



THOMSON MEDICAL GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199908381D)

PROFIT GUIDANCE FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020

The Board of Directors of Thomson Medical Group Limited (the “**Company**” or “**TMG**”, together with its subsidiaries, the “**Group**”) wishes to issue a profit guidance following a preliminary review of the draft unaudited financial results for the six month period ended 30 June 2020 (“**6M FY2020**”) and for its 18-month period ended 30 June 2020 (“**18M FY2020**”) that the Group is expected to record a net loss in the unaudited consolidated financial results for 6M FY2020 and 18M FY2020. The expected loss is primarily due to non-cash impairment loss on the 9.23 hectare freehold land located within the Iskandar Development Region in Johor Bahru, Malaysia and weaker contributions from certain business segments in Singapore and Malaysia.

The non-cash impairment, which is in compliance with the accounting standards, was due to a significant decline in the market valuation of the land, driven in part by the political uncertainty in Malaysia and the weak property market in recent years exacerbated by the COVID-19 pandemic. While demand for the Group’s obstetric services in Singapore remains healthy, contributions from our specialist segment in Singapore as well as our hospital and fertility operations in Malaysia remained weak due to various restrictions imposed by the authorities to manage the transmission of COVID-19.

However, with the gradual easing of restrictions in Singapore and Malaysia from June onwards, the Group has resumed operations of healthcare services that were previously closed or operating under restricted conditions and has observed a gradual recovery of patient volumes.

The Group continues to generate sufficient cash flows to finance its operations and has adequate cash and bank resources to fund its working capital needs as well as its existing committed business growth requirements.

Further details of the Group’s performance will be disclosed when the Company announces its unaudited consolidated financial results for the 6M FY2020 and 18M FY2020 on or before 29 August 2020.

In the meantime, shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board

THOMSON MEDICAL GROUP LIMITED

Dr Wong Chiang Yin
Executive Director and Group Chief Executive Officer
17 July 2020