
MINUTES OF 35TH ANNUAL GENERAL MEETING

Minutes of the 35th Annual General Meeting of Raffles Medical Group Ltd held at Rooms 324 to 326, Suntec Singapore International Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Friday, 26 April 2024 at 3.30 p.m.

Present

- Chairman : Dr Loo Choon Yong
- Directors : *In Attendance:*
Mr Eric Ang Teik Lim, Lead Independent Director
Mr Lew Yoong Keong Allen, Independent Director and Chairman of the Audit & Risk Committee
Mr Png Cheong Boon, Independent Director and Chairman of the Nomination & Compensation Committee
Ms Chong Chuan Neo, Independent Director
Professor Joseph Sung Jao Yiu, Independent Director
Mr Lim Sim Seng, Independent Director
Mr Tan Soo Nan, Executive Director
Mr Olivier Lim Tse Ghow, Non-Executive and Non-Independent Director
Dr Sarah Lu Qinghui, Executive Director
Dr Lu Liangjian David, Non-Executive and Non-Independent Director
- Absent with apologies:*
Mr Tan Wern Yuen, Independent Director
- Chief Financial Officer (CFO) : Ms Sheila Ng
- Group Financial Controller (GFC) / Company Secretary : Mrs Kimmy Goh
- Auditors : Ms Karen Lee Shu Pei, KPMG LLP
Ms Shelley Chan, KPMG LLP
Ms Ong Li Xiang, KPMG LLP
- Lawyers : Ms Vivien Yui, WongPartnership LLP
Ms Valerie Lim, WongPartnership LLP
Mr Jeremiah Ngiam, WongPartnership LLP
- Other Attendees, including Senior Management of the Company : As set out in the attendance records maintained by the Company

A. FY2023 Financial Results

Prior to the commencement of the Annual General Meeting (**AGM**), Ms Sheila Ng, CFO, gave a presentation on the results for the financial year ended 31 December 2023.

B. Opening

Quorum

On behalf of the Board of Directors, the Chairman welcomed the shareholders of the Company (**Shareholders**) in attendance at the Meeting. With the presence of the requisite quorum, the Chairman called the Meeting to order and declared the AGM opened.

Notice

The Notice of AGM dated 3 April 2024 (**Notice of AGM**) had been disseminated to all Shareholders, as well as announced on SGXNet, Company's website and advertised in The Business Times. The Chairman proposed that the Notice of AGM be taken as read.

The Chairman informed the Meeting that, in his capacity as Chairman of the Meeting, he had been appointed as proxy by Shareholders who had directed him to vote for, vote against, and/or to abstain from voting on, the resolutions tabled at the Meeting (Resolutions). Accordingly, he would propose the 12 Resolutions and all instructions on voting for the 12 proposed Resolutions had been electronically recorded into the polling system as so directed.

Procedures for Voting

All valid proxy forms received by the Company by the deadline for the depositing of proxy forms, as specified in the Notice of AGM, had been accounted for and verified by Agile 8 Solutions Pte Ltd, the appointed Scrutineers for the AGM (**Scrutineers**).

Where particular Shareholders were required to abstain from voting in respect of certain Resolutions, as detailed in the explanatory notes to the Notice of AGM, the Scrutineers had also taken such abstention into account in their verification. The Directors standing for re-election had each voluntarily abstained from voting on the Resolution pertaining to their own re-election.

A video presentation on the poll voting process was shown at the start of the Meeting and the process was further demonstrated through a test resolution. Shareholders were informed that they could cast their votes during the course of the Meeting until polling was declared closed.

C. **Resolutions**

ORDINARY BUSINESS

Resolution 1

Adoption of the Directors' Statement and Audited Financial Statements for the year ended 31 December 2023 and Auditors' Report thereon

The Chairman proposed to receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 December 2023 together with the Auditors' Report thereon.

Resolution 2

Approval of a one-tier tax exempt final dividend of 2.4 Singapore cents per share for the year ended 31 December 2023

The Chairman proposed to declare a one-tier tax exempt final dividend of 2.4 Singapore cents per share for the year ended 31 December 2023.

Resolution 3

Approval of Directors' Fees comprising up to S\$527,000 and up to 1,600,000 Share Options for the year ended 31 December 2023

The Chairman proposed the approval of Directors' Fees comprising up to S\$527,000 and up to 1,600,000 Share Options for the year ended 31 December 2023.

Resolution 4

Re-election of Mr Lim Sim Seng, who is retiring in accordance with Regulation 92 of the Company's Constitution

The Chairman proposed the re-election of Mr Lim Sim Seng, who was retiring pursuant to Regulation 92 of the Company's Constitution, as Director of the Company.

