

**FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2018**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS**

**1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

<b>Consolidated Statement of Profit or Loss</b>	<b>Q1 2018</b>	<b>Q1 2017</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Revenue</b>	120,189	114,915	4.6
Other operating income	1,293	727	77.9
Inventories and consumables used	(14,318)	(12,799)	11.9
Purchased and contracted services	(9,244)	(8,780)	5.3
Staff costs	(63,376)	(60,975)	3.9
Depreciation of property, plant and equipment	(4,015)	(3,575)	12.3
Amortisation of intangible assets	(361)	(103)	nm
Operating lease expenses	(3,393)	(3,454)	(1.8)
Other operating expenses	(7,884)	(7,869)	0.2
<b>Profit from operating activities</b>	<b>18,891</b>	<b>18,087</b>	<b>4.4</b>
Finance income	157	227	(30.8)
Finance expenses	(191)	(45)	nm
<b>Profit before tax</b>	<b>18,857</b>	<b>18,269</b>	<b>3.2</b>
Tax expense	(3,391)	(3,304)	2.6
<b>Profit for the period</b>	<b>15,466</b>	<b>14,965</b>	<b>3.3</b>
<b>Profit attributable to :</b>			
Owners of the Company	15,812	15,545	1.7
Non-controlling interests	(346)	(580)	(40.3)
<b>Profit for the period</b>	<b>15,466</b>	<b>14,965</b>	<b>3.3</b>

Note: nm denotes not meaningful

**1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd).**

	Q1 2018	Q1 2017	Change
	S\$'000	S\$'000	%
<b>Consolidated statement of comprehensive income</b>			
<b>Profit for the period</b>	15,466	14,965	3.3
<b>Other comprehensive income</b>			
<b>Items that are or may be reclassified subsequently to profit or loss:</b>			
Foreign currency translation differences - foreign operations	1,636	(2,018)	(nm)
<b>Total comprehensive income for the period</b>	<u>17,102</u>	<u>12,947</u>	32.1
<b>Total comprehensive income attributable to:</b>			
Owners of the company	17,132	13,943	22.9
Non-controlling interests	(30)	(996)	(97.0)
<b>Total comprehensive income for the period</b>	<u>17,102</u>	<u>12,947</u>	32.1

Note: nm denotes not meaningful

**Explanatory notes to the Consolidated Statement of Profit or Loss**

- Other operating income increased mainly due to higher wage credit received and foreign exchange gain.
- Higher inventories and consumables used was due to increased sales of medical supplies and services.
- Depreciation increased mainly due to expansion of medical centres in the new Raffles Specialist Centre, to meet the growing patients' demand.
- Profit from operating activities before taxation includes the following:

Group	Q1 2018	Q1 2017
	S\$'000	S\$'000
<b>(a) Other operating income</b>		
Gain on disposal of property, plant and equipment	44	-
Foreign exchange gain	365	45
<b>(b) Other operating expenses</b>		
Allowance for doubtful receivables	295	180
Property, plant and equipment written off	45	33
Write-off for stock obsolescence	42	34

- The adjustment for tax in respect of prior years are as follows:

Group	Q1 2018	Q1 2017
	S\$'000	S\$'000
<b>Current tax expense</b>		
Over provision in respect of prior years	-	43

