



EMBARGOED TILL THURSDAY 4 APRIL 2013, 8.00PM

**SINGAPORE BUSINESS AWARDS 2013
BUSINESSMAN OF THE YEAR 2012**

DR LOO CHOON YONG
EXECUTIVE CHAIRMAN
RAFFLES MEDICAL GROUP

Background

Dr Loo Choon Yong typifies the true academician success-story – he is highly qualified academically and experientially, and is both a doctor and a trained lawyer. He currently helms Raffles Medical Group as its Executive Chairman, one of Singapore's leading integrated healthcare providers.

Dr Loo co-founded the Raffles Medical Group in 1976 by opening two clinics in the Central Business District with classmate and partner Dr Alfred Loh. He assumed his incumbent position in 1997 when the Company was listed in the Singapore Stock Exchange.

Dr Loo is also an independent director of CapitaMalls Asia Limited. He is a member of the Board of Trustees of Singapore Management University (SMU) and the Chairman of the Asian Medical Foundation Ltd.

In the area of public service, Dr Loo is appointed by the President of Singapore since March 2006, as the Non-Resident Ambassador to the Italian Republic. He was also appointed by the Ministry of Trade and Industry as Chairman of JTC Corporation,

Singapore's leading industrial infrastructure specialist spearheading the planning and development of a dynamic industrial landscape from January 2013. He is the immediate past Chairman of Sentosa Development Corporation Ltd and Sentosa Golf Club, a position he held from March 2007 to December 2012.

His successes in the corporate world did not go unnoticed by the government - Dr Loo was the Nominated Member of Parliament from January 2005 to May 2006 and again from January 2007 to June 2009. He was the former Deputy Chairman of the Action Committee for Entrepreneurship (ACE), a public-private collaboration to promote entrepreneurship in Singapore. He also served as a member of the Government Economic Review Committee (ERC) from December 2001 to February 2003 and Chairman of the ERC's Healthcare Services Working Group (HSWG). He was appointed to the Council on Corporate Disclosure and Governance (CCDG), a national body on corporate disclosure and governance including prescribing of accounting standards in Singapore from August 2002 to August 2005.

In the area of social service, Dr Loo had been active in the fight against drug abuse for more than 20 years. He was the former Chairman of National Council Against Drug Abuse (NCADA) and President of Singapore Anti-Narcotic Association (SANA).

For this, Dr Loo was awarded the Public Service Medal in 2003 and the Distinguished Service Award in September 2005 from the Ministry of Home Affairs for his contributions as the Vice-Chairman of National Council Against Drug Abuse. He was also awarded the Public Service Star in 2009.

In 2010, Dr Loo was named Best Chief Executive Officer in the mid-cap category of the Singapore Corporate Awards organised by The Business Times and supported by the Singapore Stock Exchange.

In addition to his medical education and postgraduate training in family medicine and cardiac medicine, Dr Loo also read Law at the University of London and is a barrister from Middle Temple.

Company background

History

Raffles Medical Group started out as a two-clinic practice in 1976 under its founders Dr Loo Choon Yong and Dr Alfred Loh who left the public service with a vision to providing personalised care to every patient.

Initially, new clinics were established in the financial district and tourist belt. As the corporate client base expanded, the group set up clinics in the residential areas to serve patients closer to where they lived.

On 16 May 1989, the Company was incorporated as the first step towards corporatisation in order to promote the Group's corporate identity and highlight its comprehensive range of healthcare services. It provided general practice (GP), dental and specialist healthcare services, X-ray and diagnostic services, health-screening and laboratory testing.

As the group grew, the need to integrate primary with secondary care became apparent, and the group appointed specialists to its medical staff. In 1993, the specialist service was consolidated with opening of the Raffles Surgicentre at Clemenceau Avenue - the first free-standing day surgery centre in Asia.

By 1996, Raffles Surgicentre was running out of capacity. In 1997, it entered into a joint venture with Pidemco Land to retrofit Blanco Court into a hospital and medical centre. Named Raffles Hospital, it opened in March 2001.

The Group was appointed to carry out temperature screening at all the land, sea and air border checkpoints during the SARS pandemic in 2003.

In 2003 and 2004, the group added consumer healthcare and medical insurance to its growing stable of services due to demand for quality consumer healthcare products and trustworthy medical insurance by its patients and clients. It also opened its first Raffles Japanese Clinic in 2003.