Resolution 5

Re-election of Dr Lu Liangjian David, who is retiring in accordance with Regulation 92 of the Company's Constitution

The Chairman proposed the re-election of Dr Lu Liangjian David, who was retiring pursuant to Regulation 92 of the Company's Constitution, as Director of the Company.

Resolution 6

Re-election of Mr Lew Yoong Keong Allen, who is retiring by rotation in accordance with Regulation 93 of the Company's Constitution

The Chairman proposed the re-election of Mr Lew Yoong Keong Allen, who was retiring by rotation pursuant to Regulation 93 of the Company's Constitution, as Director of the Company.

C. **Resolutions (cont'd)**

Resolution 7

Re-election of Dr Sarah Lu Qinghui, who is retiring by rotation in accordance with Regulation 93 of the Company's Constitution

The Chairman proposed the re-election of Dr Sarah Lu Qinghui, who was retiring by rotation pursuant to Regulation 93 of the Company's Constitution, as Director of the Company.

Resolution 8

Re-appointment of KPMG LLP as Auditors and the fixing their remuneration

The Chairman proposed the re-appointment of KPMG LLP as Auditors and that authority be given to the Directors to fix their remuneration.

SPECIAL BUSINESS

Resolution 9

Authority to Allot and Issue Shares

The Chairman proposed that authority be given for the Directors to allot and issue shares and convertibles securities, as set out in the Notice of AGM.

Resolution 10

Authority to Allot and Issue Shares Under the Raffles Medical Group Share-Based Incentive Schemes

The Chairman proposed that authority be given for the Directors to grant awards and/or options pursuant to the Raffles Medical Group (2020) Performance Share Plan and the Raffles Medical Group (2020) Share Option Scheme, as set out in the Notice of AGM.

Resolution 11

The Proposed Renewal of Share Buy Back Mandate

The Chairman proposed that approval be given for the renewal of the Share Buy Back Mandate as set out in the Notice of AGM.

Resolution 12

Authority to Issue Ordinary Shares Pursuant to the Raffles Medical Group Ltd Scrip Dividend Scheme

The Chairman proposed that authority be given to the Directors to allot and issue Ordinary Shares pursuant to the Raffles Medical Group Ltd Scrip Dividend Scheme as set out in the Notice of AGM.

D. Question and Answer Session

After tabling Resolutions 1 to 12 at the Meeting, the Chairman opened the floor to Shareholders to ask questions on the proposed Resolutions.

Questions from the Shareholders on the proposed Resolutions and the Company's responses have been summarised and are set out in Appendix A hereto.

E. Polling Results

After all questions raised by Shareholders on the proposed Resolutions had been answered, Shareholders and the appointed proxies were given further time to cast their final votes.

Following verification of the votes by the Scrutineers, the Chairman announced the results of the poll on each of the Resolutions, which are set out below:

Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		Number of shares	As a percentage of total number of votes for and against the resolution	Number of shares	As a percentage of total number of votes for and against the resolution
ORDINARY BUSINESS					
<u>Resolution 1</u> Adoption of the Directors' Statement and Audited Financial Statements for the year ended 31 December 2023 and Auditors' Report thereon	1,407,224,436	1,404,429,545	99.80%	2,794,891	0.20%
<u>Resolution 2</u> Approval of a one-tier tax exempt final dividend of 2.4 Singapore cents per share for the year ended 31 December 2023	1,409,606,209	1,409,429,195	99.99%	177,014	0.01%
<u>Resolution 3</u> Approval of Directors' Fees comprising up to S\$527,000 and up to 1,600,000 Share Options for the year ended 31 December 2023	1,404,988,833	1,401,839,421	99.78%	3,149,412	0.22%
<u>Resolution 4</u> Re-election of Mr Lim Sim Seng, who is retiring in accordance with Regulation 92 of the Company's Constitution	1,409,524,365	1,386,001,201	98.33%	25,523,164	1.67%
<u>Resolution 5</u> Re-election of Dr Lu Liangjian David, who is retiring in accordance with Regulation 92 of the Company's Constitution	1,409,596,265	1,364,610,809	96.81%	44,985,456	3.19%

