

Summary

The Group recorded significant revenue and EBITDA growth in 2018 across all operating segments, demonstrating our ability to leverage the rapidly growing Asian healthcare market to deliver continued strong results to all our stakeholders. We have continued to expand our market share and build a strong presence across the region, to become a diversified healthcare player across 8 key markets today.

In May 2018, the Group made its largest acquisition to date, with the acquisition of a 60% stake in the Intellicare Group, one of the leading managed care providers in the Philippines. The acquisition marks the Group's entry into the Philippines, an important market in Asia Pacific underpinned by attractive underlying growth drivers. To date, we have captured incremental value from the investment through regional cross-selling and cost synergies, and are confident that it will continue to drive further value for the Group in the future.

We also continue to drive business expansion through strategic partnerships. We secured a US\$40 million long-term loan facility with the International Finance Corporation ("IFC"), a member of the World Bank Group, to further develop our vertically integrated managed care strategy in the Philippines. We have also entered into a partnership with Microsoft to drive the transformation of our technology infrastructure, allowing us to digitise our operations and deliver better quality care.

In 2018, Mr. David Sin, a Co-Founder and Deputy Chairman of the Group, took on an executive role as Group President, while Mr. Ho Kuen Loon was appointed Group Chief Operating Officer. Under their leadership, the Group has embarked on various transformational projects to institutionalise the organisation and support its growth. We have committed to investing in long-term value-creation initiatives, with a focus on enhancing strategic alignment across the Group, strengthening our core organisational infrastructure and systems, and developing operational excellence through optimising policies and processes.

Our strong performance in 2018 provides the management and the Board with confidence that we will be able to continue to execute on our strategy in 2019, to expand both the reach and depth of our business across the region.

Financial year ended December 31, 2018

- Revenue up 78% to S\$600.1 million in 2018 (2017: S\$336.6 million)
- EBITDA up 76% to S\$107.9 million in 2018 (2017: S\$61.2 million)

Segment highlights

- In our Managed Care segment, revenue was up significantly to S\$209.8 million, and EBITDA increased to S\$13.8 million, driven by our acquisition of the Intellicare Group in May 2018
- In Network Management Services segment, revenue increased by 10% to S\$163.1 million, and EBITDA increased by 19% to S\$22.1 million
- In our Primary Care Services segment, revenue increased by 57% to S\$178.2 million while EBITDA increased by 54% to S\$30.6 million, largely driven by the full-year impact of our acquisition of the Healthscope Medical Centres in 2017

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- In our Diagnostics, Specialty and Ancillary Care Services segment, revenue increased by 5% to S\$100.7 million and EBITDA increased by 1% to S\$23.7 million

Country highlights

- For our Singapore business, revenue stayed relatively flat at S\$201.9 million
- For our Australia business, revenue grew by 46% to S\$121.4 million
- For our Philippines business, revenue was S\$216.9 million
- For our Hong Kong business, revenue grew by 11% to S\$32.1 million
- For our Indonesia business, revenue grew by 24% to S\$25.8 million

Major Developments in 2018

Collaboration with Strategic Partners

- In July 2018, we entered into a partnership with Microsoft to drive the transformation of our technology infrastructure by moving approved business applications and processes to the cloud
- In September 2018, we secured a US\$40 million long-term loan facility with the IFC to further develop our vertically integrated managed care strategy in the Philippines

Acquisitions

We completed three successful acquisitions across multiple countries and segments:

- We expanded into the Philippines through the acquisition of the Intellicare Group, one of the leading managed care providers in the Philippines
- We continue to execute on our vertical integration strategy through the acquisition of a general surgery practice in Singapore
- We deepened our occupational health capabilities through the acquisition of Galen and Grey in Australia

Outlook

The healthcare industry in the Asia Pacific region continues to display promising market sentiment, and we are at the forefront of this rapidly growing market. Innovation and digitalisation will be a top strategic priority for the year ahead, as we continue to develop patient-centric and data-driven healthcare solutions to improve affordability and access across our markets. We remain focused on opportunities for value creation in our newly-acquired Philippines business through scaling up our regional client relationships and realising synergies as a result of post-merger integration. With our strong momentum in our transformation initiatives, we are confident of our ability to grow the business and its supporting infrastructure to remain the leading vertically-integrated healthcare platform in Asia Pacific.



A black ink signature of David Sin, consisting of a large, stylized 'D' followed by a horizontal line and a small flourish.

David Sin
Co-Founder, Group President & Deputy Chairman

A blue ink signature of Dr Michael Tan, featuring a series of connected, fluid loops.

Dr Michael Tan
Co-Founder & Group Chief Executive Officer

A blue ink signature of Dr Daniel Chan, showing a stylized 'D' and 'C' with a horizontal line through the middle.

Dr Daniel Chan
Co-Founder & Group Deputy Chief Executive Officer

A blue ink signature of Ho Kuen Loon, featuring a stylized 'H' and 'L' with a horizontal line through the middle.

Ho Kuen Loon
Group Chief Operating Officer