



**Raffles Medical Group Ltd
and its Subsidiaries**

Registration Number : 198901967K

Condensed Financial Statements
For the six months and full year ended
31 December 2024

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

Condensed Consolidated Statement of Profit or Loss	Note	6 months	6 months	Change	12 months	12 months	Change
		ended 31 December 2024 S\$'000	ended 31 December 2023 S\$'000		%	ended 31 December 2024 S\$'000	
Revenue		385,874	336,168	14.8	751,564	706,920	6.3
Other operating income		294	8,237	(96.4)	2,512	16,713	(85.0)
Inventories and consumables used		(31,469)	(28,944)	8.7	(61,180)	(57,922)	5.6
Purchased and contracted services		(19,974)	(17,359)	15.1	(37,340)	(32,669)	14.3
Insurance service expenses		(84,305)	(72,424)	16.4	(162,903)	(133,359)	22.2
Net expenses from reinsurance contracts		(276)	(2,229)	(87.6)	(4,003)	(3,371)	18.7
Staff costs		(160,535)	(144,368)	11.2	(314,873)	(301,506)	4.4
Depreciation of property, plant and equipment		(21,834)	(17,965)	21.5	(40,329)	(35,504)	13.6
Amortisation of intangible assets		(766)	(652)	17.5	(1,545)	(1,530)	1.0
Operating lease expenses		(656)	(795)	(17.5)	(1,566)	(1,577)	(0.7)
Impairment loss on trade receivables		(953)	(198)	nm	(1,262)	(417)	nm
Impairment loss on intangible assets and goodwill		(2,601)	–	nm	(2,601)	–	nm
Other operating expenses		(21,584)	(20,328)	6.2	(43,980)	(40,023)	9.9
Profit from operating activities		41,215	39,143	5.3	82,494	115,755	(28.7)
Finance income		4,951	5,229	(5.3)	10,247	9,762	5.0
Finance costs		(2,616)	(3,359)	(22.1)	(5,779)	(6,078)	(4.9)
Profit before tax	6	43,550	41,013	6.2	86,962	119,439	(27.2)
Tax expense	7	(12,197)	(10,340)	18.0	(24,680)	(28,349)	(12.9)
Profit for the period/year		31,353	30,673	2.2	62,282	91,090	(31.6)
Profit attributable to:							
Owners of the Company (PATMI)		31,600	30,299	4.3	62,243	90,150	(31.0)
Non-controlling interests		(247)	374	(166.0)	39	940	(95.9)
Profit for the period/year		31,353	30,673	2.2	62,282	91,090	(31.6)
Profit excluding Changes in Fair Value of Investment Properties:							
PATMI		31,600	30,299	4.3	62,243	90,150	(31.0)
Less: Changes in fair value of investment properties		–	(7,400)	nm	–	(7,400)	nm
Adjusted PATMI for the period/year		31,600	22,899	38.0	62,243	82,750	(24.8)

Note: (i) nm denotes not meaningful

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (cont'd)

Condensed Consolidated Statement of Other Comprehensive Income	6 months ended 31 December 2024	6 months ended 31 December 2023	Change	12 months ended 31 December 2024	12 months ended 31 December 2023	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period/year	31,353	30,673	2.2	62,282	91,090	(31.6)
Other comprehensive income						
Item that is or may be reclassified subsequently to profit or loss:						
Foreign currency translation differences - foreign operations	763	1,422	(46.3)	1,328	(9,497)	(114.0)
Total comprehensive income for the period/year	32,116	32,095	0.1	63,610	81,593	(22.0)
Total comprehensive income attributable to:						
Owners of the Company	32,390	31,728	2.1	63,570	80,829	(21.4)
Non-controlling interests	(274)	367	(174.7)	40	764	(94.8)
Total comprehensive income for the period/year	32,116	32,095	0.1	63,610	81,593	(22.0)
Earnings per share						
Basic earnings per share (cents) [Note f]	1.70	1.63	4.3	3.35	4.85	(30.9)
Diluted earnings per share (cents) [Note g]	1.70	1.62	4.9	3.34	4.82	(30.7)

Note:

(i) nm denotes not meaningful.

Explanatory Notes to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

- Lower other operating income mainly due to lower Wage Credit payout and Jobs Growth Incentive grant received in FY2024.
- Purchased and contracted services increased mainly due to higher outsourced payroll costs incurred in FY2024 in relation to supporting transitional care facilities.
- The increase in insurance service expenses and net expenses from reinsurance contracts is in line with increase in insurance services revenue.
- The increase in depreciation of property, plant and equipment is mainly arising from depreciation on Raffles Hospital Shanghai and Raffles Hospital Chongqing.
- The increase in other operating expenses in 2H 2024 and FY2024 was mainly due to higher professional fees and property tax.
- The calculation of earnings per ordinary share for the second half and full year ended 31 December 2024 were based on the weighted average number of shares 1,857,847,353 (2H 2023: 1,860,514,624) and 1,857,487,887 (FY2023: 1,859,430,666) in issue during the period.
- The calculation of earnings per ordinary share (on a fully diluted basis) for the second half and full year ended 31 December 2024 were based on weighted average number of shares 1,860,518,110 (2H 2023: 1,865,988,927) and 1,860,824,148 (FY2023: 1,868,552,366) in issue during the period.