E. Polling Results (cont'd)

Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	For		Against	
		Number of shares	As a percentage of total number of votes for and against the resolution (%)	Number of shares	As a percentage of total number of votes for and against the resolution (%)
Resolution 6 Re-election of Mr Lew Yoong Keong Allen, who is retiring by rotation in accordance with Regulation 93 of the Company's Constitution	1,409,529,504	1,357,608,049	96.32%	51,921,455	3.68%
Resolution 7 Re-election of Dr Sarah Lu Qinghui, who is retiring by rotation in accordance with Regulation 93 of the Company's Constitution	1,409,596,865	1,394,238,938	98.91%	15,357,927	1.09%
Resolution 8 Re-appointment of KPMG LLP as Auditors and fixing their remuneration	1,409,572,370	1,406,541,836	99.79%	3,030,534	0.21%
SPECIAL BUSINESS					
Resolution 9 Authority to Allot and Issue Shares	1,409,490,031	1,293,684,535	91.78%	115,805,496	8.22%
Resolution 10 Authority to Allot and Issue Shares Under the Raffles Medical Group Share-Based Incentive Schemes	1,409,443,033	1,234,459,872	87.58%	174,983,161	12.42%
Resolution 11 The Proposed Renewal of Share Buy Back Mandate	1,409,462,663	1,409,299,510	99.99%	163,153	0.01%
Resolution 12 Authority to Issue Ordinary Shares Pursuant to the Raffles Medical Group Ltd Scrip Dividend Scheme	1,409,629,715	1,389,675,992	98.58%	19,953,723	1.42%

Based on the polling results, the Chairman declared all Resolutions 1 to 12 carried.

F. Chairman's Closing Address

Note of Thanks to Board of Directors and Staff

The Chairman would like to record a special note of thanks to all the people working at Raffles from the physicians, nurses, allied health professionals, healthcare managers, support staff, and the executive team for their continued hard work and perseverance throughout the year. The Chairman was also grateful to fellow board directors and thanked them for their guidance and wise counsel.

Record of Appreciation

The Chairman announced that Mr Eric Ang Teik Lim (**Mr Ang**), the Group's Lead Independent Director, who had served 9 years as Independent Director as well as a member of the Audit and Risk Committee and Nomination and Compensation Committee, was retiring from the Board at the conclusion of the Meeting. He would like to put on record, on behalf of the Company and the Board, his appreciation for Mr Ang's contribution to Raffles. The Group had benefited immensely from his vast experience, wise counsel, strategic insights, and unparalleled commitment to excellence. The Company registered its deepest gratitude to Mr Ang for his many years of service and for inspiring the Company to reach new heights of achievements.

Mr Ang expressed gratitude to the Chairman, shareholders, board colleagues, staff, and Management for the opportunity to serve as a board member of Raffles Medical Group. He highlighted the privilege of learning about the healthcare business and witnessing the transformation and growth of Raffles over the past 9 years. He commended Dr. Loo and the team for their leadership and resilience during the COVID-19 pandemic. As a patient of Raffles for 30 years, he praised the commitment of the healthcare providers and the organization's dedication to delivering quality care. He concluded by emphasizing the importance of treasuring one's health and conveyed his best wishes to the Board, Management, staff and shareholders.

G. Closing

There being no other business, the Chairman closed the Meeting at 4.50 p.m. with a vote of thanks to all the Shareholders.

Approved by:

Dr Loo Choon Yong
Chairman
Raffles Medical Group Ltd

APPENDIX A

The Company's response to questions from shareholders on the Resolutions are summarised below. The questions and answers relate to Resolution 1 and have been paraphrased for easy reading. Due to considerations relating to the protection of personal data, the names of the Shareholders who posed questions have not been disclosed.

- 1. With reference to the Insurance and Reinsurance Contract Assets and Liabilities as disclosed in the Group's Consolidated Statement of Financial Position as of 31 December 2023 as well as Note 16 to the Financial Statements for FY2023 pertaining to the Insurance and Reinsurance Contracts, would the Group's insurance business be able to continue to contribute to the growth of the Group, or should the Group consider divesting the insurance business in view of the losses incurred for Insurance Services for FY2023 and FY2022?**

RMG's response

- 1.1 Raffles Health Insurance (**RHI**), the Group's insurance arm, offers personal as well as employee health insurance schemes for corporate clients. The business grew from a managed care business that the Group started many years ago and it remains focused on health insurance.
- 1.2 Similar to Kaiser Permanente in the United States, the Group combines healthcare coverage with coordinated medical services to provide high-quality, seamless care. By offering healthcare insurance and access to the Group's medical facilities and services, the Group can pool risks and leverage its cost advantage as the owner of the medical facilities while providing care to RHI's insured persons and corporate clients.
- 1.3 Due to a surge in demand for healthcare services in the two years following the COVID-19 pandemic, RHI experienced higher claims.
- 1.4 The Group is of the view that the health insurance business is synergistic with its healthcare business, and there are opportunities to grow and develop the health insurance business further and to do well.

