

Singapore-Based ASX-Listed Asian American Medical Group Reverses Net Loss to Post HY2015 Profit; Reports 69.8% Revenue Growth to S\$11.7 Million On Higher Contributions From Liver Segment

Singapore, 14 April, 2015 – Asian American Medical Group Limited (“AAMG”, together with its subsidiaries, or the “Group”) announced today a net profit of S\$0.4 million for the six months ended 28 February 2015 (“HY2015”) despite a S\$0.5 million loss from its discontinued blood and bone marrow operations, reversing a net loss a year ago.

Revenue for the Australian Securities Exchange-listed medical specialist based in Singapore Gleneagles Hospital soared 69.8% to S\$11.7 million from S\$6.9 million over the comparative periods due to higher contributions from Asian American Liver Centre (“AALC”).

AALC, a wholly owned subsidiary, recorded a 363.2% increase in liver dialysis treatment and 81.3% increase in surgical procedures for 1H2015 compared to 1H2014, due to an increase in cases of acute liver failure and liver cancer. In 1H2015, AALC performed five successful living donor liver transplantations (“LDLT”), equal to all LDLTs performed for the whole of FY2014.

AAMG also recorded a 80.2% and 53.0% increase in revenue from sales of medication and consultancy services, respectively. The former was largely attributed to the demand for a new prescription drug for Hepatitis C treatment – currently exclusive to a limited number of healthcare institutions in Singapore – offered by AALC.

Gross profit margin declined to 41.4% from 49.3% in 1H2014, due to an increase in direct costs as a result of higher back-to-back third-party billings in tandem with higher in-patient cases and revenue.

Other operating expenses decreased by S\$0.9 million to S\$3.9 million in 1H2015, mainly due to lower staff costs and the absence of a S\$0.3 million impairment cost incurred in 1H2014.

The Group’s discontinued blood and bone marrow transplant segment under its wholly owned subsidiary, Asian American Blood & Marrow Transplant Centre, ceased operations in December 2014, recorded a net loss of S\$0.5 million after accounting for a write-off for the renovation cost of this clinic and its obsolete inventories.

Overall, the Group’s net profit of S\$0.4 million for 1H2015 reversed a net loss of S\$1.4 million in 1H2014. The net profit would have been S\$0.9 million if the S\$0.5 million loss from its discontinued operations is excluded.

The Group's statement of financial position remains strong with net tangible assets of S\$5.3 million. Trade and other receivables increased significantly by S\$5.5 million, mainly due to increased contribution from UAE patients who currently contribute more than 50% of Group's 1H2015 revenue.

Earnings per share (on a fully diluted basis) was 0.20 Singapore cent compared to a loss per share of 0.66 Singapore cent a year earlier. Net asset value per share increased marginally to 2.53 Singapore cents as at 28 February 2015 from 2.52 Singapore cents as at 31 August 2014.

Dato' Dr Tan Kai Chah, Executive Chairman of AAMG, said, "The strong performance delivered by AALC underscores our core liver capability as one of Asia's foremost liver centres. At the same time, we continue to dedicate our resources, to move up the value chain and enlarge our competencies to raise AAMG's profile as a global healthcare brand."

As part of AAMG's diversification of its medical specialisation, it has recently commenced operations of its newly established Radiation Oncology division, Asian American Radiation Oncology Pte Ltd. This also marks the Group's expansion into the growing radiotherapy and oncology segment into the overseas market.

"With improved capabilities and a widening of our medical expertise, we continue to chart growth in regional markets, so as to improve profitability and enhance shareholder value in the long run," Dr Tan added.

- End of Press Release -

About Asian American Medical Group

Asian American Medical Group ("AAMG") is based in Singapore and has been listed on the Australian Securities Exchange since September 2009. The Group's operations include the Asian American Liver Centre Pte Ltd ("AALC"), established in 1994 in Singapore, and Asian American Radiation Oncology Pte Ltd ("AARO").

The Group entered into a strategic collaboration in October 2012 with the US-based US\$10-billion integrated global health enterprise UPMC. UPMC, one of the top 10 medical institutions in the United States, is affiliated with the University of Pittsburgh Schools of the Health Sciences and a pioneer in the field of transplantation. This collaboration has enhanced AAMG's clinical capabilities through shared protocols, rigorous quality standards and technology and also created a platform for AAMG to expand into other countries in Asia such as Malaysia and Myanmar.

AALC, one of Asia's foremost liver centres, is led by renowned hepatobiliary expert and liver transplant surgeon, Dr Tan Kai Chah (Dr KC Tan), who helped start the Liver Transplant Programme at the King's College Hospital London, UK, and pioneered the highly successful Living Donor Liver Transplantation (LDLT) Programme in Singapore. In 2014, AALC begun conducting surgical procedures at iHEAL Medical Centre, located in Kuala Lumpur, Malaysia.

AARO, established in March 2015, offers radiation oncology consultancy and management and is spearheaded by Dr Daniel Tan Yat Harn. Based in Singapore, AARO will drive expansion into the growing radiotherapy and oncology segment in the overseas market, at a time where there is a shortage of modern radiotherapy treatment centres. ^

For further information, please visit www.aamg.co.

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