

Dear Stakeholders,

Since the founding of Fullerton Health 10 years ago, our consistent commitment toward our purpose of enabling affordable and accessible care for all in Asia Pacific has allowed us to grow from a chain of clinics in Singapore to having a regional healthcare service platform in 9 markets across Asia Pacific with over 500 self-owned medical facilities and a network of over 12,000, covering more than 10 million lives. We have focused our efforts on the integration of businesses across these 9 markets, driving additional synergies and delivering strong organic growth. We are a leading player in each of our core markets in Singapore, Australia and the Philippines. In 2019, the Group continued to grow its revenue and EBITDA across all operating segments. The performance of the Group in 2019 demonstrated the strength and value of our integrated health delivery and health plan management businesses.

Enabling Access to Healthcare Through the Pandemic

The emergence of the COVID-19 pandemic in 2020 has presented challenges and uncertainties to corporations across the globe. As a regional company operating at scale, Fullerton Health is integral to the healthcare infrastructure in every market we operate and we salute our fellow brave healthcare colleagues who have answered the calling to battle COVID-19 at the frontline. The Group's partnership with government agencies across our various markets have opened doors to a new B2G (Business-to-Government) channel for the Group across the region. In Singapore, we are actively involved in 8 COVID-19 projects nation-wide, including managing 20 dormitory medical posts caring for close to 100,000 migrant workers at its peak, and running the 24/7 extended A&E holding facility for a local hospital. In Australia, we have mobilised 300 nurses to support the national hotline for COVID-19, delivering more than 10,000 calls weekly and have also mobilised 100 staff to provide COVID-19 contact tracing services to the government. In the Philippines, we conducted rapid screening tests and vaccination from clinics, at homes, and onsite at clients' company premises. In Indonesia, we have built laboratories to perform tens of thousands of PCR tests in Jakarta and Kalimantan, as well as deploying onsite teams to support clients with COVID-19 related measures, isolation centers, and conducting rapid screening and serology tests.

Value in Diversification and Resilience

Importantly, our geographical and business line diversification strategy, deliberately built and developed over the years, has been a key factor in ensuring our resilience in this pandemic. The agility and entrepreneurial spirit of our leadership team in every country has allowed us to be nimble and pivot our resources to areas where we saw and continue to see new opportunities and demands for healthcare services. Our participation in the various local initiatives to combat COVID-19 has helped generate new income streams and helped to offset some of the negative impact from lower footfall in our medical facilities. These new income streams, along with lower cost of sales in our Philippines managed care business due to the decrease in medical services utilization have more than offset the impact from the decline in patient visits. The Group remains on track to achieve earnings growth in 2020.

Digitalizing Healthcare Service Offering

The COVID-19 pandemic has also impacted the delivery of healthcare, evidenced by a sharp uptick in the consumption of various digital health offerings globally. We remain focused on our digitalization strategy. Our integrated offline-to-online healthcare services platform provides a new channel of engagement for our clients and patients, contributing to our resilience during the pandemic and positions us for future growth. Our telemedicine platform was launched regionally in Singapore, Australia and Philippines. It will be launched in Indonesia by Q3 2020, and in Hong Kong and Malaysia subsequently. We are on track to achieving more than 700,000 telemedicine consultations by the end of 2020. Our proprietary AI-driven COVID-19 symptom checker was launched for community use in June 2020. The symptom checker is available in 6 languages across Singapore, Philippines, Indonesia, China, Hong Kong and Malaysia. The symptom checker provides recommendations on next steps to users and directs them to where they can seek care or additional information. This App incorporates localized information to help citizens navigate factual information and decant them to the right resource.

In Singapore, we have successfully implemented our clinic management system across all our clinics and this will be rolled out to other countries. We have accelerated digitalization to integrate our backend systems in order to scale and enable collation of data. Once our IT and data infrastructure is upgraded, AI, machine learning and data analytic capabilities can be harnessed and take full advantage of big data to improve the patient outcome and experience, bring better value to our clients, and make internal workflow and processes more efficient and effective.

Financial Vigilance

The rapid growth of the Group over the last 10 years has been achieved through both organic and inorganic execution, and made possible by funding through a combination of organic cash flow and capital raised from our strategic investors via perpetual securities and convertible preference shares. Whilst these securities remain on our balance sheet today, we are committed to rebalance our capital structure and have taken proactive steps in seeking additional sources of capital since the end of 2019. Although progress has been delayed due to COVID-19, the discussions with potential investors continue and we remain highly focused in addressing the capital structure and needs of the Group.

Notwithstanding the delays brought about by COVID-19, we have been able to refinance our perpetual securities in April 2020, and continue to seek out alternative sources of capital for the Group. Our efforts since the turn of the year have culminated in the Group raising over S\$300 million in the first 8 months of 2020 from both existing and new financial institutions and strategic partners. We also continue to seek strategic investors within each of our markets to further the growth strategy locally in those markets, as well as relying less on the capital sponsorship of the Group for expansion. The Group's operating cash flow continues to improve and is on track to show further improvements in 2020, despite the challenging COVID-19 business environment.

Since the onset of the crisis in February 2020, we have conscientiously managed our costs across the Group. Measures implemented include hiring freezes, wage adjustments and a substantial reduction in discretionary spend. The Group takes a proactive approach towards reducing procurement spend and has also consolidated its claims processing and call center functions to the Philippines. This has resulted in the achievement of further cost synergies. More shared services will be consolidated and offshored to the Philippines going forward. All these efforts have helped right-size our cost base in view of the lower demand in selected business segments, thus driving margin expansion.

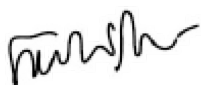
Looking forward

We remain confident that our diversification strategy for our businesses in health plan management and healthcare delivery will help the Group to weather the ongoing economic uncertainty and emerge stronger, more nimble and ready to capitalize on the opportunities that this crisis may present. Despite a very tough operating environment for the first half of 2020, our revenue has held up and we have achieved a record organic growth in EBITDA, exceeding our budget for the period. Our key client retention remains high at over 90% and we continue to win large, long-term contracts with new major accounts in all our key markets. We are highly confident that the Group remains on track to deliver a much stronger growth for the full year of 2020 as compared to our growth in 2019.

Fullerton Health was established for the purpose of ensuring all in Asia Pacific has access to healthcare. We have grown exponentially in the last 10 years because we address this pressing need in the region through our unique ecosystem of connecting payor, patient and provider. This pandemic has shown that, in this uncertain future, our service offering is more needed than ever. Fullerton Health is well primed for growth for many more decades to come and we thank you for your continued support and partnership.



Ho Kuen Loon
Group Chief Executive Officer



Tan Chia Min
Group Chief Financial Officer