RafflesMedicalGroup

Condensed Statements of Financial Position As at 31 December 2024

	Note	Group		Company	
		31 December 2024 S\$'000	31 December 2023 S\$'000	31 December 2024 S\$'000	31 December 2023 S\$'000
Non-current assets					
Property, plant and equipment	11	748,248	768,303	13,777	9,843
Intangible assets and goodwill	10	15,484	18,843	286	567
Investment properties	12	246,100	246,100	–	–
Subsidiaries		–	–	929,546	890,405
Deferred tax assets		2,089	2,550	141	245
Trade and other receivables		2,553	7,737	15,684	5,383
		<u>1,014,474</u>	<u>1,043,533</u>	<u>959,434</u>	<u>906,443</u>
Current assets					
Inventories		10,762	12,465	2,184	2,589
Trade and other receivables		101,586	80,281	71,574	41,882
Insurance contract assets		8,134	2,620	–	–
Reinsurance contract assets		52,167	45,733	–	–
Cash and cash equivalents		343,671	343,598	145,658	192,998
		<u>516,320</u>	<u>484,697</u>	<u>219,416</u>	<u>237,469</u>
Total assets		<u>1,530,794</u>	<u>1,528,230</u>	<u>1,178,850</u>	<u>1,143,912</u>
Equity attributable to owners of the Company					
Share capital	14	440,099	439,819	440,099	439,819
Reserves		609,667	587,919	644,895	593,823
		<u>1,049,766</u>	<u>1,027,738</u>	<u>1,084,994</u>	<u>1,033,642</u>
Non-controlling interests		15,213	16,114	–	–
Total equity		<u>1,064,979</u>	<u>1,043,852</u>	<u>1,084,994</u>	<u>1,033,642</u>
Non-current liabilities					
Loans and borrowings	13	49,116	54,645	10,000	10,000
Trade and other payables		4,205	14,553	940	8,006
Lease liabilities		22,655	27,713	810	1,325
Deferred tax liabilities		7,902	8,083	–	–
		<u>83,878</u>	<u>104,994</u>	<u>11,750</u>	<u>19,331</u>
Current liabilities					
Loans and borrowings	13	6,866	16,016	1,265	11,356
Current tax liabilities		24,775	27,135	7,620	10,958
Trade and other payables		218,483	210,684	72,706	68,128
Lease liabilities		9,531	10,049	515	497
Other financial liabilities		2,788	2,700	–	–
Insurance contract liabilities		104,845	91,435	–	–
Reinsurance contract liabilities		14,649	21,365	–	–
		<u>381,937</u>	<u>379,384</u>	<u>82,106</u>	<u>90,939</u>
Total liabilities		<u>465,815</u>	<u>484,378</u>	<u>93,856</u>	<u>110,270</u>
Total equity and liabilities		<u>1,530,794</u>	<u>1,528,230</u>	<u>1,178,850</u>	<u>1,143,912</u>

Explanatory Notes to the Condensed Statements of Financial Position

- (a) Trade and other receivables increased mainly due to higher volume of business generated by the Group and increase in deposit for acquisition of American International Hospital in Vietnam.
- (b) The fluctuations in insurance and reinsurance contract assets and liabilities are mainly driven by the growth in insurance business, whereas the decrease in reinsurance contract liabilities is attributed to an improved payment cycle.

Condensed Consolidated Statement of Cash Flows

	Group			
	6 months ended 31 December 2024 S\$'000	6 months ended 31 December 2023 S\$'000	12 months ended 31 December 2024 S\$'000	12 months ended 31 December 2023 S\$'000
	Re-presented			
Cash flows from operating activities				
Profit for the period/year	31,353	30,673	62,282	91,090
<i>Adjustments for :</i>				
Amortisation of intangible assets	1,204	1,067	2,406	2,346
Changes in fair value of investment properties	–	(7,400)	–	(7,400)
Depreciation of property, plant and equipment	21,992	18,158	40,682	35,901
Equity-settled share-based payment transactions	1,641	1,554	3,465	3,406
Finance costs	2,595	3,410	5,870	6,183
Finance income	(4,951)	(5,229)	(10,247)	(9,762)
Gain on lease derecognition	(779)	(48)	(816)	(48)
Loss/(gain) on disposal of property, plant and equipment, net	1,921	(349)	1,922	(349)
Impairment loss on intangible assets and goodwill	2,601	–	2,601	–
Intangible asset written off	–	3	46	3
Property, plant and equipment written off	184	18	446	159
Tax expense	12,197	10,340	24,680	28,349
	69,958	52,197	133,337	149,878
<i>Changes in working capital:</i>				
Insurance contract liabilities	(7,516)	3,134	13,410	18,918
Insurance contract assets	2,605	35,498	(5,514)	(1,666)
Inventories	744	449	1,703	633
Trade and other payables	4,674	(66,989)	(1,543)	(37,339)
Trade and other receivables	(798)	91,480	(16,151)	106,254
Reinsurance contract liabilities	472	3,644	(6,716)	11,356
Reinsurance contract assets	(6,151)	(32,134)	(6,434)	(9,237)
Cash generated from operations	63,988	87,279	112,092	238,797
Tax paid	(12,301)	(24,660)	(25,838)	(49,485)
Net cash from operating activities	51,687	62,619	86,254	189,312
Cash flows from investing activities				
Acquisition of intangible assets	(500)	(1,152)	(1,639)	(1,413)
Interest received	4,821	4,776	9,951	9,010
Proceeds from disposal of property, plant and equipment	2	519	1,085	519
Purchase of property, plant and equipment	(7,591)	(11,051)	(19,270)	(20,525)
Net cash used in investing activities	(3,268)	(6,908)	(9,873)	(12,409)
Cash flows from financing activities				
Acquisition of own shares	–	(5,698)	–	(5,698)
Acquisition of non-controlling interest	–	–	(1,564)	–
Dividends paid to owners of the Company	–	–	(44,576)	(70,683)
Interest paid	(1,848)	(1,980)	(3,756)	(3,974)
Lease interest paid	(606)	(692)	(1,277)	(1,143)
Payment of lease liabilities	(4,150)	(5,759)	(9,882)	(11,526)
Proceeds from bank loans	13,524	57,623	67,673	110,940
Proceeds from issue of shares under share option scheme	29	1,196	280	7,440
Repayment of bank loans	(28,095)	(57,475)	(81,504)	(110,861)
Repayment of loan to minority shareholder	(48)	(18)	(1,597)	(18)
Net cash used in financing activities	(21,194)	(12,803)	(76,203)	(85,523)
Net increase in cash and cash equivalents	27,225	42,908	178	91,380
Cash and cash equivalents at 1 July / 1 January	316,263	299,612	342,543	252,054
Effect of exchange rate fluctuations on cash held	183	23	950	(891)
Cash and cash equivalents at 31 December	343,671	342,543	343,671	342,543

Explanatory Notes to the Condensed Consolidated Statement of Cash Flows

- (a) The Group's generated cash from operating activities of S\$86.3 million for FY2024.
- (b) Notwithstanding the purchase of property, plant and equipment (S\$19.3 million) and payment of dividends (S\$44.6 million), amongst others, the Group reported an increase in cash and cash equivalents of S\$0.2 million for FY2024.

