under the AsiaMedic ESOS

"Executive Director" : A Director of the Group who performs an executive function

"Exercise Price" : The price at which a Participant shall subscribe for each ESOS Share upon the exercise of an Option, as determined in accordance with the rules of the AsiaMedic ESOS

"FRS" : Financial Reporting Standards issued by the Accounting Standards Council

"Grantee" : The person to whom an offer of an Option is made

"Group" : The Company and its Subsidiaries

"Group Director" : A director of the Company and/or any of its Subsidiaries

"GST" : Goods and Services Tax

"Latest Practicable Date" : 22 December 2015, being the latest practicable date prior to the printing of this Circular

"LQN" : The listing and quotation notice to be sought from the SGX-ST in respect of the Third Party Placement Shares, the Directors Placement Shares and the ESOS Shares

"Market Day" : A day on which the SGX-ST is open for trading in securities

"Market Price" : The price equal to the average of the last dealt prices per Share, as determined by reference to the daily official list or other publication published by the SGX-ST for a period of five (5) consecutive Market Days immediately preceding the relevant Offer Date, provided always that in the case of a Market Day on which the Shares are not traded on the Catalist, the last dealt price for Shares on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded to the nearest one-tenth of a cent in the event of fractional prices

"Market Price Option" : An Option in respect of which the Exercise Price is based on the Market Price

"Memorandum and Articles of Association" : Memorandum and articles of association of the Company, as amended, modified or supplemented from time to time

"Non-Executive Director" : A director of the Group who does not perform an executive function

"Non-Executive Independent Director" : A non-executive independent director of the Company

"Non-Executive Non-Independent Director"	:	A Director who is a Non-Executive Director and Non-Independent Director
"Non-Independent Director"	:	A non-independent director of the Company
"Notice of EGM"	:	The notice of EGM as set out on pages 32 to 34 of this Circular
"NTA"	:	Net tangible assets
"Offer Date"	:	The date on which an offer to grant an Option is made
"Option"	:	The right to subscribe for Shares granted or to be granted pursuant to the AsiaMedic ESOS
"Option Period"	:	The period for the exercise of an Option, as set out in the rules of the AsiaMedic ESOS
"Participant"	:	A person who is eligible to participate in the AsiaMedic ESOS in accordance with the rules of the AsiaMedic ESOS
"Placement Announcement"	:	The announcement by the Company dated 7 December 2015 in relation to, *inter alia*, the Proposed Directors Placement
"Placement"	:	The Third Party Placement and the Proposed Directors Placement collectively, involving the placement of an aggregate of 51,500,000 Shares to the Subscribers and the Director Placees
"Placement Price"	:	S$0.055
"Proposed AsiaMedic ESOS"	:	The proposed implementation of the AsiaMedic ESOS
"Proposed Directors Placement"	:	The proposed placement of an aggregate of 11,500,000 new ordinary shares in the capital of the Company at the Placement Price to the Director Placees upon the terms and conditions of the Directors Subscription Agreements
"Proxy Form"	:	The proxy form which is set out in page 35 of this Circular
"Resolutions"	:	The ordinary resolutions as set out in the Notice of EGM, and each, a "**Resolution**"
"Rules"	:	The rules of the AsiaMedic ESOS, as may be amended from time to time, and any reference to a particular Rule shall be construed accordingly
"SGX-ST"	:	Singapore Exchange Securities Trading Limited

"**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
"**Sponsor**"	:	The sponsor of the Company, Xandar Capital Pte Ltd
"**Subscribers**"	:	The three individuals, Mr Ngiam Mia Hai Bernard, Mr Ngiam Mia Hong Alfred and Mr Ngiam Mia Kia Benjamin, as described in the Placement Announcement who are subscribing for an aggregate of 40,000,000 Shares at the Placement Price pursuant to the Third Party Subscription Agreements
"**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
"**Third Party Placement**"	:	The placement of an aggregate of 40,000,000 new Shares in the capital of the Company at the Placement Price to the Subscribers upon the terms and conditions of the Third Party Subscription Agreements
"**Third Party Placement Shares**"	:	The 40,000,000 new Shares to be issued to the Subscribers pursuant to the Third Party Placement
"**Third Party Subscription Agreements**"	:	The subscription agreements dated 7 December 2015 between the Company and the Subscribers in relation to the Third Party Placement
"**S$**" and "**cents**"	:	Singapore dollars and cents respectively
"**%**" or "**per cent.**"	:	Per centum or percentage

The terms "Depositor" and "Depository Register" shall have the meanings ascribed to them respectively by Section 130A of the 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.

Any reference in this Circular and the AsiaMedic ESOS to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and used in this Circular shall have the meaning assigned to it under the said act.

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

ASIAMEDIC LIMITED
(Registration Number: 197401556E)
(Incorporated in the Republic of Singapore)

Directors	**Registered Office**
Dr Hong Hai (Non-Executive Independent Director)	350 Orchard Road #08-00
Mr Tan Soo Kiat (Non-Executive Non-Independent Director)	Shaw House
Mr Koh Boon How (Non-Executive Non-Independent Director)	Singapore 238868
(Alternate Director to Mr Tan Soo Kiat)	
Mr Goh Kian Chee (Non-Executive Independent Director)	

4 January 2016

To: The Shareholders of AsiaMedic Limited

Dear Shareholders,

1. INTRODUCTION

1.1 EGM

The Directors are convening an EGM to be held on 19 January 2016 at 3.00 p.m. to seek Shareholders' approval in relation to:

(1) the proposed placement of an aggregate of 11,500,000 new Shares at the Placement Price to Mr Tan Soo Kiat and Mr Koh Boon How, each a Director, upon the terms and conditions of the Directors Subscription Agreements (i.e. the Proposed Directors Placement) ("**Resolution 1**");

(2) the proposed implementation of the AsiaMedic ESOS (i.e. the Proposed AsiaMedic ESOS) ("**Resolution 2**");

(3) the proposed participation of Consultant Radiologists in the AsiaMedic ESOS ("**Resolution 3**"); and

(4) the proposed grant of Options under the AsiaMedic ESOS at a discount ("**Resolution 4**"),

(collectively, the Resolutions).

1.2 Circular to Shareholders

On 7 December 2015, the Company issued the Placement Announcement to inform Shareholders of, *inter alia*, the Proposed Directors Placement. Following from the Placement Announcement, the purpose of this Circular is to provide Shareholders with the relevant information pertaining to, and to seek Shareholders' approval for, the abovementioned Resolutions to be tabled at the EGM, the notice of which is set out on page 32 of this Circular. This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) nor for any other purpose.

1.3 Approvals

An application has been made to the SGX-ST to obtain the LQN in respect of the Third Party Placement Shares, the Directors Placement Shares and the ESOS Shares. The Third Party Placement Shares, Directors Placement Shares and the ESOS Shares are therefore, *inter alia*, subject to the receipt of the LQN from the SGX-ST and the conditions stated in the LQN. The LQN, if and when granted by the SGX-ST, is not to be taken as an indication of the merits of the Third Party Placement, the Proposed Directors Placement, the Proposed AsiaMedic ESOS, the Company and/or its Subsidiaries and their securities.

1.4 Authority to issue Shares

The Directors Placement Shares will be issued under the authority of the general share issue mandate obtained by the Company at its last annual general meeting held on 30 April 2015 (the "**Share Issue Mandate**") and the issue of such Shares in itself is not subject to the approval of shareholders. However, Shareholders' approval is required to be sought for the issue of the Directors Placement Shares to the Director Placees pursuant to Catalist Rules 804 and 812.

Pursuant to the Share Issue Mandate, the Directors are authorised to, *inter alia*, allot and issue Shares in the Company at any time and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of Shares in the Company to be issued other than on a *pro rata* basis to existing Shareholders shall not exceed 50% of the issued share capital of the Company (excluding treasury shares) as at 30 April 2015 (the "**AGM Date**").

As at the AGM Date, the issued share capital of the Company comprised 338,988,125 Shares. Therefore, the share base of the Company for the computation of the number of Shares which may be issued pursuant to the Share Issue Mandate is 338,988,125 Shares (the "**Share Base**") and the maximum number of new Shares which may be issued (other than on a *pro rata* basis to existing Shareholders) pursuant to the Share Issue Mandate is 169,494,062 Shares.

As disclosed in the Placement Announcement, the Company will be issuing 40,000,000 new Shares via a placement to the Subscribers pursuant to the Third Party Placement. No Shares have been previously issued under the Share Issue Mandate prior to the Third Party Placement and the Proposed Directors Placement. Accordingly, the Company may issue up to 169,494,062 Shares other than on a *pro rata* basis by the date of the next annual general meeting.

The aggregate number of 40,000,000 Shares to be issued to the Subscribers represents approximately 11.80% of the Share Base. The aggregate number of 11,500,000 Directors Placement Shares to be issued pursuant to the Proposed Directors Placement represents approximately 3.39% of the Share Base. Collectively, the 51,500,000 Shares to be issued pursuant to the Third Party Placement and the Proposed Directors Placement represent approximately 15.19% of the Share Base, or approximately 13.19% of the Company's enlarged issued share capital of 390,488,125 Shares after completion of the both placements.

1.5 Inter-conditionality

The passing of Resolution 3 and Resolution 4 shall be conditional upon the passing of Resolution 2. For the avoidance of doubt, if Resolution 2 is not passed at the EGM, Resolution 3 and Resolution 4 will not be tabled.

2. PROPOSED DIRECTORS PLACEMENT

2.1 Introduction

On 7 December 2015, the Board announced that, *inter alia*, the Company had entered into the Directors Subscription Agreements with Mr Tan Soo Kiat and Mr Koh Boon How, each a Non-Executive Non-Independent Director (collectively, the Director Placees), pursuant to which the Company agreed to allot and issue, and the Director Placees agreed to subscribe for, an aggregate of 11,500,000 Directors Placement Shares at the Placement Price.

Pursuant to the terms of the Directors Subscription Agreements, the Proposed Directors Placement is subject to, *inter alia*, (i) obtaining the LQN from the SGX-ST in relation to the Directors Placement Shares; and (ii) the approval of Shareholders at the EGM.

No placement agent has been appointed by the Company in respect of the Proposed Directors Placement. There is also no commission, introducer fee or referral fee payable by the Company in relation to the Proposed Directors Placement.

2.2 Catalist Rules 804 and 812

Under Catalist Rule 804, except in the case of an issue made on a *pro rata* basis to shareholders or a scheme referred to in Part VIII of Chapter 8 of the Catalist Rules, no director of an issuer, or associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment. Such directors and associates must abstain from exercising any voting rights on the matter.

In addition, Catalist Rules 812(1) and 812(2) provide that, save where specific shareholder approval for such a placement has been obtained, an issue must not be placed to any of the following persons:

(i) an issuer's directors and substantial shareholders;

(ii) immediate family members of the directors and substantial shareholders;

(iii) substantial shareholders, related companies (as defined in Section 6 of the Act), associated companies and sister companies of the issuer's substantial shareholders;

(iv) corporations in whose shares the issuer's directors and substantial shareholders have an aggregate interest of at least 10%; and

(v) any person who, in the opinion of the SGX-ST, falls within category (i) to (iv) above.

As each of Mr Tan Soo Kiat and Mr Koh Boon How are Directors of the Company, and Mr Koh Boon How is also the alternate Director to Mr Tan Soo Kiat, the Proposed Directors Placement is subject to Shareholders' approval pursuant to Catalist Rules 804 and 812.

2.3 Salient terms of the Directors Subscription Agreements

2.3.1 Subscription

Pursuant to the terms of the Directors Subscription Agreements, the Director Placees will each subscribe for the number of Directors Placement Shares as follows:

Director Placee	Number of Directors Placement Shares
Tan Soo Kiat	9,000,000
Koh Boon How	2,500,000
TOTAL	11,500,000

The Directors Placement Shares shall be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights and entitlements similar to existing Shares, except that the Directors Placement Shares will not rank for any dividends, rights, allotments or other distributions the record date for which falls on or before the date of the issue of the Directors Placement Shares.

The offer of the Directors Placement Shares is made pursuant to the exemption under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore. Accordingly, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Directors Placement.

2.3.2 Conditions precedent

The completion of the Proposed Directors Placement is conditional upon, *inter alia*:

(a) the Company having obtained Shareholder approval at the EGM for the issue of the Directors Placement Shares to the Director Placees in compliance with the Catalist Rules;

(b) the LQN for the Directors Placement Shares on the Catalist of the SGX-ST being obtained from the SGX-ST via the Sponsor and not revoked or amended as at the date of completion of the Proposed Directors Placement and, where such approval is subject to conditions, such conditions being reasonably acceptable to the parties to the Directors Subscription Agreements;

(c) the issue and subscription of the Directors Placement Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of the Directors Subscription Agreements by any applicable legislative, executive or regulatory body or authority of Singapore;

(d) there having been no occurrence of any event or discovery of any fact rendering any of the warranties in the Directors Subscription Agreements untrue or incorrect in any material respect as at the completion date of the Proposed Directors Placement as if they had been given again on such completion date; and

(e) the Company and the Director Placees not being in breach of any of the relevant undertakings and the covenants in the Directors Subscription Agreements as at the completion date of the Proposed Directors Placement.

If any of the conditions above is not satisfied on or before the date falling on the expiration of 3 months from the date of the Directors Subscription Agreements (or such other date as the Company and the Director Placees may agree), the Directors Subscription Agreements shall terminate and in such event the obligations of the parties to the Directors Subscription Agreements shall cease and determine as set out thereunder.

An application has been made to the SGX-ST to obtain the LQN.

2.3.3 Placement Price

The Placement Price of S$0.055 represents a discount of approximately 9.8% on the volume weighted average price of Shares traded on the SGX-ST on the full Market Day on which the Directors Subscription Agreements were signed and on which the Shares were traded.

The aggregate Placement Price payable by the Director Placees is S$632,500, comprising S$495,000 and S$137,500 payable by Mr Tan Soo Kiat and Mr Koh Boon How respectively.

The Placement Price was agreed upon following arm's length negotiations between the Director Placees and the Company, taking into consideration the performance of the Shares traded on the SGX-ST as well as the recent corporate development of the Group as announced by the Company.

2.4 Details and backgrounds of the Director Placees

Placement shares were offered to the Directors and the Director Placees have agreed to subscribe for the Directors Placement Shares. Each of Mr Tan Soo Kiat and Mr Koh Boon How are Non-Executive Non-Independent Directors of the Company, and Mr Koh Boon How is also the alternate Director to Mr Tan Soo Kiat. Mr Tan Soo Kiat and Mr Koh Boon How were appointed to the Board on 3 June 2015.

2.5 Rationale and use of proceeds

Based on the Placement Price, the estimated amount of proceeds from the Proposed Directors Placement (net of the estimated expenses of approximately S$8,000 in connection with the Proposed Directors Placement) will be approximately S$624,500.

It is envisaged that on or about the same date as the date of completion of the Proposed Directors Placement, the Company will also complete the placement of 40,000,000 new Shares to the Subscribers, raising proceeds (net of expenses relating to the Third Party Placement) of approximately S$2,186,000. Further details in respect of the Third Party Placement have previously been set out in the Placement Announcement.

The total net proceeds to be raised from the Third Party Placement and from the Proposed Directors Placement will be approximately S$2,810,500 ("**Aggregate Net Proceeds**").

The Company intends to utilise all the Aggregate Net Proceeds for the expansion of its healthcare business, specifically the purchase of medical and other equipment, as well as for upgrading of operational facilities.

The Company will make announcements as to the use of the Aggregate Net Proceeds as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use of proceeds. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

Pending the deployment of the proceeds from the Third Party Placement and the Proposed Directors Placement, such proceeds may be placed as deposits with financial institutions or invested in short term money markets or debt instruments or for any other purposes on a short term basis as the Directors may in their absolute discretion deem fit, from time to time.

The aforementioned Aggregate Net Proceeds will further improve the working capital position of the Company by strengthening its equity position, which would allow it to be better positioned to capitalise on business opportunities as and when they arise. The Directors had considered various methods of fund raising, including a rights issue, and had concluded that a placement would be the most feasible method at this stage.

Thus, the Directors are of the opinion that after taking into consideration:

(a) the present bank facilities available to the Group, the working capital available to the Group is sufficient to meet its present requirements. Nevertheless, the Company is still proceeding with the Third Party Placement and the Proposed Directors Placement as (i) the Company intends to expand its healthcare business and (ii) the Placement will strengthen the equity position of the Company and allow the Group to be better positioned to capitalise on business opportunities as and when they arise; and

(b) the present bank facilities available to the Group and the Aggregate Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

Concurrent with the Third Party Placement, the Company had offered placement shares to the Directors and the Director Placees have agreed to subscribe for the Directors Placement Shares. The Placement Price was agreed upon following arm's length negotiations between the Subscribers, the Director Placees and the Company, taking into consideration the performance of the Shares traded on the SGX-ST.

2.6 Financial effects of the Third Party Placement and the Proposed Directors Placement

As stated above, it is envisaged that on or about the same date as the date of completion of the Proposed Directors Placement, the Company will complete the Third Party Placement, raising proceeds (net of expenses relating to the Third Party Placement) of approximately S$2,186,000. The placement of the aggregate 51,500,000 Shares to the Subscribers and the Director Placees is collectively referred to as the Placement.

The following financial effects of the Placement set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the Placement. The table below sets out the financial effects of the Placement based on the following bases and assumptions:–

(a) the audited consolidated financial statements of the Group for the financial year ended 31 December 2014;

(b) the financial impact on the consolidated NTA per Share is computed based on the assumption that the Placement was completed on 31 December 2014;

(c) the financial impact on the consolidated EPS is computed based on the assumption that the Placement was completed on 1 January 2014;

(d) an aggregate of 51,500,000 new ordinary shares will be issued under the Placement, raising Aggregate Net Proceeds of S$2,810,500; and

(e) the financial impact on the gearing ratio is computed based on the assumption that the Placement was completed on 31 December 2014.

	Before completion of the Placement	After completion of the Placement
Share capital (S$'000)	21,951	24,761
Number of Shares[(1)]	338,988,125	390,488,125
NTA[(2)] (S$'000)	11,787	14,597
NTA per Share (Singapore cents)	3.48	3.74
EPS (Singapore cent)	0.20	0.17
Gearing[(3)] (times)	0.34	0.28

Notes:

(1) Excluding 100,000 treasury shares.

(2) NTA equals total equity before non-controlling interests less goodwill and intangible asset.

(3) Gearing equals total borrowings over total equity.

2.7 Proposed Directors Placement as interested person transactions

Pursuant to the Proposed Directors Placement, by aggregating the consideration payable by each of Mr Tan Soo Kiat and Mr Koh Boon How, the aggregate value of interested person transactions (as defined in the Catalist Rules) to be entered into by the Director Placees will amount to S$495,000 and S$137,500 respectively, which represent approximately 4.20% and 1.17% of the NTA of the Group for the financial year ended 31 December 2014 respectively.

Pursuant to Catalist Rule 921(4)(b), an opinion from the Audit Committee of the Company in the form required in Catalist Rule 917(4)(a) must be disclosed. The opinion of the Audit Committee of the Company is set out below in Section 6 of this Circular.

2.8 Change in shareholding interests of Director Placees and Substantial Shareholders

Pursuant to the completion of the Placement, the Company's issued and paid up share capital will increase from 338,988,125 Shares to 390,488,125 Shares (the "**Enlarged Share Capital**").

The shareholding interests of the Director Placees before and after the Placement, as a percentage of the current share capital of the Company at the Latest Practicable Date and the Enlarged Share Capital respectively, are set out below:

Name	Number of Shares before the Placement	As a percentage of the total share capital before the Placement	Number of Shares after the Placement	As a percentage of the total share capital after the Placement
Tan Soo Kiat	–	–	9,000,000	2.30%
Koh Boon How	–	–	2,500,000	0.64%

The shareholding interests of the Controlling Shareholders of the Company, before and after the Placement, as a percentage of the current share capital of the Company at the Latest Practicable Date and the Enlarged Share Capital respectively, are set out below:

Name	**Number of Shares before the Placement**	**As a percentage of the total share capital before the Placement**	**Number of Shares after the Placement**	**As a percentage of the total share capital after the Placement**
Luye Medicals Group Pte. Ltd.[(1)]	95,431,396	28.15	95,431,396	24.44
Luye Medicals Investment Pte. Ltd.[(2)]	95,431,396	28.15	95,431,396	24.44
Luye Group Ltd[(3)]	95,431,396	28.15	95,431,396	24.44
Nelumbo Investments Limited[(4)]	95,431,396	28.15	95,431,396	24.44
The Asoka Trust[(5)]	95,431,396	28.15	95,431,396	24.44
Liu Dianbo[(6)]	95,431,396	28.15	95,431,396	24.44
Wang Cuilian[(6)]	95,431,396	28.15	95,431,396	24.44
Aona Liu[(6)]	95,431,396	28.15	95,431,396	24.44
Alina W Liu[(6)]	95,431,396	28.15	95,431,396	24.44

Notes:

(1) Luye Medicals Group Pte. Ltd. holds its Shares in the Company directly.

(2) Luye Medicals Investment Pte. Ltd. holds 100% of the issued and paid up share capital of Luye Medicals Group Pte. Ltd. and is deemed interested in the Shares that Luye Medicals Group Pte. Ltd. has an interest in.

(3) Luye Group Ltd holds 100% of the issued and paid up share capital of Luye Medicals Investment Pte. Ltd. and is deemed to be interested in the Shares that Luye Medicals Investment Pte. Ltd. has an interest in.

(4) Nelumbo Investments Limited holds 70% of the issued and paid up share capital of Luye Group Ltd and is deemed to be interested in the Shares that Luye Group Ltd has an interest in.

(5) The shares representing 100% of the issued and paid up share capital of Nelumbo Investments Limited are held as trust property of The Asoka Trust. Accordingly, The Asoka Trust is deemed interested in the Shares that Nelumbo Investments Limited has an interest in.

(6) Liu Dianbo, Wang Cuilian, Aona Liu and Alina W Liu are the beneficiaries under The Asoka Trust and are deemed to be interested in the Shares that The Asoka Trust has an interest in.

There will be no change in control in the Company pursuant to the completion of the Third Party Placement and the Proposed Directors Placement.

3. PROPOSED IMPLEMENTATION OF ASIAMEDIC ESOS

3.1 Rationale for the Proposed AsiaMedic ESOS

The Company had previously implemented an employee share option scheme, known at the time as the AsiaMedic Limited Employees' Share Option Scheme 2003 ("**2003 ESOS**"), which was approved by Shareholders at an extraordinary general meeting on 16 October

2003. The 2003 ESOS lapsed on 15 October 2013. 7,080,000 options had been granted under the 2003 ESOS. Such options were not exercised and the last option expired on 22 August 2012.

The Company proposes to reintroduce an employee share option scheme to be implemented in conjunction with the Company's existing AsiaMedic Share Award Scheme, so as to provide eligible Participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty. Both the AsiaMedic Share Award Scheme and AsiaMedic ESOS will form an integral and important component of the Company's compensation plan and are designed primarily to reward and retain Participants whose services are vital to the growth and performance of the Group.

The AsiaMedic Share Award Scheme and the AsiaMedic ESOS are designed to complement each other in the Group's efforts to reward, retain and motivate Participants to achieve better performance. The aim of implementing more than one incentive plan is to increase the Group's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve increased performance by providing the Group with a more comprehensive set of remuneration tools and further strengthen the Group's competitiveness in attracting and retaining talent.

3.2 Objectives of the AsiaMedic ESOS

The objectives of the AsiaMedic ESOS are as follows:

(a) to motivate Participants to optimise their performance standards and efficiency and to maintain a high level of contribution to the Group;

(b) to retain Participants whose contributions are essential to the long-term growth and profitability of the Group;

(c) to instill loyalty to, and a stronger identification by Participants with the long-term prosperity of, the Group;

(d) to attract potential Participants with relevant skills to contribute to the Group and to create value for Shareholders; and

(e) to align the interests of Participants with the interests of Shareholders.

3.3 Summary of Rules

The following is a summary of the rules of the AsiaMedic ESOS:

3.3.1 <u>Participants</u>

Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the AsiaMedic ESOS:

(a) Group Directors and employees of the Group;

(b) Consultant Radiologists; and

(c) directors and employees of any Associated Company (if and where applicable), subject to the Company having control over such Associated Company, provided that, as of the relevant Offer Date, they have attained the age of twenty-one (21) years, have not entered into any compositions with their respective creditors and are not undischarged bankrupts, and in the opinion of the Committee, have contributed or will contribute to the success and development of the Group and/or the relevant Associated Company; and in the case of employees of the Group or employees of the relevant Associated Companies, must hold such position as may be designated by the Company from time to time, and whose eligibility have been confirmed by the Company and/or any of its Subsidiaries and/or any of its Associated Companies (as the case may be) as at each proposed Offer Date as determined by the Committee. For the avoidance of doubt, Non-Executive Directors, Non-Executive Independent Directors and Non-Executive Non-Independent Directors are eligible for participation in the AsiaMedic ESOS.

Pursuant to Catalist Rule 852, participation in the AsiaMedic ESOS by any Controlling Shareholder or his Associate must be approved by the independent Shareholders at a general meeting and a separate resolution must be passed for each such person to approve the actual number and terms of the Options to be granted to such person. The Company will at such time provide the rationale and justification for any proposal to grant the Controlling Shareholders and/or their Associates any Options. Controlling Shareholders and their Associates shall abstain from voting on any resolution in relation to their participation in the AsiaMedic ESOS and grant of Options to them.

In addition, Consultant Radiologists who provide Consultancy Services to the Group are eligible to participate in the AsiaMedic ESOS notwithstanding the fact that they are not employees of the Group. Please refer to section 3.6 of this Circular below for further details of the Consultant Radiologists.

Through the Sponsor, the Company has applied to the SGX-ST for a waiver (the "**Waiver**") from compliance with Catalist Rule 843 in relation to the inclusion of the Consultant Radiologists as participants of the Proposed AsiaMedic ESOS. The SGX-ST had on 21 December 2015 granted the Waiver to the Company subject to:

(a) The Company making an immediate announcement of the Waiver granted, disclosing the reasons for seeking the Waiver;

(b) disclosing in the Circular, the Board's views on the extension of the Proposed AsiaMedic ESOS to the Consultant Radiologists;

(c) obtaining Shareholders' approval for the Proposed AsiaMedic ESOS at the EGM; and

(d) obtaining Shareholders' approval for the participation of the Consultant Radiologists in the Proposed AsiaMedic ESOS at the EGM.

The Company has made the announcement required under (a) above on 22 December 2015.

There shall be no restriction on the eligibility of any Participant to participate in any other share incentive schemes or share plans implemented or to be implemented by the Company or any other company within the Group.

Subject to the Companies Act and any requirement of the SGX-ST, the terms of eligibility for participation in the AsiaMedic ESOS may be amended from time to time at the absolute discretion of the Committee.

3.3.2 Administration of the AsiaMedic ESOS

The AsiaMedic ESOS shall be administered by the Remuneration Committee of the Company (which may include Directors who may be Participants of the AsiaMedic ESOS) in its absolute discretion with such powers and duties as are conferred to it by the Board. A member of the Committee who is also a Participant of the AsiaMedic ESOS shall abstain from deliberation in respect of the Options granted or to be granted to him.

3.3.3 Size of the AsiaMedic ESOS

The aggregate number of Shares over which the Committee may grant Options on any date under the AsiaMedic ESOS shall not exceed 15% of the total issued share capital of the Company (excluding treasury shares) on the day immediately preceding the relevant Date of Grant.

The Directors believe that this limit allows the Group sufficient flexibility to decide upon the number of Options to offer to the existing and new Participants. The number of eligible Participants is expected to grow over the years. The Group, in line with its goal of ensuring sustainable growth, is constantly reviewing its position and considering the expansion of its talent pool which may involve employing new Group Directors, employees and Consultant Radiologists. The employee base and talent base, and thus the number of eligible Participants will increase as a result. If the number of Options available under the AsiaMedic ESOS is limited, the Company may only be able to grant a small number of Options to each eligible Participant which may not be a sufficiently attractive incentive. The Company is of the opinion that it should have a sufficient number of Options to offer to new Participants as well as to existing ones. The number of Options offered must also be significant to serve as a meaningful reward for contributions to the Group. However, it does not necessarily mean that the Committee will definitely issue Options up to the prescribed limit. The Committee shall exercise its discretion in deciding the number of Options to be granted to each Participant, and this will depend on the performance and value of the Participant to the Group.

The aggregate number of Shares for which Options may be granted under the AsiaMedic ESOS to the Controlling Shareholders and their Associates shall not exceed 25% of the total number of Shares available under the AsiaMedic ESOS. The number of Shares over which Options may be granted under the AsiaMedic ESOS to each Controlling Shareholder or his Associate shall not exceed 10% of the total number of Shares available under the AsiaMedic ESOS.

Overall, the aggregate number of Shares issued and/or issuable in respect of (a) all Options granted under the AsiaMedic ESOS; (b) all Awards granted under the AsiaMedic Share Award Scheme; and (c) all Shares issued and issuable and/or transferred and transferable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company and for the time being in force (if any), shall not exceed 25% of the total issued share capital of the Company (excluding treasury shares) on the day immediately preceding the relevant Date of Grant.

To date, the Group has not awarded any Shares under the AsiaMedic Share Award Scheme.

3.3.4 Maximum entitlements

The number of Shares over which Options may be granted to a Participant under the AsiaMedic ESOS shall be determined at the absolute discretion of the Committee, which shall take into consideration, where applicable, factors such as rank, job performance, years of service, contribution to the success of the Group, potential for future development of that Participant and the extent of effort and resourcefulness required to achieve the service conditions and/or performance targets within the performance and/or service periods.

3.3.5 Options, exercise period and Exercise Price

The Options that are granted under the AsiaMedic ESOS may have Exercise Prices that are, at the Committee's discretion, set at the Market Price or at a discount to the Market Price (subject to a maximum discount of 20%). Options which are fixed at the Market Price (i.e. Market Price Options) may be exercised after the first anniversary of the Date of Grant while Options exercisable at a discount to the Market Price (i.e. Discounted Options) may only be exercised after the second anniversary from the Date of Grant. Options granted under the AsiaMedic ESOS will have a life span of up to ten (10) years.

Subject to the prevailing legislation and the Catalist Rules, the Company will have the flexibility to deliver Shares to Grantees upon the exercise of their Options by way of an allotment of new Shares and/or the transfer of existing Shares, including (subject to applicable laws) any Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company as treasury shares. In determining whether to issue new Shares or to deliver existing Shares to Grantees upon the exercise of their Options, the Company will take into account factors such as the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing new Shares or purchasing existing Shares.

3.3.6 Grant of Options

Under the rules of the AsiaMedic ESOS, there are no fixed periods for the grant of Options. As such, offers for the grant of Options may be made at any time at the discretion of the Committee. However, no Option shall be granted during the period of one (1) month immediately preceding the date of announcement of the Company's interim and/or final results (whichever the case may be).

In addition, in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is imminent, offers may only be made on or after the second Market Day from the date on which the aforesaid announcement is released.

3.3.7 Termination of Options

Special provisions in the rules of the AsiaMedic ESOS deal with the lapse or earlier exercise of Options in circumstances which include the Grantee ceasing to be a Group Director, a Group Employee or a Consultant Radiologist, the bankruptcy of the Grantee, the death of the Grantee, a takeover of the Company and the winding up of the Company.

3.3.8 Acceptance of offer

The grant of Options shall be accepted within 30 days from the date of offer or any other period the Committee may from time to time determine. Offers of Options made to Grantees, if not accepted by the closing date, will automatically lapse and shall forthwith be deemed to be null and void and of no effect. Upon acceptance of the offer, the Grantee must pay the Company a consideration of S$1.00 or such amount as the Committee may decide.

3.3.9 Rights of Shares arising from the exercise of Options

Shares arising from the exercise of Options are subject to the provisions of the Companies Act and the Memorandum and Articles of Association of the Company (including all provisions thereof relating to the voting, dividend, transfer and other rights attached to such Share, including those rights which rise from a liquidation of the Company). The Shares so allotted will upon issue rank *pari passu* in all respects with the then existing issued Shares, save for any dividend, rights, allotments or distributions, the record date for which is prior to the relevant exercise date of the Option. For such purposes, “record date” means the date as at the close of business on which Shareholders must be registered in order to participate in any dividends, rights, allotments or other distributions (as the case may be).

3.3.10 Duration of the AsiaMedic ESOS

The AsiaMedic ESOS shall continue in operation at the discretion of the Committee, subject to a maximum duration of ten (10) years commencing on the date on which the AsiaMedic ESOS is adopted by the Company in a general meeting. Subject to compliance with any applicable laws and regulations in Singapore, the AsiaMedic ESOS may be continued for any further period thereafter with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

3.3.11 Abstention from voting

Shareholders who are eligible to participate in the AsiaMedic ESOS are to abstain from voting on any resolution of Shareholders relating to the AsiaMedic ESOS and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast.

3.3.12 Adjustments and alterations under the AsiaMedic ESOS

Variation of capital

If a variation in the issued ordinary share capital of the Company (whether by way of rights issue, capital reduction, sub-division, consolidation of shares, distribution or otherwise) shall take place, then:

(i) the Exercise Price in respect of the Shares comprised in any Option to the extent unexercised;

(ii) the class and/or number of Shares comprised in any Option to the extent unexercised and the rights attached thereto; and/or

(iii) the class and/or number of Shares in respect of which additional Options may be granted pursuant to the AsiaMedic ESOS,

shall be adjusted in such a manner as the Committee may determine to be appropriate. Adjustments other than on a capitalisation issue must be confirmed in writing by the Auditors (acting as experts and not as arbitrators) to be fair and reasonable.

The following (whether singly or in combination) shall not be regarded as events requiring adjustments:

(i) the issue of securities as consideration for an acquisition or a private placement of securities;

(ii) any issue of securities pursuant to any joint venture and/or debt conversion;

(iii) any increase in the number of issued Shares as a consequence of the exercise of any options or conversion of any loan stock or any other securities convertibles into Shares or subscription rights of any warrants issued from time to time by the Company enabling holders thereof to acquired new Shares in the capital of the Company;

(iv) any issue of Shares pursuant to any scrip dividend scheme for the time being of the Company; or

(v) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on Catalist during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force.

Notwithstanding the provisions of the rules of the AsiaMedic ESOS:

(i) no such adjustment shall be made if as a result, the Grantee receives a benefit that a Shareholder does not receive; and

(ii) no such adjustment shall be made unless the Committee, after considering all relevant circumstances considers it equitable to do so.

Modifications to the AsiaMedic ESOS

The AsiaMedic ESOS may be modified and/or altered at any time and from time to time by resolution of the Committee, provided that:

(i) any modification or alteration which shall alter adversely the rights attached to any Options granted prior to such modification or alteration and which in the opinion of the Committee, materially alter the rights attaching to any Option(s) granted prior to such modification or alteration may only be made with the consent in writing of such number of Grantees who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters of the total number of all the Shares which would fall to be issued and allotted upon exercise in full of all outstanding Options;

(ii) any modification or alteration which would be to the advantage of Participants under the AsiaMedic ESOS shall be subject to the prior approval of Shareholders in a general meeting; and

(iii) no modification or alteration shall be made without the prior approval of the SGX-ST (if required) or any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities as may be necessary.

3.3.13 Reporting requirements

Under the Catalist Rules, an immediate announcement must be made on the Date of Grant and provide details of the grant, including the following:

(a) the Date of Grant;

(b) Exercise Price of the Options granted;

(c) number of Options granted;

(d) market price of the Shares on the Date of Grant;

(e) number of Options granted to each Director and Shareholder (and each of their Associates), if any; and

(f) the validity period of the Options.

The Company shall, for as long as the AsiaMedic ESOS continues in operation, make the following disclosure in its annual report:

(a) the names of the members of the Committee administering the AsiaMedic ESOS;

(b) the information required in the table below for the following Grantees (which for the avoidance of doubt, shall include Grantees who have exercised all their Options in any particular Financial Year):

(i) Directors of the Company;

(ii) Controlling Shareholders and their Associates; and

(iii) Grantees, other than those in (b)(i) and (b)(ii) above, who receive 5% or more of the total number of Options available under the AsiaMedic ESOS; and

Name of Grantee	**Options granted during the Financial Year under review (including terms)**	**Aggregate Options granted since commencement of the AsiaMedic ESOS to the end of the Financial Year under review**	**Aggregate Options exercised since commencement of the AsiaMedic ESOS to the end of the Financial Year under review**	**Aggregate Options outstanding as at the end of the Financial Year under review**

(c) the number and proportion of Options granted at the following discounts to the Market Price in the Financial Year under review:

  (i) options granted at up to 10% discount; and

  (ii) options granted at between 10% but not more than 20% discount; and

(d) such other information as may be required by the Catalist Rules and all other applicable laws and requirements,

provided that if any of the above requirements are not applicable, an appropriate negative statement should be included therein.

3.4 Grant of Discounted Options

Discounted Options will only be granted to deserving Participants whose performance has been consistently good and/or whose future contributions to the Group will be invaluable. The ability to offer Discounted Options will operate as a means to recognise the performance of Grantees as well as to motivate them to continue to excel while encouraging them to focus on improving the profitability and return of the Group to a level that benefits Shareholders when these are eventually reflected through an appreciation of the Company's share price. Discounted Options would be perceived in a more positive light by the Grantees, inspiring them to work hard and produce results in order to be offered Discounted Options as only Participants who have made significant contributions to the success and development of the Group would be granted Discounted Options.

The flexibility to grant Discounted Options is also intended to cater to situations where the stock market performance has overrun the general market conditions. In such events, the Committee will have absolute discretion to:

(a) grant Options set at a discount to the Market Price of a Share (subject to a maximum limit of 20%); and

(b) determine the Participants to whom, and the Options to which, such reduction in Exercise Prices will apply.

In determining whether to give a discount and the quantum of the discount, the Committee shall be at liberty to take into consideration factors including the performance of the Company, the Group, the performance of the Participant concerned, the contribution of the Participant to the success and development of the Group and the prevailing market conditions.

At present, the Company foresees that Discounted Options may be granted principally in the following circumstances:

(a) Firstly, where it is considered more effective to reward and retain talented Participants by way of a Discounted Option rather than a Market Price Option. This is to reward the outstanding performers who have contributed significantly to the Group's performance and the Discounted Option serves as additional incentive to such Participants. Options granted by the Company on the basis of market price may not be attractive and realistic in the event of an overly buoyant market and inflated share prices. Hence during such periods the ability to offer Discounted Options would allow the Company to grant Options on a more realistic and economically feasible basis. Furthermore, Discounted Options will give an opportunity to the Participants to realise some tangible benefits even if external events cause the Share price to remain largely static.

(b) Secondly, where it is more meaningful and attractive to acknowledge a Participant's achievements through a Discounted Option rather than paying him a cash bonus. For example, Discounted Options may be used to compensate Participants and to motivate them during economic downturns when wages (including cash bonuses and annual wage supplements) are frozen or cut, or they could be used to supplement cash rewards in lieu of larger cash bonuses or annual wage supplements. Accordingly, it is possible that merit-based cash bonuses or rewards may be combined with grants of Market Price Options or Discounted Options, as part of the compensation packages for Participants. The AsiaMedic ESOS will provide the Participants with an incentive to focus more on improving the profitability of the Group thereby enhancing shareholder value when these are eventually reflected through the price appreciation of the Shares after the vesting period.

The Committee will have the absolute discretion to grant Discounted Options, to determine the level of discount (subject to a maximum discount of 20% of the Market Price) and the Grantees to whom, and the Options to which, such discount in the Exercise Price will apply provided that Shareholders in general meeting shall have authorised the making of offers and grants of Options under the AsiaMedic ESOS at a discount not exceeding the maximum discount as aforesaid. The Company may also grant Options without any discount to the Market Price. In addition, the Company may, if it deems fit, impose conditions on the exercise of the Options (whether such Options are granted at the market price or at a discount to the Market Price), such as restricting the number of Shares for which the Option may be exercised during the initial years following its vesting.

3.5 Rationale for permitting the participation of Controlling Shareholders and their Associates, directors and employees of Associated Companies (if and where applicable)

3.5.1 <u>Controlling Shareholders and their Associates</u>

An employee who is a Controlling Shareholder or an Associate of a Controlling Shareholder shall be entitled to participate in the AsiaMedic ESOS. Although Controlling Shareholders or their Associates may already have shareholding interests in the Company, including them in the AsiaMedic ESOS ensures that they are equally entitled, with the other eligible directors and employees of the Group who are not Controlling Shareholders or their Associates, to take part and benefit from this system of remuneration. The Company is of the view that the Company should have a fair and equitable system to reward the eligible directors and employees who have made and continue to make important contributions to the long-term growth of the Group notwithstanding that they are Controlling Shareholders or their Associates. A person who would otherwise be eligible should not be excluded from participating in the AsiaMedic ESOS solely for the reason that he is a Controlling Shareholder or an Associate of a Controlling Shareholder.

Specific approval of independent Shareholders is required for the participation of Controlling Shareholder(s) and their Associates in the AsiaMedic ESOS. When it is proposed that Options be granted under the AsiaMedic ESOS to eligible Participants who are Controlling Shareholders or Associates of Controlling Shareholder(s), in accordance with the requirements of the Catalist Rules, the actual number and terms of the Options to be granted to each such person are subject to the approval of independent Shareholders in a separate resolution. In seeking such independent Shareholders' approval, clear justification as to their participation and the number and terms (including the Exercise Price) of Options to be granted to the Controlling Shareholder or Associate of Controlling Shareholder shall be provided. Accordingly, the Company is of the view that there are sufficient safeguards against any abuse of the AsiaMedic ESOS resulting from the participation of Controlling Shareholder(s) or their Associates.

As at the Latest Practicable Date, there were no employees of the Group or Group Directors who are Controlling Shareholders or Associates of Controlling Shareholders.

3.5.2 Directors and employees of Associated Companies

It is desired that the Company should have a share option scheme which caters to the directors and employees of the Group as well as persons who are not employed within the Group but who work closely with the Group and who, by reason of their relationship with the Group, are in a position to input and contribute their experience, knowledge and expertise to the development and prosperity of the Group. Such other persons would include the directors and employees of any Associated Companies (present and/or in the future) which the Group has control over.

3.6 Rationale for permitting the participation of Consultant Radiologists and the Non-Executive Directors (including Non-Executive Independent Directors) in the AsiaMedic ESOS

3.6.1 Consultant Radiologists

The AsiaMedic ESOS caters to all directors and employees of the Group. The Consultant Radiologists are independent contractors who provide exclusive Consultancy Services to the Group. They are not employees of the Group and their professional services are usually engaged via service agreements entered into between the Group and the radiology companies which employ such Consultant Radiologists. Monthly consultancy fees are paid to these radiology companies and the Consultant Radiologists are also entitled to profit-sharing from the bonus pool for such radiologist companies serving the Group. The Group values these Consultant Radiologists as an integral part of its talent pool and subjects them to the same code of professional conduct and policies observed by all employees of the Group.

The duties and responsibilities of the Consultant Radiologists include (but are not limited to):

(a) being responsible for the day to day clinical management of the Group and in the carrying out of the business and liaising with the other executives and staff of the Group;

(b) providing clinical services of a standard reasonably expected of the radiology profession;

(c) carrying out their duties with due diligence and in a temperate and proper manner and using their best skills and endeavors in order to further the business and interests of the Group;

(d) performing and undertaking all such duties and acts as reasonably necessary in the discharge of their responsibilities with the Group;

(e) obeying and carrying out in relation to their duties all lawful and reasonable instructions of the Group as are conveyed to them; and

(f) attending at the place of business of the Group or at such other places as may be required by the Group, unless prevented by sickness or other cause beyond their control, during such hours and at such times as they will be so required by the Group to do and as are necessary for the performance of their duties.

One of the Group's main businesses is diagnostic imaging. Its various types of imaging equipment provide images of almost any human organ, system or body part in a non-invasive way so that diagnoses can be carried out. A radiologist is a medical specialist specially trained in diagnostic radiology allowed to interpret such medical images. In Singapore, a radiologist is required to hold the Certificate of Specialist Registration from the Singapore Medical Council and the Certificate of Specialist Accreditation from the Specialists Accreditation Board of the Ministry of Health in order to practice as a radiologist. Without such qualified radiologists, the Group will not be able to operate this business. The Consultant Radiologists are qualified radiologists who have specialised training in obtaining and interpreting medical images, which make them imaging experts. Accordingly, the Consultant Radiologists form an important category of manpower and make significant contributions to the Group as they provide Consultancy Services which are integral to the Group's Advanced Diagnostic Imaging Centre. The Directors are of the view that the extension of the AsiaMedic ESOS to the Consultant Radiologists would allow the Company to have a fair and equitable system to reward Consultant Radiologists who have made and who continue to make significant contributions to the long-term growth of the Group. The AsiaMedic ESOS will also enable the Group to provide incentives to the Consultant Radiologists to optimise their standards of performance.

For the purpose of assessing the contributions of the Consultant Radiologists, the Committee will propose a performance framework comprising a combination of financial and non-financial performance measurement criteria such as the financial performance of the Group, responsibilities shouldered by as well as the extent of involvement, and overall contribution given by the Consultant Radiologist. The Committee may also decide that no Options shall be granted in any financial year or at all. Subject to the discretion of the Committee, if and when a Consultant Radiologist ceases to provide Consultancy Services to the Group, his Options (if any) shall, to the extent unexercised, immediately lapse and become null and void and shall have no claim against the Company.

As at the date of this Circular, there are five (5) Consultant Radiologists who are eligible to participate in the AsiaMedic ESOS.

3.6.2 Non-Executive Directors and Non-Executive Independent Directors

The Non-Executive Directors (including the Non-Executive Independent Directors) of the Company are from different professions and working backgrounds. They are able to provide the Group with the benefit of their extensive experience, knowledge and expertise that can assist in furthering the business interests of the Group, and/or provide the Group with strategic or significant alliances or opportunities. The Company regards these persons as a resource pool from which the Group is able to tap for business contacts and networking, and for the benefit of their experiences and insight. Participation in the AsiaMedic ESOS is being extended to Non-Executive Directors (including Non-Executive Independent Directors) in recognition of their contributions. The Company will consider, *inter alia*, the contributions of such persons to the success and development of the Group when selecting them for participation in the AsiaMedic ESOS.

As the AsiaMedic ESOS is intended to cater primarily to employees of the Group, it is anticipated that Options that may be granted to the Non-Executive Directors (including Non-Executive Independent Directors) pursuant to the AsiaMedic ESOS in the situations described above, would not comprise (whether on a individual or collective basis) a significant portion of the Shares available under the AsiaMedic ESOS as the Non-Executive Directors (including Non-Executive Independent Directors) would, mainly, continue to be remunerated for their services by way of directors' fees. It is envisaged that the bulk of the Options granted pursuant to the AsiaMedic ESOS will be to other employees of the Group, as they will comprise the bulk of the Participants. As such, the Company anticipates that the aggregate number of Options to be granted to Non-Executive Directors (including Non-Executive Independent Directors) will not amount to more than 5% of the total number of Options available for grant under the AsiaMedic ESOS. Should there be any unusual grant that is not in line with such intention, the Company will seek the approval of the Shareholders before such grant is being made.

The provision of Options to the Non-Executive Directors (including Non-Executive Independent Directors) will ensure that the Company will be able to continue to attract onto its Board, directors who will be able to assist in furthering the business interests of the Group. This will help enhance the growth and long-term profitability of the Group.

As at the Latest Practicable Date, the Non-Executive Directors (including Non-Executive Independent Directors) who will currently be eligible under the AsiaMedic ESOS are Dr Hong Hai, Mr Tan Soo Kiat, Mr Koh Boon How and Mr Goh Kian Chee.

3.7 Financial Effects of the AsiaMedic ESOS

3.7.1 Potential cost of Options

Based on the Singapore FRS, no cash outlays would be expended by the Company at the time Options are granted by the Company (as compared with cash bonuses). However, the Company would recognise an expense in the financial statements based on the fair value of the Options as at the Date of Grant.

FRS 102 Share-based Payment is effective for the financial statements for the financial year beginning 1 January 2005. Participants will receive Shares in settlement of the Options, and the Options would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the Options would be recognised as a charge to the income statement over the vesting period of an Option and a corresponding credit to reserve account. The total amount of the charge over the vesting period is generally measured based on the fair value of each Option granted. This is normally estimated by applying the option pricing model at the Date of Grant.

Before the end of the vesting period, and at each accounting year end, the estimate of the number of Options that are expected to vest by the vesting date is revised, and the impact of the revised estimate is recognised in the income statement with a corresponding adjustment to the reserve account such that the applicable cumulative balance reflects the revised estimate. After the vesting date, no subsequent adjustment to the charge to the income statement is made.

This accounting treatment has been referred to as the "modified grant date method", because the number of Options included in the determination of the expense relating to employee services is adjusted to reflect the actual number of Options that eventually vest but no adjustment is made to changes in the fair value of the Options since the Date of Grant. The amount charged to the income statement would be the same whether the Company settles the Options using treasury shares, new Shares or existing Shares.

If the Options are not subsequently exercised by the Participants, the Company is not allowed to reverse the expense already charged to the income statement.

3.7.2 Share capital

The AsiaMedic ESOS will result in an increase in issued share capital when new Shares are issued and allotted to Participants pursuant to the exercise of Options. This increase will in turn depend on, *inter alia*, the number of Shares comprised in the Options granted, the number of Options that are exercised and the Exercise Price of the Shares issued. However, there will be no change to the Company's issued share capital where Options (when exercised) are satisfied by treasury shares or if the relevant Options are not exercised.

In any case, the AsiaMedic ESOS provides that the number of Shares to be issued or transferred under the AsiaMedic ESOS will be subject to the maximum limit of 15% of the Company's total number of issued Shares (excluding Shares held by the Company as treasury shares) from time to time. If instead of issuing new Shares to Grantees, existing Shares are purchased for delivery to Grantees, the AsiaMedic ESOS will have no impact on the Company's issued share capital.

It is further noted that overall, the aggregate number of Shares issued and/or issuable in respect of (a) all Options granted under the AsiaMedic ESOS; (b) all Awards granted under the AsiaMedic Share Award Scheme; and (c) all Shares issued and issuable and/or transferred and transferable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company and for the time being in force (if any), shall not exceed 25% of the total issued share capital of the Company (excluding treasury shares) on the day immediately preceding the relevant Date of Grant.

3.7.3 NTA

The issue of new Shares upon the exercise of the Options will increase the NTA of the Group by the aggregate Exercise Price of the new Shares. On a per Share basis, the effect on the NTA of the Group is accretive if the Exercise Price is above the NTA per Share but dilutive if otherwise.

3.7.4 EPS

Without taking into account earnings that may be derived by the Group from the use of the proceeds from the issuance of Shares pursuant to the exercise of Options granted under the AsiaMedic ESOS, any new Shares issued pursuant to any exercise of the Options will have a dilutive impact on the Group's EPS. Outstanding Options without being exercised are dilutive to the calculation of diluted EPS when the Exercise Price of the issue of Shares is less than the prevailing market price during the period. Options have a dilutive effect only when the prevailing market price during the period exceeds the Exercise Price of the Options.

4. 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)**
Hong Hai	–	–	–	–
Tan Soo Kiat	–	–	–	–
Koh Boon How	–	–	–	–
Goh Kian Chee	–	–	–	–

	Number of Shares			
Substantial Shareholders	**Direct Interest**	**%(1)**	**Deemed Interest**	**%(1)**
Luye Medicals Group Pte. Ltd.	95,431,396	28.15	–	–
Luye Medicals Investment Pte. Ltd.(2)	–	–	95,431,396	28.15
Luye Group Ltd(3)	–	–	95,431,396	28.15
Nelumbo Investments Limited(4)	–	–	95,431,396	28.15
The Asoka Trust(5)	–	–	95,431,396	28.15
Liu Dianbo(6)	–	–	95,431,396	28.15
Wang Cuilian(6)	–	–	95,431,396	28.15
Aona Liu(6)	–	–	95,431,396	28.15
Alina W Liu(6)	–	–	95,431,396	28.15

Notes:

(1) Based on the Company's existing share capital as at the Latest Practicable Date of 338,988,125 Shares (excluding 100,000 treasury shares).

(2) Luye Medicals Investment Pte. Ltd. holds 100% of the issued and paid up share capital of Luye Medicals Group Pte. Ltd. and is deemed interested in the Shares that Luye Medicals Group Pte. Ltd. has an interest in.

(3) Luye Group Ltd holds 100% of the issued and paid up share capital of Luye Medicals Investment Pte. Ltd. and is deemed to be interested in the Shares that Luye Medicals Investment Pte. Ltd. has an interest in.

(4) Nelumbo Investments Limited holds 70% of the issued and paid up share capital of Luye Group Ltd and is deemed to be interested in the Shares that Luye Group Ltd has an interest in.

(5) The shares representing 100% of the issued and paid up share capital of Nelumbo Investments Limited are held as trust property of The Asoka Trust. Accordingly, The Asoka Trust is deemed interested in the Shares that Nelumbo Investments Limited has an interest in.

(6) Liu Dianbo, Wang Cuilian, Aona Liu and Alina W Liu are the beneficiaries under The Asoka Trust and are deemed to be interested in the Shares that The Asoka Trust has an interest in.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 32 to 34 of this Circular, will be held at Kent Ridge Guild House, 9 Kent Ridge Drive, Singapore 119241 on 19 January 2016 for the purposes of considering, and, if thought fit, passing with or without modifications, the resolutions set out in the Notice of EGM.

6. OPINION FROM THE AUDIT COMMITTEE ON THE PROPOSED DIRECTORS PLACEMENT

After taking into consideration the rationale and the benefit for the Proposed Directors Placement, the Audit Committee of the Company (excluding Mr Tan Soo Kiat who is interested in the Proposed Directors Placement) is of the view that the Proposed Directors Placement is on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

7. DIRECTORS' RECOMMENDATIONS

7.1 Resolution 1: the Proposed Directors Placement

The Directors (save for Mr Tan Soo Kiat and Mr Koh Boon How who have abstained from making a recommendation to Shareholders on Resolution 1), having considered, *inter alia*, the terms, rationale and benefits of the Proposed Directors Placement, are of the opinion that the Proposed Directors Placement is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 1 in relation to the Proposed Directors Placement as set out in the Notice of EGM.