Raffles Today

Raffles Medical Group (RMG), is a home-grown medical organisation that has made a mark on Singapore healthcare. It is the largest private group practice in Singapore inspired by its mission to enhance health and well-being by providing the best total healthcare.

The group is a fully integrated healthcare provider. It delivers a continuum of services from primary to secondary and tertiary medical care, and is vertically integrated to provide insurance, hospital consultancy services and consumer healthcare.

RMG today encompasses a network of 76 multi-disciplinary medical clinics, conveniently located throughout Singapore, catering to the people's healthcare needs.

Raffles Hospital, the flagship facility of Raffles Medical Group, is a private tertiary hospital located in the heart of Singapore. Raffles Hospital offers emergency care, inpatient wards, delivery suites, operating theatres, and adult and neonatal intensive care units. Its 21 multi-disciplinary specialist clinics span across 30 medical specialties including cardiology, oncology, orthopaedic, colorectal, urology, ophthalmology, paediatrics, and obstetrics and gynaecology. Other service offerings include dental, aesthetics, health screening, Traditional Chinese Medicine, radiology, clinical laboratory, pharmacy, dietetics, and physiotherapy.

The hospital is positioned as one providing a comprehensive range of specialist services, personalised care and attention, and hotel-standard accommodation and services.

Its group of specialists work as a team combining sub-specialty expertise and teamwork to ensure optimal, affordable and high quality care for patients. Investigations, tests and procedures are carried out using state-of-the-art diagnostic equipment and advanced surgical techniques.

Raffles Medical, the primary care arm of the group, is a corporate doctor to many companies, helping them take care of their employee medical needs, and workplace health. It offers a wide range of primary care services with specialisation in family medicine, occupational health, health screening, aviation medicine, and aesthetics and anti-ageing.

Raffles Dental is a team-based dental group in Singapore comprising of a specialist dental practice at Raffles Hospital and a network of general dental clinics.

RMG also operates three Japanese clinics - in Raffles Hospital, Liang Court and Wheelock Place - which serve an exclusively Japanese clientele.

Today, the Group's clinics and hospital serve more than 1.5 million patients annually and more than 6,500 corporate clients in Singapore.

The Group also has representative offices in Indonesia, Vietnam, Cambodia, Brunei, Bangladesh and the Russian Far East, as well as associates throughout the Asia-Pacific region.

The Group's holistic approach to healthcare includes preventive care in the form of Raffles Health, its personal healthcare unit. It also has a full range of nutraceuticals, supplements, vitamins and medical diagnostic equipment.

As an extension of its consumer healthcare services, the group offers health financing under its subsidiary Raffles Health Insurance (RHI). RHI leverages on RMG's healthcare network to provide a seamless and superior service, where the health insurer and the healthcare provider are two halves of one integrated whole.

In addition to the Group's operations in Singapore, the Group has a clinic network in Hong Kong as well as a medical centre in Shanghai. The Group also manages the airport clinics in Singapore's Changi International Airport and Hong Kong's Chek Lap Kok International Airport.

RMG is unique in Singapore as the largest private healthcare group built around the group practice model, well established in renowned medical centres such as the Mayo Clinic. This model affords a structure of clinical leadership and membership of medical

staff sharing a commitment to the highest standard of medical practice. Through this model, specialists work as a team to provide patients the quality assurance of medical services that are integrated, peer reviewed and medically audited.

RMG is listed on the Singapore Stock Exchange since 1997. It employs a total of about 1,600 staff including 250 physicians. As a group, RMG achieved in 2012 a turnover of \$311.6 million and a net profit after tax of \$57.2 million.

Recent achievements

RMG achieved group-wide ISO 9001:2000 certification in October 2002 and is currently ISO 9001:2008 certified.

In 2007, the group was voted by Forbes as one of Asia's 200 'Best Under A Billion Companies', and the number one Employee Healthcare Vendor of the Year by Human Resource practitioners. It continued to be voted number one by HR practitioners in the years 2008, 2009, 2011 and 2012.

In 2009, Raffles Hospital achieved accreditation by the Joint Commission International demonstrating the strong commitment of the hospital to world-class standards and quality of care.

The Group's planned extension of Raffles Hospital will increase its floor area by an additional 102,408 sq ft. This one-third boost to the current floor size will also enable the hospital division to continue its growth momentum. The additional space will allow the Group to increase the range and scope of specialist and clinical services at the hospital facility as well as bed capacity.