RafflesMedicalGroup

Condensed Statements of Changes in Equity

Group	Share capital S\$'000	Translation reserve S\$'000	Equity compensation reserve S\$'000	Revaluation reserve S\$'000	Other reserve S\$'000	Reserve for own shares S\$'000	Accumulated profits S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 1 January 2024	439,819	(22,339)	38,172	16,367	(5,091)	(31,483)	592,293	1,027,738	16,114	1,043,852
Total comprehensive income for the year										
Profit for the year	–	–	–	–	–	–	62,243	62,243	39	62,282
Other comprehensive income										
Foreign currency translation differences - foreign operations	–	1,327	–	–	–	–	–	1,327	1	1,328
Total other comprehensive income for the year	–	1,327	–	–	–	–	–	1,327	1	1,328
Total comprehensive income for the year	–	1,327	–	–	–	–	62,243	63,570	40	63,610
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Schemes	280	–	–	–	–	–	–	280	–	280
Own shares reissued pursuant to Raffles Medical Group Performance Share Plan	–	–	(1,116)	–	212	904	–	–	–	–
Value of employee services received for issue of share options and share awards	–	–	3,465	–	–	–	–	3,465	–	3,465
Final dividend paid of 2.4 cents per ordinary share - Cash	–	–	–	–	–	–	(44,576)	(44,576)	–	(44,576)
Total contributions by and distributions to owners	280	–	2,349	–	212	904	(44,576)	(40,831)	–	(40,831)
Changes in ownership interests in subsidiaries										
Acquisition of non-controlling interests without a change in control	–	–	–	–	(623)	–	–	(623)	(941)	(1,564)
Present value of the exercise price of written put options	–	–	–	–	(88)	–	–	(88)	–	(88)
Total changes in ownership interests in subsidiaries	–	–	–	–	(711)	–	–	(711)	(941)	(1,652)
Total transactions with owners	280	–	2,349	–	(499)	904	(44,576)	(41,542)	(941)	(42,483)
Balance at 31 December 2024	440,099	(21,012)	40,521	16,367	(5,590)	(30,579)	609,960	1,049,766	15,213	1,064,979

RafflesMedicalGroup

Condensed Statements of Changes in Equity (cont'd)

Group	Share capital S\$'000	Translation reserve S\$'000	Equity compensation reserve S\$'000	Revaluation reserve S\$'000	Other reserve S\$'000	Reserve for own shares S\$'000	Accumulated profits S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 January 2023, as previously reported	432,379	(13,018)	35,758	16,367	(5,018)	(26,894)	575,480	1,015,054	15,350	1,030,404
Adjustment on initial application of SFRS(I) 17, net of tax	–	–	–	–	–	–	(2,654)	(2,654)	–	(2,654)
Restated balance at 1 January 2023	432,379	(13,018)	35,758	16,367	(5,018)	(26,894)	572,826	1,012,400	15,350	1,027,750
Total comprehensive income for the year										
Profit for the year	–	–	–	–	–	–	90,150	90,150	940	91,090
Other comprehensive income										
Foreign currency translation differences - foreign operations	–	(9,321)	–	–	–	–	–	(9,321)	(176)	(9,497)
Total other comprehensive income for the year	–	(9,321)	–	–	–	–	–	(9,321)	(176)	(9,497)
Total comprehensive income for the year	–	(9,321)	–	–	–	–	90,150	80,829	764	81,593
Transactions with owners, recognised directly in equity										
Contributions by and distributions to owners										
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Schemes	7,440	–	–	–	–	–	–	7,440	–	7,440
Own shares acquired	–	–	–	–	–	(5,698)	–	(5,698)	–	(5,698)
Own shares reissued pursuant to Raffles Medical Group Performance Share Plan	–	–	(992)	–	(117)	1,109	–	–	–	–
Value of employee services received for issue of share options and share awards	–	–	3,406	–	–	–	–	3,406	–	3,406
Final dividend paid of 3.8 cents per ordinary share - Cash	–	–	–	–	–	–	(70,683)	(70,683)	–	(70,683)
Total contributions by and distributions to owners	7,440	–	2,414	–	(117)	(4,589)	(70,683)	(65,535)	–	(65,535)
Changes in ownership interests in subsidiaries										
Present value of the exercise price of written put options	–	–	–	–	44	–	–	44	–	44
Total changes in ownership interests in subsidiaries	–	–	–	–	44	–	–	44	–	44
Total transactions with owners	7,440	–	2,414	–	(73)	(4,589)	(70,683)	(65,491)	–	(65,491)
Balance at 31 December 2023	439,819	(22,339)	38,172	16,367	(5,091)	(31,483)	592,293	1,027,738	16,114	1,043,852

Condensed Statements of Changes in Equity (cont'd)

Company	Share capital S\$'000	Equity compensation reserve S\$'000	Other reserve S\$'000	Reserve for own shares S\$'000	Accumulated profits S\$'000	Total S\$'000
At 1 January 2024	439,819	38,172	(142)	(31,483)	587,276	1,033,642
Total comprehensive income for the year						
Profit for the year	–	–	–	–	92,292	92,292
Total comprehensive income for the year	–	–	–	–	92,292	92,292
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Schemes	280	–	–	–	–	280
Own shares reissued pursuant to Raffles Medical Group Performance Share Plan	–	(1,116)	103	904	–	(109)
Value of employee services received for issue of share options and share awards	–	3,465	–	–	–	3,465
Final dividend paid of 2.40 cents per ordinary share - Cash	–	–	–	–	(44,576)	(44,576)
Total contributions by and distributions to owners	280	2,349	103	904	(44,576)	(40,940)
At 31 December 2024	440,099	40,521	(39)	(30,579)	634,992	1,084,994
At 1 January 2023	432,379	35,758	(323)	(26,894)	553,591	994,511
Total comprehensive income for the year						
Profit for the year	–	–	–	–	104,368	104,368
Total comprehensive income for the year	–	–	–	–	104,368	104,368
Transactions with owners, recognised directly in equity						
Contributions by and distributions to owners						
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Schemes	7,440	–	–	–	–	7,440
Own shares acquired	–	–	–	(5,698)	–	(5,698)
Own shares reissued pursuant to Raffles Medical Group Performance Share Plan	–	(992)	181	1,109	–	298
Value of employee services received for issue of share options and share awards	–	3,406	–	–	–	3,406
Final dividend paid of 3.80 cents per ordinary share - Cash	–	–	–	–	(70,683)	(70,683)
Total contributions by and distributions to owners	7,440	2,414	181	(4,589)	(70,683)	(65,237)
At 31 December 2023	439,819	38,172	(142)	(31,483)	587,276	1,033,642

Notes to the Condensed Consolidated Financial Statements

1 Corporate information

Raffles Medical Group Ltd (the Company) is a company incorporated in Singapore. The address of the Company's registered office is 585 North Bridge Road, Raffles Hospital #11-00, Singapore 188770.

These condensed financial statements as at and for the six months and full year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the Group).

The principal activities of the Company are those relating to the operation of medical clinics, other general medical services and investment holdings.

The Group and the Company are the sole proprietor of the following:

Family Doctors
RafflesCare
Raffles Airport Medical Centre
Raffles Corporate Wellness
Raffles Dental Surgery
Raffles Healthcare Consultancy
Raffles Healthcare Institute
Raffles Health Screeners
Raffles Medical Management
Raffles Medihelp
Raffles Optica
Raffles Pharmacare
Raffles Pharmacy
Raffles Solitaire
Raffles Solitaire International
Raffles Specialist Centre
Raffles Wellness

The Group and the Company are partners of the following:

Raffles International Medical Assistance LLP

All transactions of these sole proprietorships and partnerships are reflected in the condensed financial statements of the Company.

The immediate and ultimate holding company during the financial year is Raffles Medical Holdings Pte Ltd, which is incorporated in Singapore.

2 Basis of preparation

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2024.

The condensed financial statements are presented in Singapore dollar which is the Company's functional currency.

2. Basis of preparation (cont'd)

2.1 New standards and amendments

The Group has applied the following SFRS(I)s and amendments to SFRS(I)s for the first time for the annual period beginning on 1 January 2024:

- *Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-Current and Amendments to SFRS(I) 1-1: Non-Current Liabilities with Covenants*
- *Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements*
- *Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback*

The application of these amendments to standards does not have a material effect on the financial statements.

2.2 Use of estimates and judgements

In preparing the condensed financial statements, management has made judgements, estimates and assumptions about the future, including climate-related risks and opportunities that affect the Group's application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the condensed financial statements is insurance and reinsurance contract: estimation of fulfilment cash flows.

Fulfilment cash flows

Although the insurance contract liabilities are estimated based on management's best knowledge and judgement of current facts, the actual outcome may differ from the estimates.

The areas involving a higher degree of judgement or complexity, or areas whereby judgement, assumptions and estimates have been involved in estimating the fulfilment cash flows comprise:

- estimates of future cash flows;
- an adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risk are not included in the estimates of future cash flows; and
- a risk adjustment for non-financial risk.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

2. Basis of preparation (cont'd)

2.2 Use of estimates and judgements (cont'd)

- Note 10 – impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts
- Note 12 – determination of fair value of investment properties on the basis of significant unobservable inputs

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets, and financial and non-financial liabilities.

If third party information, such as property valuation report, is used to measure fair values, the Group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of SFRS(I)s, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Audit & Risk Committee.

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial periods.

4 Segment and revenue information

The Group has 4 reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's Executive Chairman reviews internal management reports regularly. The following summary describes the operations in each of the Group's reportable segments:

Healthcare services : The operations of medical clinics and other general medical services; trading in pharmaceutical and nutraceutical products and diagnostic equipment, and provision of management and consultancy services.

Hospital services : The provision of specialised medical services and operation of hospital and business of medical laboratory and imaging centre.

Investment holdings : Investment holding and those relating to investment properties.

Insurance services : The provision of insurance products.

Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's Executive Chairman. Segment profit is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments relative to other entities operating within these businesses.

Inter-segment pricing is determined on mutually agreed terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise current tax and deferred tax liabilities and assets.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

4.1 Reportable segments

	<u>Healthcare services</u>		<u>Hospital services</u>		<u>Insurance services</u>		<u>Investment holdings</u>		<u>Total</u>	
	<u>31</u> <u>December</u> <u>2024</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2023</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2024</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2023</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2024</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2023</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2024</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2023</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2024</u> <u>S\$'000</u>	<u>31</u> <u>December</u> <u>2023</u> <u>S\$'000</u>
Revenue and expenses										
Revenue	295,050	283,427	345,652	330,589	177,985	144,453	44,894	45,223	863,581	803,692
Inter-segment revenue	12,824	12,336	57,187	43,028	4,273	3,125	37,733	38,283	112,017	96,772
Finance expenses	(2,038)	(2,150)	(987)	(1,002)	(91)	(105)	(2,754)	(2,926)	(5,870)	(6,183)
Depreciation and amortisation	(16,072)	(15,203)	(9,888)	(9,708)	(1,253)	(1,251)	(244)	(203)	(27,457)	(26,365)
Reportable segment profit before tax	45,123	67,323	35,683	32,600	(6,305)	(7,038)	23,734	34,146	98,235	127,031
Other material non-cash items:										
- Impairment loss on intangible assets and goodwill	(2,601)	-	-	-	-	-	-	-	(2,601)	-
- Impairment gain/(loss) on trade receivable	(322)	111	(940)	(528)	-	-	-	-	(1,262)	(417)
Reportable segment assets	1,195,708	1,173,602	256,305	233,464	167,126	149,289	936,215	958,834	2,555,354	2,515,189
Capital expenditure	20,044	38,478	6,893	9,291	1,087	898	135	444	28,159	49,111
Reportable segment liabilities	189,884	200,930	212,744	186,662	133,421	126,080	711,424	740,474	1,247,473	1,254,146

4.1 Reportable segments (cont'd)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	31 December 2024 S\$'000	31 December 2023 S\$'000
Revenues		
Total revenue for reportable segments	863,581	803,692
Elimination of inter-segment revenue	(112,017)	(96,772)
Consolidated revenue	<u>751,564</u>	<u>706,920</u>
Profit or loss before tax		
Total profit before tax for reportable segments	98,235	127,031
Elimination of inter-segment profits / Consolidation adjustment	4,358	4,290
Adjustment for depreciation of property, plant and equipment	(15,631)	(11,882)
Consolidated profit before tax	<u>86,962</u>	<u>119,439</u>
Assets		
Total assets for reportable segments	2,555,354	2,515,189
Elimination of inter-segment assets	(1,026,649)	(989,509)
Unallocated amounts-current tax and deferred tax assets	2,089	2,550
Consolidated total assets	<u>1,530,794</u>	<u>1,528,230</u>
Liabilities		
Total liabilities for reportable segments	1,247,473	1,254,146
Elimination of inter-segment liabilities	(814,335)	(804,986)
Unallocated amounts-current tax and deferred tax liabilities	32,677	35,218
Consolidated total liabilities	<u>465,815</u>	<u>484,378</u>

Other material items

	Reportable segment totals S\$'000	Adjustments S\$'000	Consolidated totals S\$'000
31 December 2024			
Depreciation and amortisation	<u>27,457</u>	15,631	<u>43,088</u>
31 December 2023			
Depreciation and amortisation	<u>26,365</u>	11,882	<u>38,247</u>

The Group's properties at Raffles Holland V, Raffles Hospital, Raffles Specialist Centre, Raffles Hospital Chongqing and Raffles Hospital Shanghai are owned by its subsidiaries and classified as investment properties in the subsidiaries' standalone financial statements. In accordance with the Group's accounting policies, investment property is measured at fair value and not depreciated.

For the preparation of the consolidated financial statements, a portion of these properties are reclassified from investment properties to property, plant and equipment as these properties are used in the supply of medical services by the Group. Accordingly, the carrying values of these properties are depreciated over their useful lives in the condensed consolidated financial statements of the Group.

4.1 Reportable segments (cont'd)

The amount of S\$15,631,000 (2023: S\$11,882,000) relates to the depreciation of these properties for the year ended 31 December 2024.

Geographical information

The Group operations are primarily in Singapore, Greater China, Vietnam, Cambodia and Japan.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers and segment assets are based on the geographical location of the assets.

	Group	
	31 December 2024 S\$'000	31 December 2023 S\$'000
Revenue		
Singapore	669,145	631,108
Greater China	65,302	59,324
Rest of Asia	17,117	16,488
Consolidated revenue	<u>751,564</u>	<u>706,920</u>
Non-current assets		
Singapore	677,195	684,935
Greater China	322,945	339,925
Rest of Asia	9,692	8,386
Consolidated non-current assets*	<u>1,009,832</u>	<u>1,033,246</u>

* Non-current assets exclude financial instruments and deferred tax assets.

4.2 Disaggregation of Revenue

	Group	
	31 December 2024 S\$'000	31 December 2023 S\$'000
Revenue from contracts with customers	572,906	560,331
Rental income	7,323	6,908
Insurance revenue	171,335	139,681
	<u>751,564</u>	<u>706,920</u>

5 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2024 and 31 December 2023:

Group	Carrying amount			Fair value			
	At amortised cost S\$'000	Other financial liabilities S\$'000	Total S\$'000	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
31 December 2024							
Financial assets not measured at fair value							
Trade and other receivables #	100,749	–	100,749				
Cash and cash equivalents	343,671	–	343,671				
	<u>444,420</u>	<u>–</u>	<u>444,420</u>				
Financial liabilities not measured at fair value							
Loans and borrowings	–	(55,982)	(55,982)	–	(55,982)	–	(55,982)
Trade and other payables*	–	(216,232)	(216,232)				
Other financial liabilities	–	(2,788)	(2,788)	–	–	(2,788)	(2,788)
	<u>–</u>	<u>(275,002)</u>	<u>(275,002)</u>				
31 December 2023							
Financial assets not measured at fair value							
Trade and other receivables #	85,360	–	85,360				
Cash and cash equivalents	343,598	–	343,598				
	<u>428,958</u>	<u>–</u>	<u>428,958</u>				
Financial liabilities not measured at fair value							
Loans and borrowings	–	(70,661)	(70,661)	–	(70,661)	–	(70,661)
Trade and other payables*	–	(216,251)	(216,251)				
Other financial liabilities	–	(2,700)	(2,700)	–	–	(2,700)	(2,700)
	<u>–</u>	<u>(289,612)</u>	<u>(289,612)</u>				

Excludes prepayments

* Excludes deferred income and other long-term employee benefits

5 Financial assets and financial liabilities (cont'd)

Company	Carrying amount			Fair value			
	At amortised cost S\$'000	Other financial liabilities S\$'000	Total S\$'000	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
31 December 2024							
Financial assets not measured at fair value							
Trade and other receivables #	85,617	–	85,617				
Cash and cash equivalents	145,658	–	145,658				
	<u>231,275</u>	<u>–</u>	<u>231,275</u>				
Financial liabilities not measured at fair value							
Loans and borrowings	–	(11,265)	(11,265)	–	(11,265)	–	(11,265)
Trade and other payables*	–	(70,962)	(70,962)				
	<u>–</u>	<u>(82,227)</u>	<u>(82,227)</u>				
31 December 2023							
Financial assets not measured at fair value							
Trade and other receivables #	46,243	–	46,243				
Cash and cash equivalents	192,998	–	192,998				
	<u>239,241</u>	<u>–</u>	<u>239,241</u>				
Financial liabilities not measured at fair value							
Loans and borrowings	–	(21,356)	(21,356)	–	(21,356)	–	(21,356)
Trade and other payables*	–	(71,225)	(71,225)				
	<u>–</u>	<u>(92,581)</u>	<u>(92,581)</u>				

Excludes prepayments

* Excludes deferred income and other long-term employee benefits

6 Profit before tax

Profit before tax has been arrived after charging/(crediting):

	Group			
	6 months ended 31 December 2024 S\$'000	6 months ended 31 December 2023 S\$'000	12 months ended 31 December 2024 S\$'000	12 months ended 31 December 2023 S\$'000
Changes in fair value in investment properties	–	(7,400)	–	(7,400)
Contributions to defined contribution plans	11,542	9,743	21,282	20,332
Foreign exchange loss	(47)	216	308	1,015
Loss/(Gain) on disposal of property, plant and equipment, net	1,921	(349)	1,922	(349)
Impairment loss on intangible assets and goodwill	2,601	–	2,601	–
Interest expense:				
- bank loans	1,220	1,490	2,824	3,048
- subsidiary's non-controlling interest	713	752	1,438	1,516
- lease liabilities	606	692	1,277	1,143
- others	56	476	331	476
Interest income	(4,951)	(5,229)	(10,247)	(9,762)
Jobs Growth Incentive (JGI), wage credit and other grants	(76)	(14)	(1,665)	(8,201)
Property, plant and equipment written off	184	18	446	159
Recovery of bad debts	(160)	(1,020)	(376)	(1,248)
Value of employee services received for issue of share options and share awards, included in staff costs	1,641	1,554	3,465	3,406
Write-off for stock obsolescence	89	459	254	540

7 Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	Group			
	6 months ended 31 December 2024 S\$'000	6 months ended 31 December 2023 S\$'000	12 months ended 31 December 2024 S\$'000	12 months ended 31 December 2023 S\$'000
Current income tax expense	9,943	9,543	23,112	27,043
Current withholding tax expense	629	497	1,219	1,215
Deferred income tax expense relating to origination and reversal of temporary differences	2,150	485	626	276
	12,722	10,525	24,957	28,534
Adjustment for prior years				
Current income tax expense – Adjustment for prior years	(171)	(124)	67	(124)
Deferred tax expense – Adjustment for prior years	(354)	(61)	(344)	(61)
	(525)	(185)	(277)	(185)
Tax expense	12,197	10,340	24,680	28,349

