

**Immediate Release**



**UMP Healthcare Announces FY2022/23 Interim Results Revenue Up 2% to HK\$365.1 million**

**All-rounded layout to actively cope with the medical market development**

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**2022/23 Interim Results Highlights:**

- Continuing operations revenue was HK\$365.1 million, up by 2% YoY
- EBITDA was HK\$101.8 million, up by 3% YoY
- Cash balance and collateral deposit increased by 20% to HK\$286.9 million
- