

MEDIA RELEASE

Thomson Medical Group Reports 4.3% Revenue Growth for 4Q2019

Result Announcement for 4Q 2019 (unaudited figures S\$'000)

| | 4Q2019 (S\$'000) | 4Q2018 (S\$'000) | % | 12M2019 (S\$'000) | 12M2018 (S\$'000) | % |
|-------------------------------------|------------------------|---------------------|----------|-----------------------|----------------------|---------|
| | | | change | | | change |
| <u>Continuing operations</u> | | | | | | |
| Revenue | 58,575 | 56,146 | 4.3% | 229,818 | 215,610 | 6.6% |
| EBITDA | 14,285 ⁽¹⁾ | 10,938 | 30.6% | 55,102 ⁽¹⁾ | 48,711 | 13.1% |
| Operating Profit | 9,720 | 8,034 | 21.0% | 37,501 | 37,183 | 0.9% |
| (Loss)/Profit After Tax | (1,071) ⁽²⁾ | 800 | (233.9%) | 3,141 ⁽²⁾ | 14,700 | (78.6%) |

⁽¹⁾ Excluding the effect from the SFRS(I) 16 Leases, the EBITDA would have been S\$12.5m and S\$47.9m for 4Q2019 and 12M2019 respectively

⁽²⁾ Excluding the one-off and non-cash additional deferred tax liabilities due to the change in the real property gains tax rate from 5% to 10% in Malaysia, the profit after tax would have been S\$2.1 million and S\$6.3 million for 4Q2019 and 12M2019 respectively

Financial Highlights of 4Q2019 Performance

- Group reported steady **4.3%** growth in revenue to **S\$58.6 million**
- Revenue from Hospital Operations increased by **8.5%**
- Revenue from Specialised Services decreased by **2.3%**
- Excluding the effect of the real property gain tax in Malaysia, the profit after tax would have been **S\$2.1 million**
- Healthy cash position of **S\$110.9 million**

Singapore, 12 February 2020 – SGX Mainboard-listed Thomson Medical Group Limited (“**the Group**”) reported a 4.3% growth in revenue to S\$58.6 million for the fourth quarter ended 31 December 2019 (“**4Q2019**”). Revenue rose on the back of higher overall inpatient load, increased average bill sizes and greater revenue intensity in the Group’s hospitals and specialist clinics in Singapore and Malaysia.

Both operating profit and profit before tax increased 21.0% from \$8.0 million in 4Q2018 to \$9.7 million in 4Q2019 and 39.5% from \$3.0 million in 4Q2018 to \$4.2 million in 4Q2019 respectively, mainly due to the absence of impairment loss on development and investment properties in the current quarter.

However, with the additional one-off and non-cash deferred tax liabilities arising from the change in the tax rate of real property gain tax from 5% to 10% in Malaysia, the Group recorded a net loss after tax of S\$1.1 million in 4Q2019. Excluding the effect of the real property gain tax increase in Malaysia, the Group would have recorded a net profit after tax of S\$2.1 million.

Building on the success of the Group’s first bond issue, the Group issued a new 5-year S\$175 million senior bond on 28 January 2020. The bond offering which was 2.4x oversubscribed, will enable the Group to extend the yield curve for the Group’s debt issuances and help diversify its sources of funding. As at 31 December 2019, the Group has a healthy cash position of S\$110.9 million.

Despite the 2019 Novel Coronavirus (COVID-19) epidemic, the Group’s growth and operations in Singapore and Malaysia are still progressing as planned.

In Singapore, Thomson Fertility Centre has successfully moved to an expanded facility at Paragon Medical Centre in January 2020 and has commenced operations in the new premises. In addition, the Group is also in the process of adding an additional obstetrics and gynaecology clinic to its existing network and expanding its paediatric operations to optimise patient catchment in areas with growing and younger population.

In Malaysia, expansion works of the new wing with additional capacity for 400 beds at Thomson Hospital Kota Damansara is progressing as scheduled.

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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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