8 Dividends

	Group			
	6 months ended 31 December 2024 S\$'000	6 months ended 31 December 2023 S\$'000	12 months ended 31 December 2024 S\$'000	12 months ended 31 December 2023 S\$'000
Dividends paid:				
Final dividend in respect of the previous financial year of 2.40 (2023: 3.80) cents per share	–	–	44,576	70,683
	–	–	44,576	70,683

9 Net assets value

	Group		Company	
	31 December 2024 S\$	31 December 2023 S\$	31 December 2024 S\$	31 December 2023 S\$
Net asset value per ordinary share [C]	56.50 cents	55.34 cents	58.39 cents	55.66 cents

[C] The calculation of net asset value per ordinary share was based on 1,858,137,925 shares as at 31 December 2024 (31 December 2023: 1,857,011,175).

10 Intangible assets and goodwill

	Goodwill S\$'000	Customer relationship S\$'000	Membership rights S\$'000	Software under development S\$'000	Software S\$'000	Total S\$'000
Group						
Cost						
At 1 January 2023	24,501	4,297	164	–	16,774	45,736
Additions	–	–	–	640	796	1,436
Write-off	–	–	(25)	–	(4)	(29)
Effects of movement in exchange rate	(927)	(172)	–	–	(178)	(1,277)
At 31 December 2023	23,574	4,125	139	640	17,388	45,866
Additions	–	–	–	704	935	1,639
Write-off	–	–	(25)	–	(54)	(79)
Effects of movement in exchange rate	135	14	–	–	17	166
At 31 December 2024	23,709	4,139	114	1,344	18,286	47,592
Accumulated amortisation and impairment losses						
At 1 January 2023	13,351	3,843	136	–	8,132	25,462
Amortisation*	–	74	–	–	2,272	2,346
Write-off	–	–	(25)	–	(1)	(26)
Effects of movement in exchange rate	(536)	(155)	–	–	(68)	(759)
At 31 December 2023	12,815	3,762	111	–	10,335	27,023
Amortisation*	–	72	–	–	2,334	2,406
Write-off	–	–	(25)	–	(8)	(33)
Impairment loss	2,600	–	1	–	–	2,601
Effects of movement in exchange rate	84	14	–	–	13	111
At 31 December 2024	15,499	3,848	87	–	12,674	32,108
Carrying amounts						
At 1 January 2023	11,150	454	28	–	8,642	20,274
At 31 December 2023	10,759	363	28	640	7,053	18,843
At 31 December 2024	8,210	291	27	1,344	5,612	15,484

* During the year, amortisation charge of \$861,000 (2023: \$816,000) was included in 'insurance service expenses' in the consolidated statement of profit or loss.

In 2024, following the changes in China clinics' business model and operation, management has reassessed its group of CGUs on China clinics to which goodwill should be allocated. The carrying amount of the goodwill allocated to group of CGUs on China clinics have been revised and reallocated to the respective China clinics based on a relative value approach. Management has performed the goodwill impairment assessment based on the new CGUs. For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs (operating divisions) as follows:

	Group S\$'000
2024	
<u>China clinics</u>	
North region	3,938
East region	3,937
Cambodia clinic	335
	<u>8,210</u>
2023	
China clinics	7,867
Cambodia clinic	2,892
	<u>10,759</u>

10 Intangible assets and goodwill (cont'd)

The recoverable amounts of CGUs were based on its value in use, determined by discounting the pre-tax future cash flows to be generated from the continuing use of the CGUs.

Key assumptions used in the estimation of value in use were as follows:

	Group %
2024	
China clinics	
<u>North region</u>	
Discount rate	12.6
Terminal growth rate	2.0
Revenue growth rate for next five years	<u>2.2 – 2.5</u>
<u>East region</u>	
Discount rate	14.8
Terminal growth rate	2.0
Revenue growth rate for next five years	<u>1.7 – 2.0</u>
Cambodia	
Discount rate	20.0
Terminal growth rate	3.0
Revenue growth rate for next five years	<u>2.1</u>

	China clinics %	Group Cambodia clinic %
2023		
Discount rate	14.7	15.5
Terminal growth rate	2.2	3.0
Revenue growth rate for next five years	<u>3.2 – 3.8</u>	<u>5.1</u>

The discount rate was a pre-tax measure based on the rate of 10-year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Five years of cash flows were included in the discounted cash flow model. A long-term growth rate into perpetuity has been determined as the nominal GDP rates for the countries in which the CGUs operate.

Revenue growth was projected based on expectation of future outcomes, taking into account the average growth levels experienced over the past five years and the estimated growth for the next five years.

11 Property, plant and equipment

During the year ended 31 December 2024, the Group acquired property, plant and equipment (PPE) amounting to S\$26,520,000 (31 December 2023: S\$47,675,000), transferred S\$Nil (31 December 2023: S\$34,700,000), from investment property which were re-designated as premises occupied by the owner to PPE and disposed of assets amounting to S\$5,325,000 (31 December 2023: S\$788,000).

During the six months ended 31 December 2024, the Group acquired property, plant and equipment amounting to S\$10,396,000 (31 December 2023: S\$35,543,000) and disposed of assets amounting to S\$3,967,000 (31 December 2023: S\$788,000).

12 Investment properties

	Group	
	2024 S\$'000	2023 S\$'000
Balance as at 1 January	246,100	273,400
Reclassification to property, plant and equipment	–	(34,700)
Changes in fair value	–	7,400
Balance as at 31 December	246,100	246,100

Valuation technique and significant unobservable inputs

The Group's policy is for investment property to be measured at fair value for which the Group completes property valuations at least annually by independent registered valuers at the end of the year. Investment properties that are measured at fair value are stated at fair value as at 31 December 2024 based on valuation performed by independent professional valuer, Colliers International Consultancy & Valuation (Singapore) Pte Ltd, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

The fair value measurement for investment properties of \$246,100,000 (2023: \$246,100,000) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The following table shows the Group's valuation technique used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Capitalisation approach	<ul style="list-style-type: none"> Capitalisation rates 3.50% to 5.50% (2023: 3.50% to 5.50%) 	The estimated fair value varies inversely against the capitalisation rates.
Capitalisation and discounted cash flow approach	<ul style="list-style-type: none"> Capitalisation rate 4.00% (2023: 4.00%) Discount rates 7.00% (2023: 7.00%) Terminal yield rates 4.25% (2023: 4.25%) 	The estimated fair value varies inversely against the capitalisation rates and discount rates.

13 Loans and borrowings

	Group		Company	
	31 December 2024 S\$'000	31 December 2023 S\$'000	31 December 2024 S\$'000	31 December 2023 S\$'000
Amount repayable within one year or on demand				
Unsecured bank loans	6,866	16,016	1,265	11,356
Amount repayable after one year				
Unsecured bank loans	49,116	54,645	10,000	10,000
Total loans and borrowings	55,982	70,661	11,265	21,356

14 Share capital

Company	2024		2023	
	No. of shares '000	S\$'000	No. of shares '000	S\$'000
Fully paid ordinary shares, with no par value:				
At 1 January	1,884,198	439,819	1,877,272	432,379
Issue of shares under share option scheme	346	280	6,926	7,440
At 31 December	1,884,544	440,099	1,884,198	439,819

The total number of issued shares excluding treasury shares as at 31 December 2024 was 1,858,137,925 (31 December 2023: 1,857,011,175).

(i) Exercise of share options and share awards

During the year ended 31 December 2024, the Company issued a total of 346,000 new ordinary shares, at exercise price of S\$0.81 per share, upon the exercise of options under the Raffles Medical Group Share Option Schemes.

During the year, the company utilised 780,750 treasury shares pursuant to the Raffles Medical Group Performance Share Plan.

On 2 September 2024, options to subscribe for 10,000,000 ordinary shares at an exercise price of S\$0.90 were granted to 141 eligible participants pursuant to the Raffles Medical Group (2020) Share Option Scheme.

On 2 September 2024, 950,000 share awards were granted to 290 eligible participants pursuant to Raffles Medical Group (2020) Performance Share Plan.

As at 31 December 2024, there were 82,421,000 (31 December 2023: 78,863,000) options outstanding in relation to ordinary shares of the Company.

As at 31 December 2024, the number of shares comprised in contingent awards granted under the Raffles Medical Group (2020) Performance Share Plan which has not been released was 2,136,050 (31 December 2023: 2,136,400).

(ii) Treasury shares

The Company holds 26,407,000 treasury shares as at 31 December 2024 (31 December 2023: 27,187,750).

Treasury shares held by the Company as at 31 December 2024 represent 1.42% (31 December 2023: 1.46%) of the total number of issued shares (excluding treasury shares).

	Number of treasury shares
Balance as at 1 January 2024	27,187,750
Use of treasury shares	(780,750)
Balance as at 31 December 2024	26,407,000

14 Share capital (cont'd)

(iii) Subsidiary holdings

There is no subsidiary holdings as at 31 December 2024 (31 December 2023: Nil).

There were no sales, transfers, cancellation and/or use of subsidiary holdings as at 31 December 2024 (31 December 2023: Nil).

Other Information Required by Listing Rule Appendix 7.2

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

The financial statements of Raffles Medical Group Ltd (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements have been audited in accordance with Singapore Standards on Auditing. A copy of the Independent Auditors' report is attached.

The condensed consolidated statement of profit or loss and other comprehensive income and condensed consolidated statement of cash flows for the six-month period ended 31 December 2024 and certain explanatory notes have not been audited or reviewed.

2 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 reported a revenue of **S\$751.6** million for the financial year (FY) ended 31 December 2024, a **6.3%** increase as compared to FY2023. Profit after tax and minority interests (PATMI) for the year stood at **S\$62.2** million. The lower PATMI of **31%** for FY2024 was partially due to lower government grants and the absence of the fair value gain of investment properties in FY2024. The Group's PATMI for FY2023 also included some results from COVID-19 related services provided earlier in FY2023. The PATMI for the second half (2H) of 2024 improved by **4.3%** to **S\$31.6** million compared to **S\$30.3** million in 2H2023. Excluding fair value gain of investment properties, PATMI for 2H2024 of **S\$31.6** million showed an increase of **38.0%** from the adjusted PATMI of **S\$22.9** million in 2H2023.

The Group's Hospital Services Division performed well, generating **S\$345.7** million in revenue, a **4.6%** increase year-on-year. The division saw a rise in profitability, with profit rising by **9.5%** to **S\$35.7** million.

Healthcare Services Division achieved a revenue growth of **4.1%** from **S\$283.4** million to **S\$295.1** million. However, profitability declined due to lesser government grants as well as cessation of COVID-19 services in 2024 as compared to 2023.

In China, the Group's hospitals continued to show progress, with regional revenue rising **10.1%** to **S\$65.3** million in FY2024, up from **S\$59.3** million in FY2023. As patient numbers continue to grow and the **RafflesHospital** brand gains recognition, the Raffles Hospitals in Beijing, Shanghai and Chongqing show promising signs of growth and a positive trajectory ahead.

RafflesHealthInsurance (RHI), the Group's Health Insurance Services Division, saw a strong **23.2%** increase in revenue from **S\$144.4** million for FY2023 to **S\$178.0** million for FY2024. The healthcare insurance industry is facing a higher loss ratio as a result of medical inflation. With more vigilant and watchful claims adjudication and thoughtful control of management expenses, RHI's loss reflected a **10.4%** improvement when compared to FY2023.

On a full year basis, the Group generated **S\$86.3** million in cash from operating activities. Its balance sheet remains solid, with cash and cash equivalents totaling **S\$343.7** million as of 31 December 2024. During FY2024, the Group paid cash dividends of **S\$44.6** million and purchase of property, plant and equipment amounting to **S\$19.3** million.

3 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 1H 2024 results announcement.

4 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.

The Covid-19 pandemic is clearly behind us. We should remember the many lessons learnt. Hopefully, our team has internalised these lessons and be prepared to respond and take whatever measures needed if another epidemic were to occur.

Whilst the receding pandemic is a positive development, global geopolitical tension, punitive trade tariffs and even trade war present challenges and concerns to all economies and countries.

Volatility will increase and we need to be vigilant and watchful. New opportunities may appear and the Group's ability to respond expeditiously is a strength which will be useful in such times.

The Singapore Healthcare Division is focusing on growing our existing primary, secondary and tertiary care businesses and improving our operating margins.

The Group is reviewing how to better serve our patients and corporate clients that we have in Singapore and the region.

New initiatives will expand our telemedicine services, and realign and reposition some of our existing services to respond to the market's interest for wellness services.

