

## **MEDIA RELEASE**

# **Strong Showing From Healthcare Business Propels Thomson Medical Group Back Into Profit in 2018; Announces Special Dividend**

**Singapore, 27 February 2019** – SGX Mainboard-listed Thomson Medical Group Limited (the “Group”) today announced its full-year financial results (“12M2018”) for the year ended 31 December 2018.

The Group reported a 121% year-on-year (“YOY”) surge in net profit to S\$4.06 million for 12M2018, compared to a loss of S\$19.3 million in the previous year. The turnaround was driven by the Group’s acquisition of the healthcare business in 2018. To drive continued growth, the Group also unveiled a series of plans and initiatives.

With the completion of the divestment of the real estate business in January 2019, the Group is now a pure healthcare platform. The Group’s healthcare revenue grew by 7.5% YOY from S\$200.6 million to S\$215.6 million. The growth is driven by an increase in overall patient volume, opening of new clinics and higher average bill sizes at the Group’s two hospitals, Thomson Medical Centre in Singapore and Thomson Hospital Kota Damansara in Malaysia.

Consolidated EBITDA from the healthcare business came in at S\$51.7 million while operating profit grew 7.3% to S\$37.2 million.

To mark the completion of the Group’s corporate exercise to become a pure healthcare platform and its surge back to profitability, the Board is proposing a final special dividend of 0.025 cents per share.

“The Group’s strong return to profitability comes as we mark the 40<sup>th</sup> Anniversary of the founding of Thomson Medical. We have much cause to celebrate and be optimistic as we look towards the future of the Group,” said Mr Ng Ser Miang, Chairman of Thomson Medical Group.

“We have been seeing year-on-year increases in revenue and patient loads despite the highly competitive healthcare landscape and sluggish overall economy. In completing the divestment of the real estate business in January 2019, the Group is now focused on developing and growing its healthcare business. We will build on the strong foundation of Thomson Medical Group in Singapore and Malaysia, grow and diversify our range of specialty services and regional footprint, so that we can realise our vision of becoming a Pan-Asian Health System of Choice.”

## **Growth Plans**

At the Group’s results briefing, Group Chief Executive Officer Mr Roy Quek unveiled a number of new initiatives and investments to drive growth, while also providing updates on existing developmental projects.

Mr Quek revealed plans for Thomson Medical’s first integrated service platform (“nodal centre”) at Paragon Medical Centre that will house its new flagships for Thomson Wellth Clinic, Thomson Fertility Centre, Thomson O&G and Thomson TCM. “The concept of the nodal centre is to bring complementary services together in a single location to enable us to provide one-stop services to make it more convenient for our patrons. Thomson Medical Group operates about 35 specialist clinics and centres across the island; there is scope for us to develop more nodal centres as we co-locate more of our specialist services to better serve our patrons,” said Mr Quek.

Mr Quek also touched on the Group’s strategy for its newly-acquired SmartParents digital platform. “SmartParents is a 100,000-strong community and it represents a

valuable platform for the Group to create an even bigger community of parents, parents-to-be, wannabe-parents and just about anyone else interested in parenting matters, products and services. We will provide professional advice and tips, curate the best and most appropriate products and services, and let the community take charge of their parenting and healthcare needs in a one-stop portal. This marks our first major foray into the digital space as we continue to transform ourselves to stay relevant and ready to serve the needs of the community.”

In terms of the Group’s expansion projects in Malaysia, Mr Quek updated that the expansion of the new wing at Thomson Hospital in Kota Damansara is progressing on schedule with completion due end of 2020. In the meantime, piling works have commenced for the Thomson Iskandar Medical Hub project in Vantage Bay, Johor Bahru, and is on target to be completed by the end of Q3 this year. Construction that will take place thereafter is projected to be completed by 2023. When the two projects are ready, they will add a total of 900 beds to the current 205 beds that the Group operates in Kota Damansara. The Group has also recently opened its first Thomson TCM centre in Kuala Lumpur and plans are underway to expand two of its TMC Fertility Centres in the Klang Valley.

Mr Quek also indicated that Thomson Medical Group was in the process of advanced discussions with key partners in the US, China and Indonesia as part of its strategy to seek collaborative partnerships with industry-leading institutions and service providers. He expected these partnerships to provide significant support to the Group’s drive to develop a strong Pan-Asian healthcare platform.

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**About Thomson Medical Group Limited** (<https://www.thomsonmedicalgroup.com>)

Listed on the Mainboard of the Singapore Exchange, Thomson Medical Group Limited is one of Asia's largest healthcare players. The Group's healthcare business includes Thomson Medical Pte Ltd and TMC Life Sciences Berhad. Established in 1979, Thomson Medical Pte Ltd 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 technologies in Malaysia. TMC Life Sciences Berhad 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.

For more information, please visit: [www.thomsonmedicalgroup.com](http://www.thomsonmedicalgroup.com).

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