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position	Group		Company	
	31/03/2018 S\$'000	31/12/2017 S\$'000	31/03/2018 S\$'000	31/12/2017 S\$'000
<b>Non-current assets</b>				
Property, plant and equipment	383,717	384,021	7,138	7,585
Intangible assets and goodwill	37,495	36,773	1,257	1,296
Investment properties	402,783	385,498	-	-
Subsidiaries	-	-	551,275	551,131
Deferred tax assets	1,042	1,025	-	-
Trade and other receivables	3,340	3,060	7,792	7,663
	<u>828,377</u>	<u>810,377</u>	<u>567,462</u>	<u>567,675</u>
<b>Current assets</b>				
Inventories	9,757	9,955	2,406	2,491
Trade and other receivables	91,346	87,259	129,621	124,626
Cash and cash equivalents	94,008	98,270	4,488	5,716
	<u>195,111</u>	<u>195,484</u>	<u>136,515</u>	<u>132,833</u>
<b>Total assets</b>	<u>1,023,488</u>	<u>1,005,861</u>	<u>703,977</u>	<u>700,508</u>
<b>Equity attributable to owners of the Company</b>				
Share capital	340,500	340,201	340,500	340,201
Reserves	412,325	393,849	270,274	268,350
	<u>752,825</u>	<u>734,050</u>	<u>610,774</u>	<u>608,551</u>
<b>Non-controlling interests</b>	17,545	17,575	-	-
<b>Total equity</b>	<u>770,370</u>	<u>751,625</u>	<u>610,774</u>	<u>608,551</u>
<b>Non-current liabilities</b>				
Loans and borrowings	38,000	38,000	-	-
Trade and other payables	14,135	15,102	48	58
Other financial liabilities	1,059	1,773	-	-
Deferred tax liabilities	4,862	4,870	899	899
	<u>58,056</u>	<u>59,745</u>	<u>947</u>	<u>957</u>
<b>Current liabilities</b>				
Loans and borrowings	33,709	41,204	29,752	37,262
Current tax liabilities	13,659	12,904	290	271
Trade and other payables	119,620	126,305	62,214	53,467
Other financial liabilities	2,886	2,941	-	-
Insurance contract provisions	25,188	11,137	-	-
	<u>195,062</u>	<u>194,491</u>	<u>92,256</u>	<u>91,000</u>
<b>Total liabilities</b>	<u>253,118</u>	<u>254,236</u>	<u>93,203</u>	<u>91,957</u>
<b>Total equity and liabilities</b>	<u>1,023,488</u>	<u>1,005,861</u>	<u>703,977</u>	<u>700,508</u>

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year. (Cont'd)**

**Explanatory notes to the Statement of Financial Position**

1. Investment properties increased by S\$17.3 million, largely due to the investment property development expenditure for Raffles Hospital Chongqing and Raffles Hospital Shanghai.
2. The Group's net cash position increased from S\$19.1 million as at 31 December 2017 to S\$22.3 million as at 31 March 2018. This was mainly contributed by the strong operating cash flows from its business operations, partly offset by payments for investment properties amounting to S\$17.6 million and repayment of bank loans.
3. The decrease in other financial liabilities was due to the adjustment to the present value of the exercise price of written put options with the non-controlling shareholders in respect of the subsidiaries acquired in Q4 2015.
4. Insurance contract provisions increased by S\$14.1 million, mainly due to higher provision for unearned premiums resulting from billings for premium from the Group's insurance business.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

As at 31/03/2018		As at 31/12/2017	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	33,709	-	41,204

**Amount repayable after one year**

As at 31/03/2018		As at 31/12/2017	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	38,000	-	38,000

**Details of any collateral**

Nil.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Q1 2018 S\$'000	Q1 2017 S\$'000
<b>Cash flows from operating activities</b>		
Profit for the period	15,466	14,965
<i>Adjustments for :</i>		
Amortisation of intangible assets	361	103
Depreciation of property, plant and equipment	4,015	3,575
Equity-settled share-based payment transactions	575	724
Finance expenses	191	45
Finance income	(157)	(227)
Gain on disposal of property, plant and equipment	(44)	-
Property, plant and equipment written off	45	33
Tax expense	3,391	3,304
	<u>23,843</u>	<u>22,522</u>
<i>Changes in working capital :</i>		
Inventories	199	704
Trade and other receivables	(4,756)	(4,717)
Trade and other payables	(6,456)	(9,276)
Insurance contract provisions	14,051	11,868
Cash generated from operations	<u>26,881</u>	<u>21,101</u>
Tax paid	(2,661)	(2,856)
Interest paid	(258)	(70)
<b>Net cash from operating activities</b>	<u>23,962</u>	<u>18,175</u>
<b>Cash flows from investing activities</b>		
Acquisition of intangible assets	(211)	-
Interest received	158	222
Proceeds from sales of property, plant and equipment	45	-
Purchase of property, plant and equipment	(4,110)	(1,411)
Payment for investment properties under development	(17,575)	(12,972)
<b>Net cash used in investing activities</b>	<u>(21,693)</u>	<u>(14,161)</u>
<b>Cash flows from financing activities</b>		
Loan from subsidiary's non-controlling interest	-	122
Proceeds from issue of shares under share option scheme	299	1,687
Proceeds from issue of shares to non-controlling interests of subsidiary	-	2,084
Proceeds from bank loans	93,760	25,942
Repayment of bank loans	(101,148)	(26,063)
<b>Net cash (used in)/from financing activities</b>	<u>(7,089)</u>	<u>3,772</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(4,820)	7,786
Cash and cash equivalents at 1 January	98,270	111,883
Effect of exchange rate fluctuations on cash held	558	(274)
<b>Cash and cash equivalents at 31 March</b>	<u>94,008</u>	<u>119,395</u>

**Explanatory notes to the Statement of Cash Flows**

The Group's cash and cash equivalents decreased by S\$4.3 million from S\$98.3 million as at 31 December 2017 to S\$94.0 million as at 31 March 2018. This was attributed mainly to payment for investment properties under development as well as capital expenditure for business expansion which amounted to S\$21.7 million, offset by the strong operating cashflows generated by the Group from its business operations.