In Singapore, besides the Acute Care Collaboration (**ACC**) with the Ministry of Health (**MOH**), we continue to serve, assist and collaborate with other public sector healthcare organisations wherever and whenever the need arises.

RafflesHospital is currently providing stepped-down care services to the MOH to help alleviate the bed shortages at public hospitals.

The strong Singapore dollar together with higher cost of healthcare services and accompanying costs have eroded Singapore's attractiveness as a regional medical hub. The Group is reviewing its offering of medical services to offshore patients. New offerings have to be more focused, more specialised to serve specific markets with specific needs. New sales and marketing channels have to be developed.

The Group has reviewed its capital management strategy and going forward intends to make the following changes to balance its need to grow and invest in new businesses as well as rewarding our shareholders.

In view of its strong positive operating cash flow, the Group has revised its dividend policy to pay out **at least 50%** of its sustainable earnings annually.

Where the Group has more than sufficient financial capacity to fund operational and capital expenditures as well as investments, the Group shall return excess capital to shareholders through:

- (a) Special dividends; and/or
- (b) Share buy-backs.

In this coming year 2025, the Group will be paying out a final dividend of **2.5** cents per ordinary share. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting and represents **75%** of the Group's PATMI for the year 2024.

4 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. (cont'd)

In addition to the above dividend, the Group intends to buy back up to 100 million ordinary shares (approximately 5.3% of total issued ordinary shares) over the next two years. These re-purchased shares will be kept as treasury shares in the first instance adding to the existing 26.4 million shares held. A portion of these Treasury shares will be used to fulfill issuances under the Raffles Medical Group Employee Incentive Schemes. Excess Treasury shares may be cancelled in the future.

The intention of these capital management initiatives is to optimise our capital structure, return excess cash, improve return of equity (**ROE**), and achieve earnings per share accretion.

Barring unforeseen circumstances, the Directors are optimistic that the Group will be profitable in the current financial year 2025.

5 Dividend

a) Current Financial Period Reported on

Any dividend declared for the current financial period reported on? Yes

Name of dividend	Proposed Final
Dividend Type	Ordinary
Dividend Amount per Share (in cents)	2.5 cents per ordinary share (one-tier tax)
Tax Rate	Tax Exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of dividend	Final
Dividend Type	Ordinary
Dividend Amount per Share (in cents)	2.4 cents per ordinary share (one-tier tax)
Tax Rate	Tax Exempt

(c) Date payable

The Directors are pleased to recommend a final dividend of 2.5 cents per share, amounting approximately to S\$46.5 million in respect of the financial year ended 31 December 2024 for approval by the shareholders at the next Annual General Meeting to be convened on 25 April 2025.

The date of payment of the proposed dividend, if approved at the Annual General Meeting, will be on 23 May 2025.

5 Dividend (cont'd)

(d) Books closure date

Notice is hereby given that, subject to shareholders' approval of the payment of the final dividend (Dividend) at the Annual General Meeting scheduled for 25 April 2025, the Share Transfer Books and the Register of Members of the Company will be closed on 15 May 2025, for determining of shareholders' entitlements to the Dividend.

Registrable transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, up to the close of business at 5.00 p.m. on 14 May 2025 (Record Date) will be registered for the Dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Limited (CDP), entitlements to the Dividend will be computed based on the shareholding position after settlement of all trades on Record Date. The Dividend will be paid by the Company to CDP which will, in turn, distribute the Dividend to holders of the securities accounts.

(e) Scrip Dividend Scheme

The Scrip Dividend Scheme will not be applicable to the final dividend this year.

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

Not applicable.

7 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.

8 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.

9 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Item 2.

10 A breakdown of sales.

		Group		
		2024 S\$'000	2023 S\$'000	Change %
(a)	Revenue reported for first half year	365,690	370,752	(1.4)
(b)	Operating profit after tax before deducting non-controlling interests reported for first half year	30,929	60,417	(48.8)
(c)	Revenue reported for second half year	385,874	336,168	14.8
(d)	Operating profit after tax before deducting non-controlling interests reported for second half year	31,353	30,673	2.2

11 Disclosures of incorporation of Entities, Acquisition and Realisation of Shares pursuant to Rule 706(A) of the Listing Manual

In 2024, International Medical Investment Co., Ltd, a dormant wholly-owned subsidiary of the Company, was deregistered.

In the same financial year, Raffles Health Institute (China) Co. (**RHIC**), was incorporated in China as an indirect wholly-owned subsidiary of the Company, with a registered share capital of CNY10 million (S\$1.9 million). The principal activity of RHIC relates to the provision of training services.

In 2025, the following entities were incorporated:

- a) Raffles Medical Systems Pte. Ltd. (**RM Systems**) was incorporated in Singapore as a wholly-owned subsidiary of the Company, with a paid-up share capital of S\$1. The principal activity of RM Systems relates to that of an investment holding company.
- b) Raffles Corporate Solutions Pte. Ltd. (**RCS**) was incorporated in Singapore as an indirect wholly-owned subsidiary of the Company, with a paid-up share capital of S\$1. The principal activity of RCS relates to the provision of service as an agent and administrator for managed care and related services.
- c) Raffles Management Solutions Pte. Ltd. (**RM Solutions**) was incorporated in Singapore as a wholly-owned subsidiary of the Company, with a paid-up share capital of S\$1. The principal activity of RM Solutions relates to that of an investment holding company.

The capital contribution for the above subsidiaries will be paid in cash and funded entirely through internal resources.

None of the Directors or controlling shareholders of the Company have any interest, direct or indirect, in the foregoing, save through their interests in the Company.

12 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Dr Loo Choon Yong	75	Father of Dr Sarah Lu Qinghui and Dr Lu Liangjian David	Executive Chairman of Raffles Medical Group (RMG) Ltd since 1997, having overall executive responsibility for the business direction, strategies and management of the RMG group of companies.	Nil
Dr Sarah Lu Qinghui	43	Daughter of Dr Loo Choon Yong and sister of Dr Lu Liangjian David	(1) Executive and Non-Independent Director, 1 June 2020 (2) Consultant Breast Surgeon, Raffles Hospital Pte Ltd, 1 June 2020 (3) Executive Medical Director, Raffles Hospital Pte Ltd, 1 February 2025	Appointed Executive Medical Director, Raffles Hospital Pte Ltd on 1 February 2025

BY ORDER OF THE BOARD

Kimmy Goh
Company Secretary
24 February 2025