

MEDIA RELEASE

THOMSON MEDICAL GROUP REPORTS HEALTHCARE HALF-YEAR EBITDA OF S\$23.4 MILLION

Singapore, 14 August 2018 – SGX Mainboard-listed Thomson Medical Group Limited (“TMG”, or “the Group”), one of Asia’s largest listed healthcare players, today announced its financial results for the first half ended 30 June 2018 (“1H2018”) for its healthcare business following the acquisition of Sasteria Pte Ltd on 25 April 2018. TMG recorded EBITDA of S\$23.4 million on the back of total revenue for the first half of the year at S\$105.5 million.

This is the first report of the financial performance of the Group’s healthcare business. On a year-on-year basis, adjusted EBITDA rose 4% to S\$23.4 million from S\$22.5 million. Revenue rose 8% from S\$97.6 million to S\$105.5 million. The improved performance from the healthcare business was driven by higher patient volume, higher revenue intensity and higher average bill sizes.

TMG’s profit after tax from healthcare business for 1H2018 decreased from S\$9.9 million to S\$6.9 million, largely due to a combination of higher operating expenses owing to cost inflation of goods and services, one-off acquisition related expenses, costs associated with expansion (i.e. hospital expansion, new clinics), and higher financing costs owing to additional bank loans taken as part of the acquisition of a healthcare business.

“Amidst more competition and the increasing cost of business, our operations in Singapore and Malaysia continue to do well with increases in revenue and patient loads in both markets. This is testament to our strong management team and staff; Thomson Medical Group will continue to seek strategic partnerships and investments

to support future growth organically and through acquisitions,” said Ng Ser Miang, Chairman, Thomson Medical Group Limited.

The Group recently announced a joint-venture with IVI-RMA Global, the largest medical group in the world specialising in Assisted Reproductive Technology (ART), with the aim of creating Asia’s dominant ART platform by bringing technology, knowledge and expertise to address the growing demand for assisted reproduction across Asia.

“We are very excited at the prospect of working with IVI-RMA Global to build the best possible platform in the field of ART. Headquartered out of Singapore, the joint venture will provide industry-leading clinical services, education and research in ART, and will be the springboard for Thomson Medical Group to plant its brand of private healthcare across Asia,” said Mr Ng.

“I am also very excited to add that our recently re-branded Thomson Hospital Kota Damansara held its pile-capping ceremony last month for its expansion block and is on track to be completed by end-2020. The expansion will transform the current hospital from a 200-bed facility to a major tertiary healthcare complex with 600 beds. We have also just issued a tender for sewage treatment for our site for the Thomson Iskandar Medical Hub in Johor, which comprises a 500-bed hospital and an adjoining tower that could house up to 400 medical/office suites. We expect to issue a tender for piling works for the site soon while awaiting final approval from relevant authorities on the operational design of the project. These two expansion projects will add significantly to the capacity of our hospital operations and will position us well for growth in the near term.”

The Group’s Real Estate Business separately reported a net loss after tax of S\$0.6 million in 1H2018. As previously announced, the Real Estate Business will be divested

from the Group. This will allow it to focus on its own growth plans and strategies. Post divestment, it will also maintain its strategic alliance with the Group.

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About Thomson Medical Group Limited

Listed on the Mainboard of the Singapore Exchange, Thomson Medical Group is one of Asia's largest healthcare players. The Group's healthcare business includes Thomson Medical and TMC Life Sciences Berhad. Established in 1979, Thomson Medical is Singapore's largest private provider of healthcare services for women and children. It owns and operates the iconic Thomson Medical Centre and a network of specialist medical clinics and facilities in Singapore. TMC Life Sciences Berhad is a multi-disciplinary healthcare company listed on Bursa Malaysia. It operates Thomson Hospital Kota Damansara, a tertiary hospital located in Kota Damansara, and the award-winning TMC Fertility Centre which is the industry leader in assisted reproduction in Malaysia. TMC Life Sciences also owns Thomson Iskandar Medical Hub, which is adjacent to Vantage Bay Healthcare City in Iskandar Malaysia. Sited on freehold waterfront land in Johor Bahru's City Centre, Vantage Bay Healthcare City is conceived as a first-of-its-kind integrated medical, education and wellness hub.

The Group also owns RSP Holdings, a real estate business comprising businesses in design and engineering, real estate development and hospitality.

For more information, please visit: www.thomsonmedicalgroup.com.

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