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Group	Share capital S\$'000	Translation reserve S\$'000	Share option reserve S\$'000	Revaluation reserve S\$'000	Other reserve S\$'000	Accumulated profits S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b>At 1 January 2017 as originally presented</b>	314,165	(4,092)	23,745	1,712	(8,543)	339,401	666,388	15,456	681,844
Adoption of SFRS (I) 1	-	4,092	-	-	-	(4,092)	-	-	-
<b>At 1 January 2017 restated</b>	314,165	-	23,745	1,712	(8,543)	335,309	666,388	15,456	681,844
<b>Total comprehensive income for the period</b>									
Profit for the period	-	-	-	-	-	15,545	15,545	(580)	14,965
<b>Other comprehensive income</b>									
Foreign currency translation differences - foreign operations	-	(1,602)	-	-	-	-	(1,602)	(416)	(2,018)
<b>Total other comprehensive income for the period</b>	-	(1,602)	-	-	-	-	(1,602)	(416)	(2,018)
<b>Total comprehensive income for the period</b>	-	(1,602)	-	-	-	15,545	13,943	(996)	12,947
<b>Transactions with owners, recognised directly in equity</b>									
<b>Contributions by and distributions to owners</b>									
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Scheme	1,687	-	-	-	-	-	1,687	-	1,687
Issue of shares to non-controlling interests of subsidiary	-	-	-	-	-	-	-	2,084	2,084
Value of employee services received for issue of share options	-	-	724	-	-	-	724	-	724
<b>Total contributions by and distributions to owners</b>	1,687	-	724	-	-	-	2,411	2,084	4,495
<b>Changes in ownership interests in subsidiaries</b>									
Present value of the exercise price of written put options	-	-	-	-	2,359	-	2,359	-	2,359
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	-	2,359	-	2,359	-	2,359
<b>Total transactions with owners</b>	1,687	-	724	-	2,359	-	4,770	2,084	6,854
<b>At 31 March 2017</b>	315,852	(1,602)	24,469	1,712	(6,184)	350,854	685,101	16,544	701,645

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd).**

Group	Share capital S\$'000	Translation reserve S\$'000	Share option reserve S\$'000	Revaluation reserve S\$'000	Other reserve S\$'000	Accumulated profits S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
<b>At 1 January 2018 as originally presented</b>	340,201	(4,376)	26,194	1,712	(4,714)	375,033	734,050	17,575	751,625
Adoption of SFRS (I) 1	-	4,092	-	-	-	(4,092)	-	-	-
<b>At 1 January 2018 restated</b>	340,201	(284)	26,194	1,712	(4,714)	370,941	734,050	17,575	751,625
<b>Total comprehensive income for the period</b>									
Profit for the period	-	-	-	-	-	15,812	15,812	(346)	15,466
<b>Other comprehensive income</b>									
Foreign currency translation differences - foreign operations	-	1,320	-	-	-	-	1,320	316	1,636
<b>Total other comprehensive income for the period</b>	-	1,320	-	-	-	-	1,320	316	1,636
<b>Total comprehensive income for the period</b>	-	1,320	-	-	-	15,812	17,132	(30)	17,102
<b>Transactions with owners, recognised directly in equity</b>									
<b>Contributions by and distributions to owners</b>									
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Scheme	299	-	-	-	-	-	299	-	299
Value of employee services received for issue of share options	-	-	575	-	-	-	575	-	575
<b>Total contributions by and distributions to owners</b>	299	-	575	-	-	-	874	-	874
<b>Changes in ownership interests in subsidiaries</b>									
Present value of the exercise price of written put options	-	-	-	-	769	-	769	-	769
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	-	769	-	769	-	769
<b>Total transactions with owners</b>	299	-	575	-	769	-	1,643	-	1,643
<b>At 31 March 2018</b>	340,500	1,036	26,769	1,712	(3,945)	386,753	752,825	17,545	770,370

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (Cont'd).