7.2 Resolution 2: the proposed implementation of the AsiaMedic ESOS and Resolution 4: the proposed grant of Options under the AsiaMedic ESOS at a discount

The Directors will all be potentially eligible to participate in the AsiaMedic ESOS and be granted Options, and are therefore interested in the proposed implementation of the AsiaMedic ESOS. They have accordingly refrained from making any recommendation in respect of the proposed implementation of the AsiaMedic ESOS and the proposed grant of Options under the AsiaMedic ESOS at a discount.

7.3 Resolution 3: the proposed participation of Consultant Radiologists in the Proposed AsiaMedic ESOS

The Directors, having considered, *inter alia*, the terms, rationale and benefits of the proposed participation of Consultant Radiologists in the Proposed AsiaMedic ESOS, are of the opinion that the proposed participation of Consultant Radiologists in the Proposed AsiaMedic ESOS is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 3 in relation to the proposed participation of Consultant Radiologists in the Proposed AsiaMedic ESOS as set out in the Notice of EGM.

8. ABSTENTION FROM VOTING

Mr Tan Soo Kiat and Mr Koh Boon How will abstain from voting on Resolution 1 in respect of the Proposed Directors Placement and have undertaken to ensure that their respective Associates will abstain from voting in respect of Resolution 1. Mr Tan Soo Kiat and Mr Koh Boon How have also undertaken to decline and ensure that their respective Associates shall also decline, to accept appointment as proxies to vote at and attend the forthcoming EGM in respect of the Resolution 1 unless the Shareholder concerned has given specific instructions as to the manner in which his votes are to be cast.

All persons (including those Group Directors, employees and Consultant Radiologists who are also Shareholders) who are eligible to participate in the AsiaMedic ESOS must abstain, and the Company shall ensure that such persons abstain, from voting on Resolution 2, Resolution 3 and Resolution 4 as set out in the Notice of EGM, and should not accept nominations as proxies unless specific instructions have been given in the proxy instrument by the Shareholders appointing them on how they wish their votes to be cast for each of the Resolutions contemplated.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM 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 EGM 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 48 hours before the time fixed for the EGM. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the EGM 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 EGM 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 48 hours before the EGM.

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.

All persons (including those Group Directors, employees and Consultant Radiologists who are also Shareholders) who are eligible to participate in the AsiaMedic ESOS are asked to abstain from voting in respect of the AsiaMedic ESOS at the EGM. Such persons and Shareholders should also decline to accept appointment as proxies or nominees, as the case may be, for any Shareholder, as the case may be, to vote in respect of such Resolutions unless the Shareholder appointing them has given specific instructions in the proxy instrument as to how he or she wishes his or her votes to be cast for the Resolutions.

10. DIRECTORS' RESPONSIBILITY STATEMENT

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

11. 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 this Circular up to and including the date of the EGM:

(a) the Memorandum and Articles of Association of the Company;

(b) the Directors Subscription Agreements;

(c) the annual report of the Company for the financial year ended 31 December 2014; and

(d) the Rules of the AsiaMedic ESOS.

Yours faithfully
For and on behalf of the Board of Directors of
ASIAMEDIC LIMITED
4 January 2016

ASIAMEDIC LIMITED

(Registration Number: 197401556E)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of the Company will be held at Kent Ridge Guild House, 9 Kent Ridge Drive, Singapore 119241 on 19 January 2016 at 3.00 p.m., for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as Ordinary Resolutions, with or without any amendment:

*All capitalised terms used below which are not defined herein shall have the same meaning ascribed to them in the Company's circular to Shareholders dated 4 January 2016 (the "**Circular**"), unless otherwise defined herein or where the context otherwise requires.*

RESOLUTION 1: THE PROPOSED PLACEMENT OF AN AGGREGATE OF 11,500,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT THE PLACEMENT PRICE OF S$0.055 FOR EACH PLACEMENT SHARE TO MR TAN SOO KIAT AND MR KOH BOON HOW, EACH A DIRECTOR OF THE COMPANY (ORDINARY RESOLUTION)

THAT:–

(a) approval be given for the purpose of Rules 804 and 812 of the Catalist Rules, for the Company to allot and issue to the Director Placees an aggregate of 11,500,000 Directors Placement Shares, comprising:

 (i) 9,000,000 Directors Placement Shares to Mr Tan Soo Kiat; and

 (ii) 2,500,000 Directors Placement Shares to Mr Koh Boon How,

 by way of a private placement to the Director Placees at the Placement Price of S$0.055 per Directors Placement Share, in accordance with the terms and conditions of the Directors Subscription Agreements between the Company and the Director Placees; and

(b) the Directors of the Company and each of them be and is hereby authorised to implement, execute, perfect or give effect to complete and do all such acts and things (including executing all such documents as may be required) as they or he may in their/his absolute discretion consider necessary, desirable or expedient in the interests of the Company to complete the Placement and to give effect to this Resolution 1.

RESOLUTION 2: THE PROPOSED IMPLEMENTATION OF THE ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016 (ORDINARY RESOLUTION)

THAT:–

(a) the share incentive scheme to be known as AsiaMedic Employee Share Option Scheme 2016 (the "**AsiaMedic ESOS**"), details of which are set out in the Circular dated 4 January 2016 to the Shareholders, be and is hereby approved;

(b) the Board of Directors of the Company be and is hereby authorised:

 (i) to establish and administer the AsiaMedic ESOS;

 (ii) to modify and/or alter the AsiaMedic ESOS from time to time provided that such modification and/or alteration is effected in accordance with the provisions of the AsiaMedic ESOS and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the AsiaMedic ESOS; and

(iii) to offer and grant Options in accordance with the provisions of the AsiaMedic ESOS and pursuant to Section 161 of the Companies Act (Chapter 50) of Singapore to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the Options under the AsiaMedic ESOS provided always that the aggregate number of Shares in respect of which Options may be granted under the AsiaMedic ESOS shall not exceed fifteen per cent. (15%) of the total issued share capital (excluding treasury shares) of the Company from time to time, and when added to the amount of Shares issued and issuable and/or transferred and transferable in respect of (a) all Shares available under the AsiaMedic ESOS; and (b) all Shares, options or awards granted under any other share option scheme, share award scheme or share incentive scheme of the Company then in force, shall not exceed twenty-five per cent. (25%) of the total issued share capital (excluding treasury shares) of the Company from time to time and provided also that subject to such adjustments as may be made to the AsiaMedic ESOS as a result of any variation in the capital structure of the Company; and

(c) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.

RESOLUTION 3: THE PROPOSED PARTICIPATION OF THE CONSULTANT RADIOLOGISTS IN THE ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016 (ORDINARY RESOLUTION)

THAT:–

Subject to and contingent upon the passing of Resolution 2 above, approval be and is hereby given for the participation of the Consultant Radiologists (as defined in the Circular), who are not employees of the Group, in the AsiaMedic ESOS.

RESOLUTION 4: THE PROPOSED GRANT OF OPTIONS UNDER THE ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016 AT A DISCOUNT (ORDINARY RESOLUTION)

THAT:–

Subject to and contingent upon the passing of Resolution 2 above, the Board of Directors of the Company be and is hereby authorised to offer and grant Options in accordance with the rules of the AsiaMedic ESOS with exercise prices set at a discount not exceeding twenty per cent. (20%) to the Market Price, as determined by the Committee authorised and appointed to administer the AsiaMedic ESOS, provided that such discount does not exceed the relevant limits as may be set by the SGX-ST from time to time.

BY ORDER OF THE BOARD

Ms Foo Soon Soo
Company Secretary
4 January 2016

IMPORTANT: Please read notes below.

Notes:

1. A member entitled to attend and vote at the EGM is entitled to appoint no more than two proxies to attend and vote on his behalf and such proxy need not be a member of the Company.

2. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf.

3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

4. An instrument of proxy must be deposited at the registered office of the Company at 350 Orchard Road #08-00, Shaw House, Singapore 238868, not later than 48 hours before the time appointed for the EGM.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

ASIAMEDIC LIMITED

(Registration No. 197401556E)
(Incorporated in the Republic of Singapore)

EXTRAORDINARY GENERAL MEETING

PROXY FORM

(You are advised to read the notes on the next page before completing this form)

IMPORTANT:

1. Relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 may appoint more than two proxies to attend the Meeting and vote.
2. For investors who have used their CPF monies to buy AsiaMedic Limited's shares, the Circular is forwarded to them at the request of their CPF Approved Nominees.
3. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

Personal data privacy: By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 4 January 2016.

I/We, ______________________________ NRIC/Passport No. ______________

of ____ (Address)
being a member/members of AsiaMedic Limited (the "Company"), hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

or failing him/them, the Chairman of the meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary to demand a poll at the Extraordinary General Meeting of the Company to be held at Kent Ridge Guild House, 9 Kent Ridge Drive, Singapore 119241 on 19 January 2016 at 3.00 p.m. and at any adjournment thereof.

Note: Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for or against the resolutions as set out in the notice of general meeting. In the absence of specific directions or in the event of any item arising not summarised below, the proxy/proxies may vote or abstain as he/they may think fit.

No.	Ordinary Resolutions relating to:	FOR	AGAINST
1.	Proposed Directors Placement		
2.	Proposed AsiaMedic ESOS		
3.	Proposed participation of the Consultant Radiologists in the AsiaMedic ESOS		
4.	Proposed grant of Options at a discount		

Note: Please note that the short descriptions given above of the Resolutions to be passed do not in any way whatsoever reflect the intent and purpose of the Resolutions. The short descriptions have been inserted for convenience only. Shareholders are encouraged to refer to the Notice of Extraordinary General Meeting for the full purpose and intent of the Resolutions to be passed.

Dated this ______ day of ______________ 2016 (delete as appropriate)

Total Number of Shares in:	Number of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Members/Corporation's Common Seal

IMPORTANT: Please read notes on the next page

NOTES:

a. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this instrument of proxy will be deemed to relate to all the shares held by you.

b. A member entitled to attend and vote at the EGM is entitled to appoint no more than two proxies to attend and vote on his behalf and such proxy need not be a member of the Company. Where a member appoints two proxies, the appointment shall be deemed to be alternative unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.

c. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy at the EGM by resolution of its directors or other governing body such person as it thinks fit to vote on its behalf in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore.

d. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 350 Orchard Road, #08-00 Shaw House, Singapore 238868 no later than 17 January 2016 at 3.00 p.m.. The sending of a proxy form by a member does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant proxy forms will be deemed to be revoked.

e. In the case of members whose Shares are deposited with The Central Depository (Pte) Limited ("**CDP**"), the Company shall be entitled to reject any instrument appointing a proxy or proxies lodged if such members are not shown to have Shares entered against their names in the Depository Register as at 48 hours before the time appointed for holding the EGM as certified by CDP to the Company.

f. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

g. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

General:–

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register not less than 48 hours before the time appointed for holding the EGM, as certified by CDP to the Company.

APPENDIX A

RULES OF THE ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016

1. NAME OF THE SCHEME

This employee share option scheme shall be called the "AsiaMedic Employee Share Option Scheme 2016" or the "AsiaMedic ESOS".

2. DEFINITIONS

2.1 Unless the context otherwise requires, the following words and expressions shall have the following meanings:

"*Articles*"	:	The Articles of Association of the Company.
"*AsiaMedic ESOS*"	:	The AsiaMedic Employee Share Option Scheme 2016, as modified, supplemented or amended from time to time.
"*AsiaMedic Share Award Scheme*"	:	The AsiaMedic Share Award Scheme of the Company, which was approved at an extraordinary general meeting of the Company held on 30 April 2011.
"*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.
"*Auditors*"	:	The auditors of the Company for the time being.

"*Award*"	:	A contingent award of Shares granted pursuant to the rules of the AsiaMedic Share Award Scheme, as the case may be.
"*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 may be amended, supplemented or modified from time to time.
"*CDP*"	:	The Central Depository (Pte) Limited.
"*Committee*"	:	The Remuneration Committee of the Company, or such other committee comprising Directors of the Company or such persons as may be duly authorised and appointed by the Board to administer the AsiaMedic ESOS.
"*Companies Act*"	:	The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time.
"*Company*"	:	AsiaMedic Limited.
"*Consultant Radiologists*"	:	Radiologists who are independent contractors and who provide Consultancy Services to the Group.
"*Consultancy Services*"	:	Diagnostic imaging consultancy services.
"*Controlling Shareholder*"	:	A person who: (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury 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 the Company.
"*CPF*"	:	The Central Provident Fund.
"*Date of Grant*"	:	The date on which an Option is granted to a Participant pursuant to the rules of the AsiaMedic ESOS.
"*Director(s)*"	:	The director(s) of the Company for the time being.
"*Exercise Notice*"	:	The notice in writing to the Company in or substantially in the form set out in Schedule 3, for the purposes of exercising Options.

"*Exercise Price*"	:	The price at which a Participant shall subscribe for each Share upon the exercise of an Option, as determine in accordance with Rule 9, or such adjusted price as may be applicable pursuant to Rule 10.
"*FRS*"	:	Financial Reporting Standards issued by the Accounting Standards Council.
"*Financial Year*"	:	Each period, at the end of which the accounts of the Company are prepared and audited, for the purpose of laying the same before an annual general meeting of the Company.
"*Grantee*"	:	The person to whom an offer of an Option is made.
"*Group*"	:	The Company and its Subsidiaries.
"*Group Director*"	:	A director of the Company and/or any of its Subsidiaries.
"*Group Employee*"	:	Any confirmed employee of the Group.
"*Group Executive Director*"	:	A director of the Group who performs an executive function.
"*Group Non-Executive Director*"	:	A director of the Group other than a Group Executive Director.
"*Market Day*"	:	A day on which the SGX-ST is open for trading in securities.
"*Market Price*"	:	The price equal to the average of the last dealt prices per Share, as determined by reference to the daily official list or other publication published by the SGX-ST for five (5) consecutive Market Days immediately preceding the relevant Offer Date, provided always that in the case of a Market Day on which the Shares are not traded on Catalist, the last dealt price for Shares on such Market Day shall be deemed to be the last dealt price of the Shares on the immediately preceding Market Day on which the Shares were traded, rounded to the nearest one-tenth of a cent in the event of fractional prices.
"*Memorandum*"	:	Memorandum of association of the Company, as amended, modified or supplemented from time to time.
"*Non-Executive Independent Director*"	:	A non-executive independent director of the Company.
"*Non-Executive Non-Independent Director*"	:	A Director who is a non-executive Director and non-independent Director.
"*Offer Date*"	:	The date on which an offer to grant an Option is made.