2. Regarding the Group's China business and operations

- a) With reference to the Operations Review in the FY2023 Annual report on Page 26 and Note 4 to the Financial Statements pertaining to Property, Plant and Equipment for FY2023, could the Group share more information on the performance of its China business?**

RMG's response

- 2.1 The Group has previously offered insights regarding the performance of its hospitals in China. As a result of disruptions arising from the COVID-19 pandemic, the Group's operational performance in China was impacted, resulting in a delay to its EBITDA breakeven timeline. Notwithstanding this, Raffles China Healthcare is profitable in multiple cities including Beijing and Nanjing. Barring any unforeseen circumstances, the Group expects some of its Hospitals in China to break even in the next couple of years.
- 2.2 The Group expanded the Company's presence beyond Singapore many years ago, with the current presence in 14 cities and 5 countries. Highlighting the vast opportunities for growth in the Chinese market, it has acknowledged that investments in China may take time to yield results because of challenges in the China market. Management has been diligently working to enhance performance amidst consolidation efforts.
- 2.3 Looking ahead, the goal is to deliver improved results next year, building on its reputation as a reliable healthcare service provider, as well as improving operational leverage and efficiency.

- b) Has the operating environment become more challenging for foreign investors, including the Group, in China?**

RMG's response

- 2.4 The Group has not observed any deterioration in China's administrative and policy landscape affecting its operations. Being a Singapore company that has invested in China, the Group benefits from the excellent ties between the two countries. Since 2013, China and Singapore have maintained a free-trade agreement, ensuring a stable and predictable operating environment for Singaporean service providers, among other benefits.

- 3. With reference to page 9 of the FY2023 Annual Report and the Group's declaration of a final dividend for FY2023, could the Group share its rationale for declaring a final dividend of 2.4 cents per share, which would be 0.1 cent lower than that declared in FY2019, where the earnings per share had increased in FY2023 when compared to that in FY2019?**

RMG's response

- 3.1 The Group had previously declared a dividend policy that it would declare dividend of up to half its average sustainable PATMI (Profit after Taxation and Minority Interests).
- 3.2 As such, the final dividend declared for FY2023 is in-line with the policy. Such a policy serves the Group's growth and investment needs, as well as allows for appropriate distribution to the shareholders.
- 3.3 The Group sees promising opportunities within the region which it is evaluating. Distributing all available cash would leave the Group in an inadequate position to seize such opportunities as they arise.

4. Could the Group share its take on the state of medical tourism for Singapore, as well as for the Group?

RMG's response

- 4.1 The appreciation of the Singapore Dollar against regional currencies has impacted Singapore's position as a medical hub, as it enabled certain healthcare service providers in neighbouring countries to take advantage of this situation.
- 4.2 To maintain a competitive edge, the Group must distinguish itself by offering superior quality care as well as enhanced treatment and services.
- 4.3 Raffles Hospital Singapore serves patients from over 120 countries, particularly those who value high-quality care, service, and safe clinical practices over cost considerations.

5. Could the Group provide an update on its activities pertaining to the Transitional Care Facilities (TCF)?

RMG's response

- 5.1 The Group's operates TCF as an extension of its healthcare services division, leveraging on its operational expertise and experience in collaborating with governments and in managing large scale operations.
- 5.2 In addition to managing the TCF at the Singapore EXPO, the Group has also added more beds to the TCF programme at our premises.

6. What would be the Group's strategy for the next five years? Could the Group share if it would invest in other markets? Would the expansion strategy rely on organic growth or involve acquisitions?

RMG's response

- 6.1 The Group continually evaluates growth opportunities with a focus on enhancing value for its shareholders and the organization as a whole. This may involve both organic growth and potential acquisitions in new markets or synergistic business segments. The Group continues to adopt a prudent approach, carefully evaluating each opportunity to ensure it aligns with the Group's long-term strategic objectives.

7. Would the Group continue to invest in Singapore? How would the Group respond to the changing healthcare needs in Singapore?

RMG's response

- 7.1 The Group remains committed to strengthening its business and operations in Singapore, and continues to invest in Singapore, as this is the Group's home.
- 7.2 The Group sees quality growth potential in Singapore, driven by demographic shifts, including an aging population, and increasing prevalence of chronic conditions, which spur demand for healthcare services.
- 7.3 To address these trends, the Group expanded its facilities between 2019 and 2023 with the addition of Raffles Specialist Centre, which has enabled the Group to grow its Specialist capabilities.