Company	Share capital S\$'000	Share option reserve S\$'000	Accumulated profits S\$'000	Total S\$'000
<b>At 1 January 2017</b>	314,165	23,745	219,149	557,059
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	965	965
<b>Total comprehensive income for the period</b>	-	-	965	965
<b>Transactions with owners, recognised directly in equity</b>				
<b>Contributions by and distributions to owners</b>				
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Scheme	1,687	-	-	1,687
Value of employee services received for issue of share options	-	724	-	724
<b>Total contributions by and distributions to owners</b>	1,687	724	-	2,411
<b>At 31 March 2017</b>	315,852	24,469	220,114	560,435
<b>At 1 January 2018</b>	340,201	26,194	242,156	608,551
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	1,349	1,349
<b>Total comprehensive income for the period</b>	-	-	1,349	1,349
<b>Transactions with owners, recognised directly in equity</b>				
<b>Contributions by and distributions to owners</b>				
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Scheme	299	-	-	299
Value of employee services received for issue of share options	-	575	-	575
<b>Total contributions by and distributions to owners</b>	299	575	-	874
<b>At 31 March 2018</b>	340,500	26,769	243,505	610,774



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the first quarter ended 31 March 2018, the Company issued a total of 678,000 new ordinary shares, upon the exercise of options under the Raffles Medical Group Share Option Schemes.

Exercise price per share	S\$0.26	S\$0.41	S\$0.55
Number of new shares issued	120,000	282,000	276,000

As at 31 March 2018, there were outstanding options for conversion into 59,176,000 (31 March 2017: 60,419,000) ordinary shares. The Company does not hold any treasury shares and there is no subsidiary holdings as at 31 March 2018 (31 March 2017: Nil).

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year.**

	31/03/2018	31/12/2017
Number of issued shares excluding treasury shares	1,771,716,970	1,771,038,970

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers, cancellation and/or use of treasury shares as at 31 March 2018 (31 December 2017: Nil).

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

There were no sales, transfers, cancellation and/or use of subsidiary holdings as at 31 March 2018 (31 December 2017: Nil).

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The financial statements on consolidated results for the first quarter ended 31 March 2018 have not been audited or reviewed.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Accounting policies and methods of computation used in the consolidated financial statements for the first quarter ended 31 March 2018 are consistent with those applied in the financial statements for the year ended 31 December 2017, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2018 as disclosed in item 5 below.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group's financial statements for the financial period beginning 1 January 2018 is prepared in accordance with the Singapore Financial Reporting Standards (International) (SFRS(I)) issued by the Accounting Standards Council (ASC).

In adopting the new SFRS(I) framework with effect from 1 January 2018, the Group is required to apply the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*.

Adoption of SFRS(I) 1

The Group has elected for the optional exemption to reset its cumulative translation differences for all foreign operations to nil at the date of transition at 1 January 2017. As a result, cumulative translation losses of \$4,092,000 was reclassified from translation reserves to accumulated profits as at 1 January 2017.

Adoption of SFRS(I)s

In addition, during the current financial year, the Group has adopted the following new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from financial period beginning 1 January 2018:

- SFRS(I) 9 *Financial Instruments*
- SFRS(I) 15 *Revenue from Contracts with Customers*

Except for SFRS(I) 1 as disclosed above, the adoption of these SFRS(I)s, amendments and interpretations of SFRS(I)s did not have any significant impact on the financial statements of the Group.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	First Quarter	
	Q1 2018	Q1 2017
Earnings per ordinary share for the year based on 1(a) above :-		
(i) Basic earnings per share [A]	0.89 cents	0.89 cents
(ii) Diluted earnings per share [B]	0.89 cents	0.88 cents

[A] The calculation of earnings per ordinary share was based on weighted average number of shares 1,771,407,703 (Q1 2017: 1,749,204,629) in issue during the period.

[B] The calculation of earnings per ordinary share (on a fully diluted basis) was based on weighted average number of shares of 1,776,206,536 (Q1 2017: 1,763,160,356) in issue during the period.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

**(a) current financial period reported on; and  
(b) immediately preceding financial year.**

	Group		Company	
	31/03/2018	31/12/2017	31/03/2018	31/12/2017
Net asset value per ordinary share [C]	42.49 cents	41.45 cents	34.47 cents	34.36 cents

[C] The calculation of net asset value per ordinary share was based on 1,771,716,970 shares as at 31 March 2018 (31 December 2017: 1,771,038,970).