"*Option*"	:	The right to subscribe for Shares granted or to be granted pursuant to the rules of the AsiaMedic ESOS.
"*Option Period*"	:	The period for the exercise of an Option being: (a) in the case of an Option granted to a Participant with the Exercise Price set at the Market Price, a period commencing after the first anniversary of the Date of Grant of that Option and expiring on the 10th anniversary of such Date of Grant, subject as provided in Rules 11 and 15 and any other conditions as may be determined by the Committee from time to time; and (b) in the case of an Option granted to a Participant with the Exercise Price set at a discount to the Market Price, a period commencing after the second anniversary of the Date of Grant that Option and expiring on the 10th anniversary of such Date of Grant, subject as provided in Rules 11 and 15 and any other conditions as may be determined by the Committee.
"*Participant*"	:	A person who is eligible to participate in the AsiaMedic ESOS in accordance with the rules herein.
"*Record Date*"	:	The date fixed by the Company for the purposes of determining entitlements to dividends or other distributions or rights of holders of Shares.
"*Rules*"	:	The rules of the AsiaMedic ESOS, as may be amended from time to time, and any reference to a particular Rule shall be construed accordingly.
"*SGX-ST*"	:	Singapore Exchange Securities Trading Limited.
"*Shareholders*"	:	Shareholders of the Company from time to time.
"*Share(s)*"	:	Issued and paid-up ordinary share(s) in the capital of the Company.
"*Subsidiary*"	:	The term "Subsidiary" shall have the meaning ascribed to it in Section 5 of the Companies Act.
"*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.
"*Vesting Date*"	:	The date on which an Option for Shares is effectuated.
"*Vesting Period*"	:	The period during which an Option may vest, if any.

"*S$*" and "*cents*"	:	Singapore dollars and cents respectively, the lawful currency of Singapore.
"*%*"	:	Per centum or percentage.

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

2.3 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 include corporations.

2.4 Any reference in the AsiaMedic ESOS to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and used in the AsiaMedic ESOS shall, where applicable, have the same meaning assigned to it under the Companies Act.

2.5 Any reference in the AsiaMedic ESOS to a time of day shall be a reference to Singapore time.

3. OBJECTIVES

3.1 The AsiaMedic ESOS will provide an opportunity for Participants (which include but are not limited to Group Employees, Group Directors and Consultant Radiologists) who have contributed significantly to the growth and performance of the Group and who satisfy the eligibility criteria as set out in Rule 4 of the AsiaMedic ESOS, to participate in the equity of the Company.

3.2 The ESOS is primarily a share incentive scheme. It recognises the fact that the services of such Participants are important to the success and continued well-being of the Group. Implementation of the AsiaMedic ESOS will enable the Company to give recognition to the contributions made by such Participants. At the same time, it will give such Participants an opportunity to have a direct interest in the Company and will also help to achieve the following positive objectives:

(a) to motivate Participants to optimise their performance standards and efficiency and to maintain a high level of contribution to our Group;

(b) to retain Participants whose contributions are essential to the long-term growth and profitability of our Group;

(c) to instill loyalty to, and a stronger identification by Participants with the long-term prosperity of, our Group;

(d) to attract potential Participants with relevant skills to contribute to our Group and to create value for our Shareholders; and

(e) to align the interests of Participants with the interests of our Shareholders.

3.3 The AsiaMedic ESOS is made available to eligible Participants of the Group and Associated Companies (if and where applicable), at all levels.

3.4 For the avoidance of doubt, the Company has the flexibility to grant Awards under the AsiaMedic Share Award Scheme as well as Options under the AsiaMedic ESOS to the same Participant, simultaneously.

4. ELIGIBILITY

4.1 Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the AsiaMedic ESOS:

(a) Group Directors and Group Employees;

(b) Consultant Radiologists; and

(c) directors and employees of any Associated Company (if and where applicable) subject to the Company having control over such Associated Company,

provided that, as of the relevant Offer Date, such persons have attained the age of twenty-one (21) years, have not entered into any compositions with their respective creditors and are not undischarged bankrupts, and in the opinion of the Committee, have contributed or will contribute to the success and development of the Group and/or the relevant Associated Company; and in the case of Group Employees or employees of the relevant Associated Companies, must hold such position as may be designated by the Company from time to time, and whose eligibility have been confirmed by the Company and/or any of its Subsidiaries and/or any of its Associated Companies (as the case may be) as at each proposed Offer Date as determined by the Committee. For the avoidance of doubt, Non-Executive Directors, Non-Executive Independent Directors and Non-Executive Non-Independent Directors are eligible for participation in the AsiaMedic ESOS.

4.2 Persons who are Controlling Shareholders or their Associates shall not participate in the AsiaMedic ESOS, unless:

(a) written justification has been provided to Shareholders for their participation at the introduction of the AsiaMedic ESOS or prior to the first grant of Options to them;

(b) the actual number and terms of any Options to be granted to them have been specifically approved by Shareholders who are not beneficiaries of the AsiaMedic ESOS in a general meeting in separate resolutions for each such Controlling Shareholder or his Associates; and

(c) all conditions for their participation in the AsiaMedic ESOS as may be required by the regulations of the SGX-ST from time to time are satisfied.

In this regard, (1) the aggregate number of Shares available to Controlling Shareholders and their Associates must not exceed 25% of the Shares available under the AsiaMedic ESOS; and (2) the number of Shares available to each Controlling Shareholder or his Associate must not exceed 10% of the Shares available under the AsiaMedic ESOS, provided always that it shall not be necessary to obtain the approval of the independent Shareholders of the Company for the participation in the AsiaMedic ESOS of a Controlling Shareholder or his Associate who is, at the relevant time, already a Participant.

4.3 Participants who are also Shareholders and are eligible to participate in the AsiaMedic ESOS must abstain from voting on any resolution relating to the participation of, or grant of Options to the Participants.

4.4 Controlling Shareholders and their Associates shall abstain from voting on any resolution in relation to their participation in the AsiaMedic ESOS and grant of Options to them.

4.5 For the purposes of determining eligibility to participate in the AsiaMedic ESOS, the secondment of a Group Employee to another company within the Group or to an Associated Company shall not be regarded as a break in his employment or his having ceased by reason only of such secondment to be a full-time employee of the Group.

4.6 There shall be no restriction on the eligibility of any Participant to participate in any other share incentive schemes or share plans implemented or to be implemented by the Company or any other company within the Group.

4.7 Subject to the Companies Act and any requirement of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted, the terms of eligibility for participation in the AsiaMedic ESOS may be amended from time to time at the absolute discretion of the Committee.

5. MAXIMUM ENTITLEMENT

Subject to Rule 4 and Rule 6, the number of Shares over which Options may be granted to a Participant for subscription under the AsiaMedic ESOS shall be determined at the absolute discretion of the Committee, which shall take into consideration, where applicable, factors such as the Participant's rank, job performance, years of service, contribution to the success of the Group, potential for future development of the Participant and the extent of effort and resourcefulness required to achieve the service conditions and/or performance targets within the performance and/or service periods.

6. SIZE

6.1 The aggregate number of Shares over which Options may be granted on any date under the AsiaMedic ESOS shall not exceed 15% of the total issued share capital of the Company (excluding treasury shares) on the day preceding the relevant Date of Grant. Overall, the aggregate number of Shares issued and/or issuable in respect of (a) all Options granted under the AsiaMedic ESOS; (b) all Awards granted under the AsiaMedic Share Award Scheme; and (c) all Shares issued and issuable and/or transferred and transferable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company and for the time being in force (if any), shall not exceed 25% of the total issued share capital of the Company (excluding treasury shares) on the day immediately preceding the relevant Date of Grant.

6.2 The aggregate number of Shares for which Options may be granted under the AsiaMedic ESOS to Controlling Shareholders and their Associates shall not exceed 25% of the Shares available under the AsiaMedic ESOS, and the number of Shares over which an Option may be granted under the AsiaMedic ESOS to each Controlling Shareholder or his Associate shall not exceed 10% of the Shares available under the AsiaMedic ESOS.

6.3 The aggregate number of Options to be granted to Non-Executive Directors (including Non-Executive Independent Directors) will not amount to more than 5% of the total number of Options available for grant under the AsiaMedic ESOS.

7. OFFER DATE

7.1 The Committee may, save as provided in Rule 4, Rule 5 and Rule 6, offer to grant Options to such Grantees as it may select in its absolute discretion at any time during the period when the AsiaMedic ESOS is in force, except that, for so long as the Shares are listed and quoted on the SGX-ST, no Options shall be granted during the period of one (1) month immediately preceding the date of announcement of the Company's interim and/or final results (whichever the case may be). In addition, in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is made, offers to grant Options may only be made on or after the second Market Day on which such announcement is released.

7.2 An offer to grant an Option to a Grantee shall be made by way of a letter (the "**Letter of Offer**") in the form or substantially in the form set out in Schedule 1, subject to such amendments as the Committee may determine from time to time.

8. ACCEPTANCE OF OFFER

8.1 An Option offered to a Grantee pursuant to Rule 7 may only be accepted by the Grantee within thirty (30) days or any other period the Committee may from time to time determine after the relevant Offer Date and not later than 5.00 p.m. on the closing date by (a) completing, signing and returning to the Company the Acceptance Form in or substantially in the form set out in Schedule 2, subject to such modifications as the Committee may from time to time determine, accompanied by the payment of S$1.00 as consideration (the "**Consideration**") or such other amounts and such other documentation as the Committee may require; and (b) if, at the date on which the Committee, for and on behalf of the Company, receives from the Grantee the Acceptance Form and the Consideration in respect of the Option as aforesaid, he remains eligible to participate in the AsiaMedic ESOS in accordance with these Rules.

8.2 The Grantee may accept or refuse the whole or part of the offer. If only part of the offer is accepted, the Grantee shall accept the offer in multiples of 100 Shares. The Committee shall within fifteen (15) Market Days of receipt of the Acceptance Form and the Consideration, acknowledge receipt of the same.

8.3 If a grant of an Option is not accepted strictly in the manner as provided in this Rule 8, such offer shall, upon the expiry of the 30-day period or such other period the Committee may from time to time determine referred to in Rule 8.1, automatically lapse and shall forthwith be deemed to be null and void and be of no effect.

8.4 The Company shall be entitled to reject any purported acceptance of a grant of an Option made pursuant to this Rule 8 or Exercise Notice given pursuant to Rule 12 which does not comply strictly with the terms of the AsiaMedic ESOS.

8.5 Options are personal to the Grantees to whom they are granted and shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, or in any way whatsoever, without the Committee's prior written approval; but may be exercised by the Grantee's duly appointed personal representative as provided in Rule 11.6 in the event of the death of such Grantee.

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

8.7 Unless the Committee determines otherwise, an Option shall automatically lapse and become null, void and of no effect and shall not be capable of acceptance if:

(a) it is not accepted in the manner as provided in Rule 8.1 within the 30-day period referred to therein or any other period the Committee may from time to time determine; or

(b) the Grantee dies prior to his acceptance of the Option; or

(c) the Grantee is adjudicated a bankrupt or enters into composition with his creditors prior to his acceptance of the Option; or

(d) the Grantee, being a Group Employee or an employee of an Associated Company, ceases to be in the employment of the Group or the relevant Associated Company prior to his acceptance of the Option;

(e) the Grantee, being a Group Director or the director of an Associated Company, ceases to be a Group Director or the director of the relevant Associated Company and also ceases to be a Group Employee or an employee of the Associated Company (if applicable) prior to his acceptance of the Option;

(f) the Grantee, being a Consultant Radiologist, ceases to provide such Consultancy Services for any reason whatsoever; or

(g) the Company is liquidated or wound-up prior to the Grantee's acceptance of the Option.

9. EXERCISE PRICE

9.1 Subject to any adjustment pursuant to Rule 10, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee at its absolute discretion, and fixed by the Committee at:

(a) the Market Price; or

(b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Committee at its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed 20% of the Market Price (or such other percentage or amount as may be prescribed or permitted for the time being by the SGX-ST) and approved by the Shareholders at a general meeting.

9.2 In making any determination under Rule 9.1(b) on whether to give a discount and the quantum of such discount, the Committee shall be at liberty to take into consideration such criteria as the Committee may, at its absolute discretion, deem appropriate, including but not limited to:

(a) the performance of the Company and the Group, as the case may be, taking into account financial parameters such as net profit after tax, return on equity and earnings growth;

(b) the years of service and individual performance of the eligible Participant;

(c) the contribution of the eligible Participant to the success and development of the Company and/or the Group; and

(d) the prevailing market and economic conditions.

9.3 The ability to offer Options at a discount to the Market Price of the Shares will allow flexibility in structuring the Options. Being able to offer Options at a discount is important in situations where it is more meaningful for the Company to acknowledge a Participant's achievement through offering Options at a discount to the Market Price rather than paying him a cash bonus, as these Options operate as a form of cashless reward from the Company with a greater potential for capital appreciation than Options granted at Market Price, or in situations where more compelling motivation is required in order to attract new talent into the Group and/or retain talented individuals.

