

## MEDIA RELEASE

# Thomson Medical Group Reports Robust FY21 Earnings with Net Profit of \$16.9 million

- *Revenue up 11.2% to \$240.4 million on higher patient load*
- *Outlook brightens on reopening of Singapore's economy and expansion in Malaysia*
- *Healthy cashflows to support diversification in new business and markets*

**Singapore, 27 August 2021** – Thomson Medical Group Limited (TMG) reported robust earnings for its financial year ended 30 June 2021 (FY21) with net profit of \$16.9 million against a loss of \$98.0 million the year before.

Revenue grew by double digit, bolstered by higher patient load as the Singapore economy gradually eased Covid-19 movement restrictions. In addition to growth in its core services of obstetrics, gynaecology, and paediatrics, TMG also supported governments here and in Malaysia with Covid-19 vaccination services.

Revenue from Hospital Services grew 4.0%, while Specialised services rose nearly 23.9%. They helped lift Group revenue by 11.2% to \$240.4 million in FY21 from \$216.1 million in FY20.

Group EBITDA also rebounded strongly, up 40.5% from \$47.5 million in FY20 to \$66.8 million. TMG said cost-saving measures and COVID-19 related grants and rebates disbursed by the Singapore government, also contributed to a firmer bottom line. Grants received under the Jobs Support Scheme and property tax rebates by the Singapore government were, however, lower in the second half compared to the previous corresponding period.

Group Executive Director and Group CEO Dr Wong Chiang Yin said: "Singapore is our key market accounting for nearly three quarters of our revenue. The gradual reopening of the economy has been helpful particularly for non-critical services which were adversely affected last year as parents postponed treatments due to the pandemic.

“Moving forward, management is cautiously optimistic of prospects in Southeast Asia where growing affluence and demographic factors will drive demand for private healthcare. Our healthy cash position will provide a strong buttress as we invest in our core services while leveraging on technology to make healthcare as accessible as possible to patients in the region.”

Dr Wong added that TMG will look to overseas markets for expansion. In Malaysia, construction of its 400-bed new wing at Thomson Hospital Kota Damansara has been completed and it has obtained the Certificate of Completion and Compliance. The new wing will fulfil other regulatory requirements before commencing operations around the end of 2021.

On the cost side, other operating expenses were lower at \$61.2 million mainly due to the absence of one-off non-cash impairment of \$93.4 million recorded in FY20 on the Group’s 9.23 ha freehold land located within the Iskandar Development Region in Johor Bahru, Malaysia.

The Group’s operations remained cash generative with adequate bank resources to fund its working capital and see through its committed growth plans. As of 30 June 2021, it has a healthy cash position of \$122.7 million.

For the six months ended 30 June 2021, Group revenue rose 26.3% to \$123.8 million while Group EBITDA was up 58.6% from \$19.9 million to \$31.5 million. Other income was lower at \$3.8 million during the second half due mainly to lower Jobs Support Scheme grant and property tax rebates by the Singapore Government compared to the same period last year.

Other operating expenses fell to \$29.9 million on the absence of one-off non-cash impairment of \$93.4 million on the Iskandar land.

In view of the Group’s robust earnings and profitability, the Board is proposing a final special dividend of 0.015 cents per share.

During the year under review, the Group invested in new areas of growth. Building on four decades of expertise in women's and children's health, it launched Thomson Kids, its first dedicated specialised learning centre to help children with learning difficulties through a structured education programme derived from evidence-based interventions.

Expanding its network to cater to growing patient needs, Thomson Women's Clinic Punggol was established. Together with the existing Thomson Paediatric Centre and Thomson Chinese Medicine services at Punggol, Thomson is committed to better cater to the healthcare needs of the many young families there.

Supporting Singapore's fight against COVID-19, the Group operationalised three vaccination centres and also successfully applied to offer the Sinovac vaccine through Thomson Wellth Clinic and later Thomson GP Clinic, a new clinic that commenced operations opposite Thomson Medical Centre.

A new subsidiary, Thomson X (TX), was set up to spearhead the Group's drive into HealthTech solutions, leveraging on the Group's extensive experience, network, and resources. It has entered into strategic partnerships with the Global Esports Federation and eye health technology company, Plano. These partnerships build on the Group's core expertise in women's and children's health, synergising new digital technologies with the Group's physical healthcare network. TX will continue to explore partnerships and investment opportunities to unlock growth opportunities in the HealthTech space.

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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 leading listed healthcare players in the South-East Asian region 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 providing outpatient women and children healthcare services and service offerings in diagnostic imaging, health screening, gynaecological oncology, dentistry, specialist dermatology, traditional Chinese medicine, musculoskeletal and sports medicine, and medical aesthetics.

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.

The Group also owns a prime 9.23 ha freehold waterfront land, strategically located in Johor Bahru's City Centre, with a proposed long-term plan to build an integrated healthcare city to meet the growing healthcare needs of the people in the region.

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

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