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

The Group recorded a quarterly revenue of **S\$120.2** million in Q1 2018 as compared to **S\$114.9** million in Q1 2017. Revenue from Healthcare Services division and Hospital Services division grew by **6.8%** and **4.2%** respectively. Increase in revenue from Healthcare Services division was contributed mainly by the increase in local patient load as well as the new contract providing air borders screening services awarded by Ministry of Health and Civil Aviation Authority of Singapore. The growth in revenue from the Hospital Services division was contributed mainly by the increase in local patients.

The Group's net profit after tax attributable to owners of the Company recorded an increase of **1.7%** from **S\$15.5** million in Q1 2017 to **S\$15.8** million in Q1 2018. This was mainly attributed to the increase in revenue offset by higher expenditure in inventories, depreciation and staff costs due to the expansion of medical centres and beds to meet growing patients' demands.

The continued strong operating cashflows generated from the Group's business operations contributed to a healthy cash position of **S\$94.0** million as at 31 March 2018. The strong operating cashflows enabled the Group to support its investments in **RafflesHospital Extension**, **RafflesHospital Shanghai** and **RafflesHospital Chongqing**. These investments, together with capital expenditure for business expansion amounted to **S\$21.7** million in Q1 2018.

**RafflesMedical** has successfully opened the new Changi Airport Terminal 4 and Transit 4 clinics in the fourth quarter of 2017 along with a new MediConcierge service. The current Raffles Medical on Level 2 of Raffles Hospital will be expanded in May 2018 to co-locate with Raffles Health Check to serve our patients more comprehensively and conveniently. Through these new clinics, **RafflesMedical** continues to offer greater convenience for family medicine and preventive health services.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The current financial period's results are in line with the Directors' expectations as disclosed in the Group's full year 2017 results announcement.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

*RafflesMedical* has started a 5-year partnership with Ministry of Health (MOH) and the Agency for Integrated Care (AIC) from 1 January 2018 through three Primary Care Network<sup>1</sup> (PCN) clusters around Singapore to better manage chronic conditions of Singaporeans and Permanent Residents. The PCN Scheme will complement the existing Community Health Assist Scheme / Pioneer Generation, Screen For Life (SFL) and National Adult Immunisation Scheme to provide accessible and comprehensive family medicine to the public.

*RafflesHospital Extension* has been completed and *RafflesSpecialistCentre* opened on 22 January 2018. With the relocation and expansion of 15 specialist centres to the new *RafflesSpecialistCentre*, *RafflesHospital* is undergoing refurbishment to open up new wards to increase inpatient capacity and expand outpatient primary care centres to serve the growing needs of our local and foreign patients.

Construction of *RafflesHospital Chongqing* and procurement of equipment are progressing according to plans. Recruitment of International and Chinese physicians as well as hospital management staff have begun and the response has been positive. *RafflesHospital Chongqing* is planned to open in the fourth quarter of this year.

*RafflesHospital Shanghai*, in Pudong Qiantan, is planned for opening in the second half of next year. Construction is also progressing according to plans.

Based on the current economic conditions and barring unforeseen circumstances, the Directors expect the Group to grow and remain profitable in 2018.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? No

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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<sup>1</sup> Agency for Integrated Care : The Primary Care Networks (PCN) refers to a network of General Practitioners (GPs) supported by nurses and care coordinators who aim to provide holistic and coordinated care for patients with chronic conditions such as diabetes, hypertension and hyperlipidaemia. This team-based care approach ensures patients are being better cared for in the community.

**12. If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been declared or recommended for the first quarter ended 31 March 2018.

**13. If the group has obtained a general mandate from shareholders for Interested Parties Transactions (IPTs), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company did not obtain a general mandate from shareholders for IPTs.

**14. Confirmation pursuant to Rule 705 (5) of the Listing Manual**

To the best of our knowledge, nothing has come to the attention of the Board of Directors, which may render the unaudited interim financial statements of the Group and the Company for the first quarter ended 31 March 2018 to be false or misleading in any material aspect.

**15. Confirmation pursuant to Rule 720 (1) of the Listing Manual**

The Company confirms that it has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7.7) under Rule 720 (1) of the Listing Manual.

**BY ORDER OF THE BOARD**

**Kimmy Goh**  
**Company Secretary**  
**30 April 2018**