9.4 Further, because Options granted with a discount under the AsiaMedic ESOS are subject to a longer vesting period of two (2) years, as compared to a vesting period of one (1) year for those granted at the Market Price, holders of such Options are encouraged to be more long-sighted, thereby promoting, amongst others, staff and executive retention and reinforcing their commitment to the Group. The Company also believes that the maximum 20% discount to the Market Price of the Shares is sufficient to allow for flexibility in the AsiaMedic ESOS, and would also minimise the potential dilutive effect to the Shareholders arising from the AsiaMedic ESOS.

9.5 In the event that the Company is no longer listed on Catalist or any other relevant stock exchange or trading in the Shares on Catalist or such stock exchange is suspended for any reason for fourteen (14) days or more, the Exercise Price for each Share in respect of which an Option is exercisable shall be the fair market value of each such Share as determined by the Committee in good faith.

10. VARIATION OF CAPITAL

10.1 If a variation in the issued share capital of the Company (whether by way of rights issue, capital reduction, sub-division, consolidation of shares, distribution or otherwise) shall take place, then:

(a) the Exercise Price in respect of the Shares comprised in any Option to the extent unexercised;

(b) the class and/or number of Shares comprised in any Option to the extent unexercised and the rights attached thereto; and/or

(c) the class and/or number of Shares in respect of which additional Options may be granted to Grantees,

shall be adjusted in such a manner as the Committee may determine to be appropriate. Adjustments other than on a capitalisation issue must be confirmed in writing by the Auditors (acting as experts and not as arbitrators) to be fair and reasonable.

10.2 Notwithstanding the provisions of Rule 10.1 above:

(a) no such adjustment shall be made if as a result, the Grantee receives a benefit that a Shareholder does not receive; and

(b) no such adjustment shall be made unless the Committee, after considering all relevant circumstances, considers it equitable to do so.

10.3 The following (whether singly or in combination) shall not be recognised as events requiring adjustments:

(a) any issue of securities as consideration for an acquisition or a private placement of securities;

(b) any issue of securities pursuant to any joint venture and/or debt conversion;

(c) any increase in the number of issued Shares as a consequence of the exercise of any options or conversion of any loan stock or any other securities convertibles into Shares or subscription rights of any warrants issued from time to time by the Company enabling holders thereof to acquire new Shares in the capital of the Company;

(d) any issue of Shares pursuant to any scrip divided scheme for the time being of the Company; or

(e) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force.

10.4 Upon any adjustment required to be made pursuant to this Rule 10, the Company shall notify each Grantee (or his duly appointed personal representative(s)) in writing and deliver to him (or, where applicable, his duly appointed personal representative(s)) a statement setting forth the new Exercise Price thereafter in effect and the class and/or number of Shares thereafter comprised in the Option so far as unexercised. Any adjustment shall take effect upon such written notification being given.

11. OPTION PERIOD

11.1 Options granted with the Exercise Price set at the Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof) at any time, by a Grantee after the first anniversary of the Date of Grant of that Option, provided always that the Options shall be exercised before the 10th anniversary of the relevant Date of Grant or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and a Grantee shall have no claim against the Company.

11.2 Options granted with the Exercise Price set at a discount to the Market Price shall only be exercisable, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof) at any time, by a Grantee after the second anniversary of the Date of Grant of that Option, provided always that the Options shall be exercised before the 10th anniversary of the relevant Date of Grant or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and a Grantee shall have no claim against the Company.

11.3 Subject to the discretion of the Committee, an Option shall, to the extent unexercised, immediately lapse and become null and void and shall have no claim against the Company:

(a) subject for Rules 11.4, 11.5 and 11.6, upon the Grantee ceasing to be a Group Employee or a Group Director, or in the case of an employee or director of an Associated Company, ceasing to be an employee or director of the relevant Associated Company, or in the case of a Consultant Radiologist, ceasing to provide Consultancy Services, for any reason whatsoever;

(b) upon the bankruptcy of the Grantee or the happening of any other event which results in his being deprived of the legal or beneficial ownership of such Option; or

(c) in the event of events resulting in termination for cause including but not limited to gross negligence, wilful misconduct, insubordination or incompetence on the part of the Grantee, as determined by the Committee in its absolute discretion.

For the purpose of Rule 11.3(a), the Grantee shall be deemed to have ceased being so employed or being such provider of Consultancy Services (as the case may be) as of the date of the notice of termination or resignation, as the case may be, unless such notice shall be withdrawn prior to its effective date. For the avoidance of doubt, no Option shall lapse pursuant to Rule 11.3(a) in the event of any transfer of employment of a Grantee within the Group or to an Associated Company or upon the cessation of employment of a Group Executive Director who shall continue to serve as a Group Non-Executive Director.

11.4 Where a Grantee who is a Group Director or who is a director of an Associated Company ceases to be a Group Director or director of the Associated Company (as the case may be) for any reason whatsoever, but continues to be an employee of the Group or an employee of the Associated Company, he shall continue to be entitled to exercise the unexercised Options held by him. In the event such person also ceases to be an employee of the Group or ceases to be an employee of the Associated Company, all unexercised Options held by him at the time shall immediately lapse and become null and void and shall have no claim against the Company.

11.5 If a Grantee ceases to be a Group Director, ceases to be a Group Employee, and/or ceases to be a director or employee of any Associated Company by reason of:

(a) ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee;

(b) redundancy;

(c) retirement at or after the legal retirement age;

(d) retirement before that age with the consent of the Committee;

(e) the Subsidiary or Associated Company, by which he is principally employed and/or a director thereof ceasing to be a company within the Group or ceasing to be an Associated Company (as the case may be) or the undertaking or part of the undertaking of such Subsidiary or Associated Company, being transferred otherwise than to another company within the Group; or

(f) for any other reason approved in writing by the Committee,

he may, at the absolute discretion of the Committee, exercise any unexercised Option within the relevant Option Period, and upon the expiry of such period, the Option shall immediately lapse and become null and void.

11.6 If a Grantee dies and at the date of his death holds any unexercised Option(s), such Option(s) may, at the absolute discretion of the Committee, be exercisable by the duly appointed legal personal representatives of the Grantee from the date of his death to the end of the relevant Option Period and upon the expiry of such period, the Option shall immediately lapse and become null and void.

11.7 The Committee may, by notification, provide for further restrictions on the period during which Options may be exercised (whether granted with the Exercise Price set at a discount to Market Price or not) whether by providing a schedule for the vesting of Shares comprised in the relevant Options or otherwise.

12. EXERCISE OF OPTIONS, ALLOTMENT AND LISTING OF SHARES

12.1 An Option may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof), by a Grantee giving notice in writing to the Company in or substantially in the form set out in Schedule 3 (i.e. the Exercise Notice), subject to such amendments as the Committee may from time to time determine. Every Exercise Notice must be accompanied by a remittance for the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option, the relevant CDP charges (if any), any other applicable administrative or handling fees or charges by the SGX-ST, CDP or agent, and any other documentation the Committee may require. All payment shall be made by cheque, cashier's order, bank draft or postal order made out in favour of the Company. An Option shall be deemed to be exercised upon the receipt by the Company of the said notice duly completed and the receipt by the Company of the full amount of the aggregate Exercise Price in respect of the Shares which have been exercised under the Option.

12.2 Subject to the Companies Act and the Catalist Rules, the Company shall have the flexibility to deliver Shares to Grantees upon the exercise of their Options by way of:

(a) an allotment of new Shares; and/or

(b) the transfer of existing Shares, including (subject to applicable laws) any Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company as treasury shares.

In determining whether to issue new Shares or to deliver existing Shares to Grantees upon the exercise of their Options, the Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing new Shares or purchasing existing Shares.

12.3 Subject to:

(a) such consents or other actions required by any competent authority under any regulations or enactments for the time being in force as may be necessary (including any approvals required from the SGX-ST); and

(b) compliance with the Rules of the AsiaMedic ESOS and the Memorandum and Articles of the Company,

the Company shall, as soon as practicable after the exercise of an Option by a Grantee allot, transfer or procure the transfer (as the case may be) of the Shares in respect of which such Option has been exercised by the Grantee and, where required, despatch the relevant share certificates to the Grantee or, if the Shares are listed and quoted on the SGX-ST, to CDP for the credit of the securities account or securities sub-account of that Grantee by ordinary post or such other mode of delivery as the Committee may deem fit.

12.4 Where new Shares are allotted upon the exercise of an Option, the Company shall, as soon as practicable after the exercise of an Option, apply to the SGX-ST or any other stock exchange on which the Shares are quoted or listed for permission to deal in and for quotation of the Shares which may be issued upon exercise of the Option and the Shares (if any) which may be issued to the Grantee pursuant to any adjustments made in accordance with Rule 10.

12.5 Shares which are allotted or transferred on the exercise of an Option by a Grantee shall be issued or registered (as the case may be), as the Grantee may elect, in his name or, if the Shares are listed and quoted on the SGX-ST, in the name of CDP to the credit of the securities account of the Grantee maintained with CDP or the Grantee's securities sub-account with a CDP Depository Agent.

12.6 Shares acquired upon the exercise of an Option shall be subject to all provisions of the Companies Act and the Memorandum and Articles of the Company (including all provisions thereof relating to the voting, dividend, transfer and other rights attached to such Shares, including those rights which arise from a liquidation of the Company) and shall rank *pari passu* in all respects with the then existing issued Shares in the capital of the Company except for any dividend, right, allotment or other distribution, the Record Date for which is prior to the date such Option is exercised.

12.7 Except as may be set out in Rule 12 and subject to Rule 10, an Option does not confer on a Grantee any right to participate in any new issue of Shares.

13. MODIFICATIONS AND ALTERATIONS

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

(a) any modification or alteration which shall alter adversely the rights attached to any Options granted prior to such modification or alteration and which in the opinion of the Committee, materially alter the rights attaching to any Option(s) granted prior to such modification or alteration may only be made with the consent in writing of such number of Grantees who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters of the total number of all the Shares which would fall to be issued and allotted upon exercise in full of all outstanding Options;

(b) any modification or alteration which would be to the advantage of Participants under the AsiaMedic ESOS shall be subject to the prior approval of Shareholders at a general meeting; and

(c) no modification or alteration shall be made without the prior approval of the SGX-ST (if required) or any other stock exchange on which the Shares are quoted or listed, and such other regulatory authorities as may be necessary.

For the purposes of Rule 13.1(a), the opinion of the Committee as to whether any modification or alteration would alter adversely the rights attaching to any Option shall be final and conclusive.

13.2 Notwithstanding anything to the contrary contained in Rule 13.1, the Committee may at any time by resolution (and without any other formality save for the prior approval of the SGX-ST, if required or such other regulatory authorities as may be necessary) amend or alter the AsiaMedic ESOS in any way to the extent necessary to cause the AsiaMedic ESOS to comply with any statutory provision or the provisions or the regulations of any regulatory or any relevant authority or body (including the SGX-ST or such other regulatory authorities as may be necessary).

13.3 Written notice of any modification or alteration made in accordance with this Rule shall be given to all Grantees.

14. DURATION

14.1 The AsiaMedic ESOS shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years, commencing on the date on which the AsiaMedic ESOS is adopted by Shareholders in general meeting. Subject to compliance with any applicable laws and regulations in Singapore, the AsiaMedic ESOS may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution at a general meeting and of any relevant authorities which may then be required.

14.2 The AsiaMedic ESOS may be terminated at any time by the Committee or by resolution of the Shareholders at a general meeting, subject to all relevant approvals which may be required. If the AsiaMedic ESOS is so terminated, no further Options shall be offered by the Company hereunder.

14.3 The termination, discontinuance or expiry of the AsiaMedic ESOS shall be without prejudice to the rights accrued to Options which have been granted and accepted as provided in Rule 8, whether such Options have been exercised (whether fully or partially) or not.

15. TAKEOVER AND WINDING UP OF THE COMPANY

15.1 In the event of a takeover offer being made for the Company, Grantees (including Grantees holding Options which are then not exercisable pursuant to the provisions of Rule 11.1 and/or 11.2) holding Options as yet unexercised shall, notwithstanding Rule 11 and 12 but subject to Rule 15.5, be entitled to exercise such Options in full or in part during the period commencing on the date on which such offer is made or, if such offer is conditional, the date on which the offer becomes or is declared unconditional, as the case may be, and ending on the earlier of:

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

(b) the date of the expiry of the Option Period relating thereto;

whereupon any Option(s) then remaining unexercised shall immediately lapse and become null and void.

Provided always that if during such period the offeror becomes entitled or bound to exercise the rights of compulsory acquisition of the Shares under any relevant regulatory provisions or legislation and, being entitled to do so, gives notice to the Grantees that it intends to exercise such rights on a specified date, all Options shall remain exercisable by the Grantees until such specified date or the expiry of the respective Option Periods relating thereto, whichever is earlier. Any Option(s) not so exercised by the said specified date shall lapse and become null and void provided that the rights of acquisition or obligation to acquire stated in the notice shall have been exercised or performed, as the case may be. If such rights of acquisition or obligations have not been exercised or performed, all Options shall, subject to Rule 11, remain exercisable until the expiry of the Option Period. For the avoidance of doubt, the provisions of this Rule 15.1 shall not come into operation in the event that a takeover offer which is conditional does not or is not declared unconditional.

15.2 If under any applicable laws, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, Grantees (including Grantees holding Options which are then not exercisable pursuant to the provisions of Rule 11.1 or 11.2) shall notwithstanding Rule 11 but subject to Rule 15.5, be entitled to exercise any Option then held by them during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later (but not after the expiry of the Option Period relating thereto), whereupon any unexercised Option(s) shall lapse and become null and void, provided always that the date of exercise of any Option(s) shall be before the expiry of the relevant Option Period.

