

RAFFLES MEDICAL GROUP LTD

EXTRACT OF THE LETTER TO SHAREHOLDERS DATED 8 APRIL 2010

3.3 Election to Receive Dividends in the Form of Shares in Lieu of Cash

Under the Proposed Scheme, whenever a Dividend has been declared and the Directors have determined that the Scheme is applicable to the Dividend, each Shareholder has the following ~~two~~ three options in respect of his entitlement to the Dividend:-

- (a) elect to receive his entitlement to the Dividend in cash; ~~or~~
- (b) elect for an allotment of New Shares (credited as fully paid-up) in lieu of the cash amount of his entitlement to the Dividend; or
- (c) elect to receive the Dividend in cash in relation to a portion of his existing shares held and the balance in the form of New Shares, credited as fully paid.

An announcement will be made by the Company as soon as practicable following the determination by the Directors that the Proposed Scheme is to apply to a particular Dividend, and in any event, by no later than the Market Day immediately following the Dividend Books Closure Date for the Dividend. Shareholders may only participate in respect of their shareholdings as at the Dividend Books Closure Date for any Qualifying Dividend.

The Company will, at its discretion, send to a Shareholder one or more notices of election (each, a "**Notice of Election**") in relation to all the Shares held by him. A Shareholder may elect to receive New Shares in respect of ~~all and not~~ part or all of his entitlement to the Qualifying Dividend to which each Notice of Election relates.

A Shareholder may also make a permanent election to receive New Shares in respect of his entitlement to all future Qualifying Dividends to which each Notice of ~~Entitlement~~ Election relates. When a permanent election has been made, the participating Shareholder may, by giving the appropriate notice, cancel his participation and withdraw from the Proposed Scheme at any time. The cancellation of a permanent election by a Shareholder would not preclude him from making a fresh permanent election, should he wish to do so, at a later time.

A Shareholder receiving two or more Notices of Election may elect to receive New Shares in respect of his entitlement to which one Notice of Election relates and decline to receive New Shares in respect of his entitlement to which any other Notice of Election relates. A Shareholder receiving two or more Notices of Election and wishing to receive New Shares in respect of all of his entitlement to the Qualifying Dividend in respect of all of his holding of Shares must complete all Notices of Election to the Company and/or CDP, as the case may be.

3.8 Availability of the Proposed Scheme

Notwithstanding a determination by the Directors that the Proposed Scheme shall apply to any Dividend, if before the allotment and issue of New Shares in respect of such Dividend, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Proposed Scheme in respect of such Dividend. In such event, the Dividend shall be paid in cash to Shareholders in the usual way and the payment date of such Dividend shall be announced accordingly, as the case may be.

3.10 Overseas Members

The offer of the Proposed Scheme may be prohibited or restricted (either absolutely or unless various requirements are complied with) in certain jurisdictions under the relevant securities laws. For practical reasons and to avoid any violation of the securities laws applicable in countries outside Singapore where Shareholders may have their registered addresses, the Proposed Scheme may, at the discretion of the Directors, not be offered to Overseas Members. No Overseas Members shall have any claims whatsoever against the Company as a result of the Proposed Scheme not being offered or made available to such Overseas Members. If the Directors have decided not to offer the Proposed Scheme to Overseas Members, Overseas Members who wish to be eligible to participate in the Proposed Scheme should provide an address in Singapore for the service of notices and documents by notifying the Company c/o M & C, 138 Robinson Road, #17-00 The Corporate Office, Singapore 068906 (or any such address as may be announced by the Company from time to time) or if the Overseas Member is a Depositor, CDP, at 4 Shenton Way, #02-01, SGX Centre 2, Singapore 068807 (or any such address as may be announced by the Company from time to time) not later than five (5) Market Days prior to the Dividend Books Closure Date. Depositors should note that all correspondence and notices will be sent to their last registered address with CDP.