

MEDIA RELEASE

Thomson Medical Group Records 10.4% Revenue Growth to S\$59.6 million for 3Q2019

Result Announcement for 3Q 2019 (unaudited figures S\$'000)

	3Q2019 (S\$'000)	3Q2018 (S\$'000)	% change	9M2019 (S\$'000)	9M2018 (S\$'000)	% change
Revenue	59,575	53,963	10.4%	171,243	159,464	7.4%
EBITDA	13,352	15,147	(11.9%)	40,817	37,773	8.1%
Operating Profit	8,757	12,163	(28.0%)	27,781	29,149	(4.7%)
Profit After Tax ¹	108	6,366	(98.3%)	4,212	13,900	(69.7%)

¹ continuing operations

Financial Highlights of 3Q2019 Performance

- Group reported steady **10.4%** growth in revenue to **S\$59.6 million**
- Revenue from Hospital Operations increased by **9.1%**
- Revenue from Specialised Services increased by **13.2%**
- EBITDA decreased **11.9%** to **\$13.4 million**
- Healthy cash position of **S\$122.0 million**

Singapore, 12 November 2019 – SGX Mainboard-listed Thomson Medical Group Limited (“**the Group**”) reported a 10.4% growth in revenue to S\$59.6 million for the third quarter ended 30 September 2019 (“**3Q2019**”). The increase in revenue arose from higher overall patient load, increased average bill sizes and greater revenue intensity in the Group’s hospitals and specialist clinics in Singapore and Malaysia.

EBITDA decreased 11.9% to \$13.4 million due to higher operating costs owing to cost inflation in goods, services and wages which were partially offset by lower rental expenses owing to the adoption of the new lease accounting. Likewise operating profits decreased 28.0% from S\$12.2 million in 3Q2018 to S\$8.8 million in 3Q2019, due to a combination of higher operating expenses and costs associated with the opening of the multi-specialty medical centre at Paragon Medical Centre and costs related to the new clinics. In addition, financing costs associated with the acquisition of healthcare assets and lower investment tax allowance claimed further lowered the group’s net profit after tax down to S\$0.1 million in 3Q2019 compared to S\$6.4 million in 3Q2018.

To strengthen the Group’s balance sheet and diversify its sources of funding, the Group launched a S\$225 million 4.8% 3-year medium term note issue in July 2019 to refinance its existing bank borrowings and extend its debt maturity profile. The successful bond offering will allow the Group to focus on sustaining growth and improve cost efficiencies across its operations in Singapore and Malaysia. As of 30 September 2019, the Group has a healthy cash position of S\$122.0 million.

The Group continues to grow its operations and expand its core specialities in women and children’s health, fertility, oncology and preventive healthcare and wellness. In Singapore, Thomson Breast Centre and Thomson Surgical Centre have both commenced operations at Thomson Medical Centre, deepening the hospital’s service offerings in women’s health. The fertility centre at Paragon is expected to commence operation by first quarter of 2020.

In Malaysia, expansion works of the new wing with additional capacity for 400 beds at Thomson Hospital Kota Damansara is progressing well. With the Malaysian government's recent confirmation to proceed with the development of the Johor Bahru – Singapore Rail Transit System (“**RTS**”) project, the Group remains committed to the development of Thomson Iskandar Medical Hub and endeavours to complete the construction works within 12 to 24 months after the Bukit Chagar RTS station is fully operational.

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About Thomson Medical Group Limited

Listed on the Mainboard of the Singapore Exchange, Thomson Medical Group Limited (**SGX: A50**) is one of the largest listed healthcare players in the South-East Asian region based on market capitalisation with operations in Singapore and Malaysia.

Established in 1979, the Group's Thomson Medical Pte Ltd is one of the largest private provider of healthcare services for women and children in Singapore. It owns and operates the iconic Thomson Medical Centre and a network of specialist medical clinics and facilities in Singapore.

The Group's operations in Malaysia under 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. It also owns the proposed Thomson Iskandar Medical Hub, in Johor Bahru, Malaysia.

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

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