15.3 If an order or an effective resolution is passed for the winding up of the Company on the basis of its insolvency, all Options, to the extent unexercised, shall lapse and become null and void.

15.4 In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Grantees (together with a notice of the existence of the provisions of this Rule 15.4) and thereupon, each Grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his Options at any time not later than two business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

15.5 If in connection with the making of a general offer referred to in Rule 15.1 above or the scheme referred to in Rule 15.2 above or the winding up referred to in Rule 15.4 above, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Grantees, whether by the continuation of their Options or the payment of cash or the grant of other options or otherwise, a Grantee holding an Option, which is not then exercisable, may not, at the discretion of the Committee, be permitted to exercise that Option as provided for in this Rule 15.

15.6 If the events stipulated in this Rule 15 should occur, to the extent that an Option is not exercised within the respective periods referred to herein in this Rule 15, it shall lapse and become null and void.

16. ADMINISTRATION

16.1 The AsiaMedic ESOS will be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board. A Participant who is a member of the Committee shall abstain from deliberation in respect of an Option to be granted to that Participant. No Consultant Radiologist shall be a member of the Committee.

16.2 The Committee shall have the power, from time to time, to make or vary such regulations (not being inconsistent with the AsiaMedic ESOS) for the implementation and administration of the AsiaMedic ESOS as it thinks fit.

16.3 Any decision of the Committee, made pursuant to any provision of the AsiaMedic ESOS (other than a matter to be certified by the Auditors), shall be final and binding (including any decisions pertaining to disputes and uncertainty as to the interpretation of the AsiaMedic ESOS or any rule, regulation, or procedure thereunder or as to any rights under the AsiaMedic ESOS).

16.4 As a safeguard against abuse, pursuant to the Catalist Rules, a Participant who is a member of the Committee shall not be involved in its deliberation in respect of Options (if any) to be granted to him. Further, where Options are proposed to be granted to or held by Group Executive Directors, Controlling Shareholders or their Associates, all members of the Board (and not just members of the Committee) who are not Group Executive Directors, Controlling Shareholders or Associates of Controlling Shareholders, will be involved in deliberation on the same.

17. NOTICES

17.1 Any notice given by a Grantee to the Company shall be sent by post or delivered to the registered office of the Company or such other address as may be notified by the Company to the Grantee in writing.

17.2 Any notice or documents required to be given by the Company to a Grantee or any correspondences to be made between the Company and the Grantee shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be sent to the Grantee by hand or sent to him at his home address stated in the records of the Company or the last known address of the Grantee, and if sent by post shall be deemed to have been given on the day immediately following the date of posting.

18. TERMS OF EMPLOYMENT UNAFFECTED

18.1 The AsiaMedic ESOS or any Option shall not form part of any contract of employment between the Company or any Subsidiary or any Associated Company (as the case may be) and any Participant and the rights and obligations of any individual under the terms of the office or employment with such company within the Group and/or the relevant Associated Company shall not be affected by his participation in the AsiaMedic ESOS or any right which he may have to participate in it or any Option which he may hold and the AsiaMedic ESOS or any Option shall afford such an individual no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason whatsoever.

18.2 The AsiaMedic ESOS shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company, any Subsidiary and/or any Associated Company directly or indirectly, or give rise to any cause of action at law or in equity against the Company or any Subsidiary or any Associated Company.

19. TAXES

All taxes (including income tax) arising from the exercise of any Option granted to any Grantee under the AsiaMedic ESOS shall be borne by the Grantee.

20. COSTS AND EXPENSES

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

20.2 Save for the taxes referred to in Rule 19 and such costs and expenses expressly provided in the AsiaMedic ESOS to be payable by the Grantees, all fees, costs, and expenses incurred by the Company in relation to the AsiaMedic ESOS including but not limited to the fees, costs and expenses relating to the allotment, issue and/or delivery of the Shares pursuant to the exercise of any Option shall be borne by the Company.

21. **DISCLAIMER OF LIABILITY**

Notwithstanding any provisions herein contained and subject to the Companies Act, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages, including any interest arising thereof, whatsoever and howsoever arising in respect of any matter under or in connection with the AsiaMedic ESOS including but not limited to the Company's delay or failure in delivering the Shares or in applying for or procuring the listing of and quotation for the Shares on Catalist or, if applicable, any other stock exchanges on which the Shares are quoted or listed.

22. **CONDITION OF OPTION**

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

23. **DISCLOSURE IN ANNUAL REPORT**

The Company shall, for so long as the AsiaMedic ESOS continues in operation, make the following disclosure in its annual report:

(a) the names of the members of the Committee administering the AsiaMedic ESOS;

(b) the information required in the table below for the following Grantees (which for avoidance of doubt, shall include Grantees who have exercised all their Options in any particular Financial Year):

(i) Participants who are Directors of the Company;

(ii) Participants who are Controlling Shareholders and their Associates; and

(iii) Participants, other than those in (b)(i) and (b)(ii) above, who receive 5% or more of the total number of Options available under the AsiaMedic ESOS;

Name of Participant	**Options granted during the Financial Year under review (including terms)**	**Aggregate Options granted since commencement of the AsiaMedic ESOS to end of Financial Year under review**	**Aggregate Options exercised since commencement of the AsiaMedic ESOS to end of Financial Year under review**	**Aggregate Options outstanding as at the end of Financial Year under review**

(c) the number and proportion of Options granted at a discount during the Financial Year under review in respect of every 10% discount range, up to the maximum quantum of discount granted; and

(d) any other information required to be so disclosed pursuant to the Catalist Rules and all other applicable laws and requirements,

provided that if any of the above requirements are not applicable, an appropriate negative statement should be included therein.

24. DISPUTES

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

25. ABSTENTION FROM VOTING

Shareholders who are eligible to participate in the AsiaMedic ESOS must abstain from voting on any Shareholders' resolution relating to the AsiaMedic ESOS and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form or how the vote is to be cast. In particular, Shareholders who are eligible to participate in the AsiaMedic ESOS shall abstain from voting on the following resolutions, where applicable: (a) implementation of the AsiaMedic ESOS; (b) the maximum discount which may be given in respect of any Option; (c) participation by and grant of Options to Controlling Shareholders and their Associates; and (d) participation by Consultant Radiologists.

26. EXCLUSION OF THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person other than the Company or a Grantee shall have any right to enforce any provision of the AsiaMedic ESOS or any Option by virtue of the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore.

27. COLLECTION, USE AND DISCLOSURE OF PERSONAL DATA

For the purposes of implementing and administering the AsiaMedic ESOS, and in order to comply with any applicable laws, listing rules, regulations and/or guidelines, the Company will collect, use and disclose the personal data of the Participants, as contained in each Letter of Offer and/or any other notice or communication given or received pursuant to the AsiaMedic ESOS, and/or which is otherwise collected from the Participants (or their authorised representatives). By participating in the AsiaMedic ESOS, each Participant consents to the collection, use and disclosure of his personal data for all such purposes, including disclosure of data to related corporations of the Company and/or third parties who provide services to the Company (whether within or outside Singapore), and to the collection, use and further disclosure by such parties for such purposes. Each Participant also warrants that where he discloses the personal data of third parties to the Company in connection with AsiaMedic ESOS, he has obtained the prior consent of such third parties for the Company to collect, use and disclose their personal data for the abovementioned purposes, in accordance with any applicable laws, regulations and/or guidelines. Each Participant shall indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Participant's breach of this warranty.

28. GOVERNING LAW

The AsiaMedic ESOS shall be governed by and construed in accordance with the laws of the Republic of Singapore. The Grantees, by accepting the offer of the grant of Options in accordance with the AsiaMedic ESOS, and the Company irrevocably submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

Schedule 1

ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016

LETTER OF OFFER

Private and Confidential

Serial No : ______________

Date : ______________

To: [Name]
[Designation]
[Address]

Dear Sir/Madam

We have the pleasure of informing you that, pursuant to the AsiaMedic Employee Share Option Scheme 2016 (the "**Scheme**"), you have been nominated to participate in the Scheme by the Remuneration Committee (the "**Committee**") of AsiaMedic Limited (the "**Company**") to administer the Scheme. Unless otherwise defined, terms as defined in the Scheme shall have the same meaning when used in this letter.

Accordingly, in consideration of the payment of a sum of S$1.00, an offer is hereby made to grant you an option (the "**Option**"), to subscribe for and be allotted __________________ Shares at the price of S$__________________ for each Share (the "**Exercise Price**"). The Exercise Price represents a discount of _________% to the Market Price.*

The Option Period applicable to the Option is as follows+:

Option Period	
Commencement Date	Expiry Date

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

The Option shall be subject to the terms of the Scheme, a copy of which is available for inspection at the business address of the Company.#

If you wish to accept the offer of the Option on the terms of this letter, please sign and return the enclosed Acceptance Form with a sum of S$1.00 not later than 5.00 p.m. on ______________, failing which this offer will lapse.

Yours faithfully
For and on behalf of the Company

____
Name:
Designation:

* Applicable only to an Option which was granted at a price which is set at a discount to the Market Price.

\+ An Option which was granted at Market Price may not be exercised before the first anniversary of the Offer Date, while an Option granted at a price which is set at a discount to the Market Price may not be exercised before the second anniversary of the Offer Date.

\# Conditions (if any) to be attached to the exercise of the Option will be determined by the Committee at its absolute discretion.

Schedule 2

ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016

ACCEPTANCE FORM

Serial No : ______________

Date : ______________

To: The Committee
ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016
AsiaMedic Limited
350 Orchard Road #08-00
Shaw House
Singapore 238868

Closing Date for Acceptance of Offer	:	______________________________
Number of Shares Offered	:	______________________________
Exercise Price for Each Share (S$)	:	______________________________
Total Amount Payable (S$)	:	______________________________

I have read your Letter of Offer dated __________________ and agree to be bound by the terms of the Letter of Offer and the Scheme referred to therein. Terms defined in your Letter of Offer shall have the same meanings when used in this Acceptance Form.

I hereby accept the Option to subscribe for ______________ Shares at S$__________________ for each Share. I enclose *cash/cheque/cashier's order/banker's draft/postal order no. _________ for S$1.00 in payment for the purchase of the Option.

I understand that I am not obliged to exercise the Option.

I also understand that I shall be responsible for all the fees of The Central Depository (Pte) Limited ("**CDP**"), the Depository Agent or, if applicable, the CDP agent bank relating to or in connection with the allotment and issue or transfer of any Shares pursuant to the exercise of any Option in CDP's name, the deposit of share certificate(s) with CDP, my securities account with CDP or my securities sub-account with a Depository Agent, or, if applicable, my CPF investment account with a CDP agent bank (collectively, the "**CDP charges**").

I confirm that my acceptance of the Option will not result in the contravention of any applicable law or regulation in relation to the ownership of shares in the Company or options to subscribe for such shares.

I agree to keep all information pertaining to the grant of the Option to me confidential.

I further acknowledge that you have not made any representation to induce me to accept the offer and that the terms of the Letter of Offer and this Acceptance Form constitute the entire agreement between us relating to the offer.

PLEASE PRINT IN BLOCK LETTERS

Name in Full	:	____________________
Designation	:	____________________
Address	:	____________________
Nationality	:	____________________
*NRIC/Passport No.	:	____________________
Signature	:	____________________
Date	:	____________________

* Delete as appropriate

Notes:

1. Option must be accepted in full or in multiples of 100 shares.
2. The Acceptance Form must be forwarded to the above address in an envelope marked “Private and Confidential”.
3. The Grantee shall be informed by the Company of the relevant CDP charges payable at the time of the exercise of an Option.

Schedule 3

ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016

FORM OF EXERCISE OF OPTION

Total number of ordinary shares (the "**Shares**") offered at S$__________ for each Share (the "**Exercise Price**") under the Scheme on __________ (Date of Grant)	:	________________
Number of Shares previously allotted thereunder	:	________________
Outstanding balance of Shares to be allotted thereunder	:	________________
Number of Shares now to be subscribed	:	________________

To: The Committee
ASIAMEDIC EMPLOYEE SHARE OPTION SCHEME 2016
AsiaMedic Limited
350 Orchard Road #08-00
Shaw House
Singapore 238868

1. Pursuant to your Letter of Offer dated __________ and my acceptance thereof, I hereby exercise the Option to subscribe for __________ Shares in AsiaMedic Limited (the "**Company**") at S$__________ for each Share.

2. I enclose *cash/cheque/cashier's order/banker's draft/postal order no. ______ for S$ by way of subscription for the total number of the said Shares and the CDP charges of S$.

3. I agree to subscribe for the said Shares subject to the terms of the Letter of Offer, the AsiaMedic Employee Share Option Scheme 2016 and the Memorandum and Articles of Association of the Company.

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

5. I request the Company to allot and issue the Shares in the name of The Central Depository (Pte) Limited ("**CDP**") for credit of my *Securities Account with CDP/Sub-Account with the Depository Agent/CPF investment account with my Agent Bank specified below and I hereby agree to bear such fees or other charges as may be imposed by CDP in respect thereof.

PLEASE PRINT IN BLOCK LETTERS

Name in Full	:	______________________
Designation	:	______________________
Address	:	______________________
Nationality	:	______________________
*NRIC/Passport No.	:	______________________
*Direct Securities Account No.	:	______________________
OR		
*Sub-Account No.	:	______________________
Name of Depository Agent	:	______________________
OR		
*CPF Investment Account No.	:	______________________
Name of Agent Bank	:	______________________
Signature	:	______________________
Date	:	______________________

* Delete as appropriate

Notes:

1. An Option may be exercised in whole or in part provided that an Option may be exercised in part only in respect of 100 Shares or any multiple thereof.
2. The form entitled "Form of Exercise of Option" must be forwarded to the above address in an envelope marked "Private and Confidential".