Attracting international and domestic patients

Currently, foreigners make up a third of Raffles Hospital's patients and they come from more than 100 countries. Most of its foreign patients are from Indonesia, Vietnam, Cambodia, Bangladesh and Russia, or expatriates from the US, UK, Germany and India who work in the region. There is an increasing number of patients from places like Papua New Guinea, Myanmar and the Middle East.

The medical centre in Shanghai has grown steadily and is warmly received by the expatriates working and living in Shanghai as well as the affluent local Chinese population. The Group is exploring hospital development opportunities in China.

Growth of other divisions

Another achievement of the company is Raffles Health Insurance (RHI), the Group's insurance business division. Formerly known as International Medical Insurers, RHI has grown from strength to strength since its inception in 2005. It was granted a life

insurance licence by the Monetary Authority of Singapore in March 2006 and has since been converted to a life insurance company.

With a life licence, RHI provides long-term health insurance, including portable medical health plans and group term life insurance for corporate clients. RHI has achieved positive response to its Group Term Life product and continue to grow and expand this portfolio among its corporate clients.

RHI partnered with BUPA International since 2008 to develop a range of international health plans catered to the high net worth and international expatriate market. This has received better than expected response. In March 2013, RHI announced two new products, RHI-BUPA Company Health Select Asia Pacific and RHI-BUPA Company Health Choice International, that it believed would be well received by a new generation of expatriates and the businesses employing them.

Raffles Health – the Group’s consumer healthcare unit – has over the years extended its range of products it develops and markets under the Raffles and Kidds brands. In response to an increase in demand for specialty formula products, it has introduced a range of premium supplements that comprises of vitamins, minerals, antioxidants, amino acids, and herbal extracts to effectively address specific health concerns.

Financial performance

Financial Year 2009

Although 2009 was a difficult and challenging year for most companies as the Singapore economy went into recession, the Group continued to perform well. Revenue grew 8.9% to \$218.6 million and profit after tax rose 20.1% to \$38.0 million. Earnings before interest, taxes, depreciation and amortization (EBITDA) for the Group rose to S\$52.2 million. Operating profit increased 16.9% to S\$45.3 million. Profit before tax rose to S\$45.0 million from S\$38.4 million. Most divisions of the Group registered growth in both revenue and profits. This was buoyed by growth in foreign patient visits and an increase in operating efficiencies at Raffles Hospital.

More consultant specialists and family physicians joined the Group and more clinics were opened. The Healthcare Services division increased its revenue by 10.2% while Hospital Services division grew 7.9%.

Earnings per share rose to 7.22 cent from 6.02 cents in 2008. The Group's net asset value had also risen to 48.04 cents from 42.87 cents.

Financial Year 2010

Financially, the Group’s revenue grew 9.4% from S\$218.6 million in 2009 to S\$239.1 million in 2010. All divisions contributed positively to the growth in revenue with

Hospital Services and Healthcare Services divisions growing 12.1% and 6.1% respectively.

A higher patient load, wider range of medical specialities, continued improved operating efficiencies and the recruitment of more specialist consultants saw profit from operating activities increase by 17.0% from S\$45.3 million in 2009 to S\$53.0 million. EBITDA increased by 14.8% to S\$60.0 million from S\$52.2 million.

Profit before tax increased 17.9% to S\$53.1 million. Profit after tax for the Group grew 19.6% from S\$38.0 million in 2009 to S\$45.5 million in 2010. Profit after tax would have grown by 22.9% if the impact of jobs credit grants and revaluation gains of investment property were to be excluded.

Earnings per share were 8.51 cents up from 7.22 cents in 2009. Group net asset value had also risen from 48.04 cents to 54.46 cents.

As at 31 December 2010, the Group had a healthy cash position of S\$107.1 million.

Financial Year 2011

2011 was another good year for the Group. The Group achieved another record Group revenue of \$272.8 million, a growth of 14.1% over the previous year. It also reported a record profit after tax of \$50.6 million, a 11.3% growth from S\$45.5 million in 2010. All divisions of the Group contributed to this excellent performance.

EBITDA rose 11.3% to S\$66.8 million from S\$60.0 million. Operating profit for the Group increased 12.3% to S\$59.5 million. Profit before tax rose 11.9% to S\$59.4 million from S\$53.1 million.

