

Immediate Release



UMP Healthcare Maintained Growth in FY2024 Corporate End Users Rose 30%

Results Highlights:

- Total revenue was HK\$ 748.5 million, increased by 2.9% YoY
- Profit attributable to shareholders was HK\$40.64 million, reduced by HK\$ 19.81 million or 32.8% YoY
- Profits decreased due to (i) reduced operating profits, (ii) increased costs for human resources, depreciation, and amortization, and (iii) write-off of an intangible asset of HK\$ 9.2 million. Meanwhile, a gain of HK\$18 million from a profit guarantee was recorded.
- Basic earnings per share were HK\$5.08 cents
- The Board proposed a final dividend of HK\$2.00 cents per share, representing a HK\$3.30 cents annualized dividend, payout ratio of about 65.9%

Hong Kong, 25 September 2024 – UMP Healthcare Holdings Limited (“UMP” or the “Group”, Stock Code: 722.HK) announced its audited consolidated annual results for the financial year ended 30 June 2024 (the “FY2024”). Over the past year, the Group has continued to grow and remained committed to innovation, addressing the challenges and opportunities brought by the pandemic in the medical healthcare industry.

Revenue boosted with corporate users rose 30%

During the reporting period, profits from corporate healthcare solutions increased by 3.9%, with the number of end users rising significantly by 30.3% to 1.3 million. This growth was driven by corporate healthcare solutions more aligned with end users’ needs and the market penetration in Hong Kong and Macau, with over 1,300 service points. As a result, the group’s revenue increased to HK\$ 748.5 million, up 2.9% year-over-year.

Profit attributable to shareholders amounted to HK\$40.6 million, representing a return on shareholders’ funds of 5.6%. The basic earnings per share reached HK\$5.08 cents. The Board proposed

paying a final dividend of HK2.00 cents per share for FY2024, making the annualized dividend HK3.30 cents (FY2023: HK4.70 cents), representing an annual dividend payout ratio of about 65.9%.

During FY2024, depreciation and amortization charges increased from HK\$103.9 million to HK\$113.8 million, reflecting a gain of HK\$9.9 million or 9.5% year-over-year. This gain was due to significant capital expenditure investments in several medical imaging centers in FY 2023, as well as the new leases and the renewal of certain existing leases over the past two financial years. In addition, the group has strategically invested in human resources and medical facilities to enhance service quality and support the growing customer base. This has resulted in increased operational costs and a reduction in profit attributable to shareholders, down to HK\$40.6 million. As of 30 June 2024, the current ratio remains at 1.81, underscoring strong financial liquidity with zero bank loan. The cash balance is HK\$ 256.1 million, providing sufficient capital and a solid financial position for future acquisitions and business development.

Expanded the cross-boundary medical network's diversity and coverage

Over the past financial year, the group has proactively promoted cross-boundary medical services to insurance scheme members. We currently have 20 service points in major cities across Mainland China to meet the growing demand for cross-boundary medical services in the Greater Bay Area ("GBA"). We have signed agreements with several insurance companies, offering a range of services, including convenient cashless services at selected clinics in Mainland China, as well as patient referrals, in-patient admissions, and cross-boundary settlements. These comprehensive offerings are designed to deliver well-rounded and suitable healthcare to members. We plan to expand these services to corporate clients, ensuring that our solutions effectively cater to the needs of GBA residents and cross-boundary travelers.

Given the large market and opportunities in China, the Group is expanding its third-party administration services to Mainland China, targeting corporations interested in providing cross-boundary medical services to their members. Our third-party administration services streamline management processes, reduce administration time, and allow members to leverage the Group's extensive medical network. **Jacquen Kwok, Executive Director and Co-Chief Executive Officer of UMP**, said, "With the growing demand in the China market, the Group is leveraging its experiences and advantages in Hong Kong to expand into Mainland China. We have deepened our 'Medical + Insurance' strategy to utilize our rich and mature management experiences in the cross-boundary medical network. We will gradually increase service capacity to align with users' changing needs. We anticipate that our corporate healthcare solutions will bring a stable increase in revenue in the future."

The Group has closely monitored market demand to provide diverse and high-quality medical services. Our medical imaging brand, “ProCare Medical Imaging”, has relocated its Causeway Bay centre and expanded to a 5,500 sq. ft. service area at Lee Garden Two, equipped with advanced technology to meet the growing needs for diagnostic imaging. Additionally, we have established a Traditional Chinese Medicine service at our one-stop medical center in Jordan to integrate with our Western medicine and medical imaging resources, facilitating interaction between Chinese and Western medical services. We believe the new service can cater to consumer needs of choices, expand our customer base, and increase cross-specialty referrals, ultimately leading to higher revenue.

We are developing our specialist and imaging business to capitalize on the rising potential of Precision Medicine with cutting-edge technology. By integrating advanced imaging with specialized services, this innovative approach tailors therapies to patients' genetic and environmental characteristics, broadens access to effective treatments, and enhances patient outcomes in areas such as oncology and cardiology. We aim to drive corporate growth while improving patient care.

Positive outlook for private medical services expects increased public-private partnership

Dr. Michael SUN, Vice Chairman and Co-CEO of UMP, addressed, “Amid the market changes during the pandemic era, we recognize the importance of making decisions that align with the group’s long-term vision with both caution and agility. With the Government’s efforts in healthcare and the growing public demand for medical services, we are optimistic about the private medical services market outlook in Hong Kong, Macau, GBA, and Mainland China. We continue to focus on Primary Healthcare and Preventive Medicine, collaborating with the Government’s public-private partnerships to connect with more institutions, patients, and medical service providers as a trustworthy cross-boundary medical platform.”

Looking ahead, UMP is dedicated to maintaining a steady revenue growth rate by enhancing corporate healthcare solutions and diversifying service offerings. We aim to establish extensive long-term relationships with clients and service providers to build a stable customer base and meet market demand. The Group plans to invest in system upgrades and staff training to improve customer experiences and corporate image, enhancing customer loyalty and targeting continuous profit growth.

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About UMP Healthcare Holdings Limited

www.ump.com.hk

Founded in 1990, UMP Healthcare is a medical group listed on the main board of the Hong Kong Stock Exchange (stock code 722.HK) and is one of the leading comprehensive healthcare service platforms in the Hong Kong market. The Group is committed "To provide comprehensive, diversified and coordinated care for everyone" by creating a network of high-quality and effective medical services for patients, payers, providers and partners.

Along with providing healthcare services that address a wide range of individual needs, UMP Healthcare closely works with more than 2,000 local and international businesses and insurance organizations to establish and administer corporate healthcare benefit programs for members. The medical service network spans over 1,000 self-owned and affiliated institutions across Hong Kong, Macau, and Mainland China, offering services such as family medicine, specialist consultation, dental care, diagnostic imaging and laboratory testing, preventive medicine and health examination, physical therapy, day surgery, and endoscopy, among others.

Media Enquiry

Across Asia Communications Limited

Kent Lau (Co-founder)

Tel : (852) 9750 5105

Email : kent.lau@acrossasia.hk

Ryan Chiu (Senior Account Executive)

Tel : (852) 9741 9656

Email : ryan.chiu@acrossasia.hk

UMP Healthcare Holdings Limited

Selina Li (Head of Corporate Communications & Marketing)

Tel : (852) 2507 1989

Email : selina.li@ump.com.hk