

Raffles Medical's full-year earnings rise 0.4% to S\$71.1m

By Marissa Lee

marilee@sph.com.sg

@MarissaLeeBT

Singapore

RAFFLES Medical Group has posted a net profit of S\$71.1 million for 2018, up 0.4 per cent from 2017 as a 7.8 per cent rise in Ebitda (earnings before interest, taxes, depreciation, and amortisation) was offset by higher tax expense and additional depreciation from the recently completed Raffles Specialist Centre in Singapore.

Revenue for the 12 months ended Dec 31 was S\$489.1 million, up 2.4 per cent from 2017.

This was led by healthcare services revenue which rose 6 per cent, due to contributions from a new contract to provide Air Borders screening services as well as the addition of new corporate clients.

Revenue from hospital services fell marginally by 0.8 per cent, partly due to the refurbishment of the current inpatient facilities in 2018.

A final dividend of two Singapore cents per share was proposed, up from a final dividend of 1.75 Singapore cents for 2017. Including an interim dividend of 0.5 Singapore cent per share paid in September 2018, total dividends for the full year will be 2.5 Singapore cents.

Full-year earnings per share was 3.98 Singapore cents, down from 4.02 Singapore cents for 2017. Net asset value per share was 44.54 Singapore cents as at Dec 31 last year, up from 41.45 Singapore cents as at Dec 31, 2017.

The group said that barring unforeseen circumstances, it will grow its revenue and remain profitable in 2019, notwithstanding the anticipated startup loss for Raffles Hospital Chongqing.

Raffles Hospital Chongqing opened its doors to patients on Jan 2, and will

Raffles Medical Group

	FY18	FY17	Y-O-Y % CHANGE
	(\$ MILLION)		
Revenue	489.14	477.58	2.4
Net profit	71.06	70.78	0.4
EPS (¢)	3.98	4.02	
DPS (¢)	2.5	2.25	

progressively open up more inpatient beds and other facilities in response to demand from patients and corporate clients, the group said.

Meanwhile, Raffles Hospital Singapore completed the adjoining Raffles Specialist Centre in early 2018 and will proceed with the renovation of the existing hospital building, which is expected to be completed by mid-2019. The expanded outpatient and inpatient capacities will enable Raffles Hospital Singapore to meet market growth for the coming years, the group said.

In January, Raffles Medical officially launched the secure RafflesConnect platform, a 24/7 tele-consultation service through which patients can consult a doctor and have their medication delivered to them directly, without having to travel to the clinics.

Raffles Health Insurance has launched RafflesShield, which complies with the new regulatory measures for the Integrated Shield plans that require new riders to include co-payment and cap, the group added.

Construction of Raffles Hospital Shanghai, in Pudong, is expected to be completed in the fourth quarter of 2019.

Raffles Medical Group shares closed on Monday at S\$1.12, up one Singapore cent, after the results were released.