Earnings per share for the Group rose to 9.36 cents from 8.51 cents. Net asset value increased to 62.51 cents from 54.46 cents.

Financial Year 2012

The Group recorded revenue of S\$311.6 million for the full year ended 2012, an increase of 14.2% as compared to S\$272.8 million in 2011. The growth in revenue was attributed to positive contributions in all segments of the Group. Hospital and Healthcare Services segments increased their revenues by 16.1% and 11.4% respectively. Revenue growth is driven by higher patient load and addition of specialist consultants thereby expanding the depth and breadth of medical services provided by the Group.

The Group's profit from operating activities increased 11.5% from S\$59.5 million in 2011 to S\$66.4 million in 2012.

The Group registered a net profit after tax growth of 13.0%, increasing from S\$50.6 million in 2011 to S\$57.2 million in 2012. This is in spite of healthcare manpower cost

increases arising from industry-wide salary adjustments, as well as higher other operating costs.

With strong cashflow from operations, the Group is in a healthy cash position of S\$102.5 million as at 31 December 2012. This cash position will support the Group's growth and expansion plans.

Financial summary

S\$ Million	2009	2010	2011	2012
Revenue	218.6	239.1	272.8	311.6
EBITDA	52.2	60.0	66.8	74.3
Operating Profit	45.3	53.0	59.5	66.4
Profit Before Tax	45.0	53.1	59.4	66.6
Profit After Tax	38.0	45.5	50.6	57.2
EPS (cents)	7.22	8.51	9.36	10.42
NAV (cents)	48.04	54.46	62.51	71.29

Corporate social responsibility

In the midst of business growth, RMG celebrated its 35th anniversary with a series of events in 2011. One of the major events was a charity golf tournament held on April 8 at the Raffles Country Club. Charitable golf enthusiasts from the healthcare industry, as well as the Group's corporate clients, gathered to give their best shot for a good cause. This event was organised to raise funds in aid of the elderly at the three adopted beneficiaries, namely St. Joseph's Home, the Alzheimer's Disease Association and Ling Kwang Home.

In addition to the funds raised during the charity golf tournament, donation boxes were placed at the counters in Raffles Medical clinics and Raffles Hospital's specialist centres to encourage patients to participate in the joy of giving. More funds were also raised during the RMG's annual corporate dinner and \$346,000 was raised for the three charities.

The Raffles Medical Scholarship programme launched at the Group's 35th Anniversary has also seen its first batch of scholars joining the local universities in 2012. RMG also currently has five scholars who are pursuing degrees in Nursing, Pharmacy and Accountancy.

Dr Loo is an avid volunteer at Asian Medical Foundation (AMF), an offspring of Raffles Medical Group. Registered in 2003, AMF was started by a group of doctors and nurses at Raffles Medical who wants to offer their expertise to poorer countries in the region that have little or no access to proper healthcare. Dr Loo is chairman of AMF which has volunteers drawn largely from the pool of medical practitioners in Singapore and a smaller list of partners and contacts from the region.

Locally, AMF has adopted the Rochore Kongsu since March 2009. Rochore Kongsu is a VWO providing shelter for destitute elderly residents. AMF organises and sponsors volunteer doctors to visit the residents of this home once a month to provide them with free medical consultations and advice. AMF sponsors the cost of outpatient medication, lab tests and x-rays requested by the doctors.

AMF also conducts health screening for the elderly at community centres in Singapore.

Outside Singapore, the AMF sent medical missions in support of the Aceh tsunami in 2004 and Nias earthquake in 2005, and adopted the Blue Sky Healing Home, a private medical foster home for orphans and children from poor families all over China, from 2009 to 2012.

Awards

2011

- Dr Loo received Best CEO (Mid-cap Category) at the Singapore Corporate Awards
- Recertified with Joint Commission International Accreditation in December 2011 for commitment to quality care.
- Raffles Medical Group achieved Group-wide ISO 9001:2008 recertification in August 2011.

2009

- Dr Loo received the Public Service Star for serving as the Chairman of the National Council Against Drug Abuse (Jan 2007 - Dec 2008)
- Raffles Hospital received the Joint Commission International Accreditation in view of its commitment to quality care.

2005

- Awarded the Distinguished Service Award by the Ministry of Home Affairs for his contributions in Singapore's fight against drug abuse

2003

- Dr Loo received a Public Service Medal for his role as the Vice Chairman of the National Council Against Drug Abuse