

**Audited Result Announcement
For Year Ended 2020**

	2020 (S\$'000)	2019 (S\$'000)	% change
Revenue	568,203	522,038	8.8
EBITDA	123,937	105,428	17.6
Operating Profit	88,442	76,168	16.1
Profit After Tax	64,670	60,522	6.9
PATMI	65,891	60,273	9.3
Diluted Earnings per Share (cts)	3.58	3.32	7.8
Net Assets Value per Share (cts)	48.22	46.00	4.8

Highlights of 2020 Performance

- Group achieved **8.8%** growth in revenue to **S\$568.2 million**
- EBITDA grew **17.6%** to **S\$123.9 million**
- Revenue from Healthcare Services Division increased by **17.8%**
- Revenue from Hospital Services Division increased by **2.1%**
- Healthy cash position of **S\$202.1 million**
- Proposed final dividend of **2.0** cents per share
- Full Year Dividend of **2.5** cents per share
- A new holistic capital management framework

MEDIA RELEASE

RafflesMedicalGroup Reports Revenue of S\$568.2 Million and Profit After Tax of S\$64.7 Million in FY2020 Amidst Challenging Market Environment

Singapore, 22 February 2021 – **RafflesMedicalGroup** (the **Group**) reported a robust FY2020 performance, posting revenue growth of **8.8%** to **S\$568.2** million in FY2020, from **S\$522.0** million in FY2019, in spite of a challenging market environment as a result of the global pandemic.

In the first half of FY2020, the Group faced critical challenges as a result of COVID-19. Across the regional network, clinics faced lockdown measures and suspension of non-essential clinical services, deferment of elective surgeries and restrictions of travel for foreign patients seeking treatment in Singapore. As a result, 1H2020 saw the Group reporting a **5.4%** lower revenue of **S\$241.4** million and a **38.2%** lower Profit After Tax and Minority Interests (**PATMI**) when compared to 1H2019. The Government's timely support enabled the Group to retain all staff and avoid any retrenchment. In response to the impact on the Group's operations, staff members of the Group's workforce were effectively redeployed to support the Government's national projects in the fight against COVID-19. Physicians, nurses and supporting staff took on a new spectrum of COVID-19 project initiatives such as air border screening, COVID-19 testing of foreign workers and incoming air travellers as well as caring for thousands of COVID-19 positive foreign workers and recovering patients at community isolation facilities.

In addition, the Group initiated new services such as the COVID-19 Polymerase Chain Reaction (**PCR**) and serology testing, while expanding care for more subsidised acute patients under the existing Emergency Care Collaboration (**ECC**) with the Ministry of Health (**MOH**). To support these initiatives, the Group expanded its flexible workforce by 1,300 across the year.

The Group's PATMI for FY2020 grew **9.3%** to **S\$65.9** million from **S\$60.3** million in FY2019. The Group's earnings before interest, taxes, depreciation and amortisation (**EBITDA**) grew **17.6%** to **S\$123.9** million in FY2020 from **S\$105.4** million in FY2019.

As at 31 December 2020, the Group had cash and cash equivalent of **S\$202.1** million. Reflecting a healthy and strong balance sheet, the Group's net gearing remains low at **0.2%**.

Dividends

The Directors are pleased to recommend a final dividend of **2.0** cents per share. Including the interim dividend of **0.5** cent per share paid in October 2020, the total dividend payable for the year will be **2.5** cents per share. The Group will not be providing the Scrip Dividend option this year.

With effect from FY2021, the Board proposes to consolidate its interim and final dividends into a single annual core dividend of up to half its average sustainable PATMI. Where appropriate, after the consideration of a core dividend payment, share buybacks, the financial resources needed for continued growth and the gearing level of the Group, the Board may consider paying a special dividend. This is in recognition that the Group is in a growth phase, with low gearing and an intention to grow earnings on a per share basis, reflecting a holistic capital management framework. This framework was also used in the decision not to offer a scrip dividend option for this year.

For the transition year FY2021 and barring unforeseen circumstances, the Group expects to pay a total core and special dividend of not less than **2.5** cents per share.

In view of the current conditions, and barring unforeseen circumstances, including the volatile COVID-19 situation, the Group expects to remain profitable for the rest of the year.

Business Updates

Continuing to support Singapore in the fight against COVID-19

- With the recovery of the COVID-19 situation and uplifting of lockdown measures in Singapore and our overseas operations, **RafflesMedical** has observed local patient loads gradually returning back to pre-pandemic levels in 2H2020. This is supported by the resumption of deferred appointments and surgeries due to lockdown measures, as well as new growth in speciality areas like mental wellness.
- Due to the ongoing travel restrictions, foreign patients are still unable to seek treatment in Singapore. This looks likely to continue in the foreseeable future.
- In Singapore, **RafflesMedical** remains committed to partnering the Government in its COVID-19 efforts. In 2020, the Group has been involved in multiple projects relating to COVID-19, from air border screening, to activating COVID-19 testing capabilities with the COVID-19 PCR and serology testing. The Group is currently actively involved in Singapore's national vaccination drive, with the operationalisation of four dedicated vaccination centres to date. More of such vaccination centres will be setup all across Singapore progressively.

Strengthening presence in China

- In 2020, the COVID-19 pandemic posed disruptions to operations in China. The Group is primed to capitalise on the growth opportunities in the market through its ongoing efforts to deepen and strengthen its presence in China.
- ***RafflesHospitalChongqing***, the Group's first hospital in China, saw a marked improvement in patient loads as compared to 2019.
- The Group completed upgrading the Beijing clinic to ***RafflesHospitalBeijing*** which now has the capability to support inpatient services and to offer minimally invasive surgeries, in addition to other services such as a 24-hour emergency clinic and diagnostic services such as Computed Tomography (CT) and Magnetic Resonance Imaging (MRI) scans.
- ***RafflesHospitalShanghai*** is in the midst of preparations to receive patients at the Hospital in the second quarter of 2021 with fitting out works, installation and commissioning of major medical equipment nearing completion.
- The progress of the Group in China emphasises the commitment to providing the Raffles' brand of quality, and our Group Practice Model of healthcare to patients in the market.

Expanding the Group's digital healthcare offering

- COVID-19 continues to impact and affect traditional business models. The Group will continue in its investment and commitment in developing its digital platform ***RafflesConnect*** to build reach and improve patients' experience, continuing to offer our foreign patients access to our doctors and specialists through teleconsultation and medication delivery.
- ***RafflesConnect*** has been an instrumental pillar in ensuring the Group's patients continue to have uninterrupted access to healthcare services. With the enhanced digital platform, patients enjoy quality and seamless care through services like 24/7 teleconsultation, pre-booking of appointments and tests as well as prescription delivery among other services.

The Group remains optimistic that operations across its network will begin to return to normal in 2021. However certain cities where the Group has operations may still be subject to sporadic localised outbreaks and lockdowns from COVID-19.

Dr Loo Choon Yong, Executive Chairman, ***RafflesMedicalGroup*** said, "The COVID-19 pandemic is an unprecedented challenge for the world, one that has disrupted businesses and livelihoods. Yet its impact is even more acute in the healthcare environment where our frontline workers and members of the Group are constantly tackling the many disruptions COVID-19 has brought. Each day they go

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above and beyond to deliver on our promise to our patients and corporate clients, as their trusted partner for health. The resilience, dedication and agility of our workforce, coupled with the strategic investments and austere planning by the Group have allowed us to emerge stronger amidst this pandemic, with a healthy performance to give back to our shareholders and staff who have contributed. Looking forward, we will continue to reinvest in our business, drive efficiencies across the Group's operations and strengthen core capabilities to transform **RafflesMedicalGroup** to be the healthcare company for the future. We remain focused on abiding by our mission to deliver value to all our patients and clients, through quality healthcare that is empathetic, compassionate and seamless - a true partner for all their health and wellness needs.

He added, "In 2021 the Group marks its 45th year since inception and recommits itself to serving the communities we operate in. The Group will be setting aside 1% of its PATMI for the next five years starting in FY2021, dedicated to corporate philanthropic programmes, a key pillar of our Environmental, Social and Governance (**ESG**) strategy. This is a commitment that extends beyond philanthropic giving, but it is a Group-wide effort that will engage and inspire our employees and stakeholders alike, to abide by the care we owe to our communities. As a healthcare company and a home-grown Singapore brand, our unique Raffles' experience, expertise and infrastructure will empower us to make a significant difference and impact many lives in our communities."

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About Us

RafflesMedicalGroup (SGX: BSL) is Singapore's largest homegrown private healthcare provider and a regional leader in the industry, offering comprehensive services from primary to tertiary care with over 100 multi-disciplinary clinics in 14 Asian cities, including Singapore.

RafflesMedical operates over 95 multi-disciplinary clinics island-wide and forms one of the largest network of private family medicine and health screening centres in Singapore.

RafflesHospital is the flagship tertiary hospital of **RafflesMedicalGroup** and the only private hospital in Singapore certified by the Ministry of Health to meet the stringent standards of acute trauma care. It offers a wide range of specialist medical and diagnostic services for both inpatients and outpatients. Representing more than 35 disciplines, its team of specialists constitutes a Group Practice combining sub-specialty expertise and teamwork to ensure optimal, affordable and high-quality care for its patients. The Group also has representative offices and patient liaison offices in Bangladesh, Indonesia, Myanmar and Vietnam.

Outside of Singapore, **RafflesMedicalInternational** operates medical facilities in 13 Asian cities including Japan, Vietnam, Cambodia and across Greater China.

RafflesChinaHealthcare is the operating division of **RafflesMedicalGroup** in China that provides comprehensive services from primary to tertiary healthcare. In 2021, the Group expects to inaugurate **RafflesHospitalBeijing** and in the following year, launch **RafflesHospitalShanghai** – the second and third international hospitals in China for the Group. The Group's existing network spans Greater China across eight cities – Dalian, Shenzhen, Hong Kong SAR, Tianjin, Nanjing, Chongqing, Beijing and Shanghai, and includes **RafflesHospitalChongqing**, Singapore's first tertiary hospital in China.

The Group has been in operations in Hong Kong SAR since 1995 with three medical centres at Lane Crawford Building on Queen's Road Central, Tsim Sha Tsui and the Hong Kong International Airport.

RafflesDental is an established team-based multi-specialty dental group in Singapore and China.

RafflesHealthinsurance provides healthcare insurance to corporate and individual clients and has been approved by the Ministry of Health to offer integrated Raffles Shield plans.

For more information, please visit rafflesmedicalgroup.com.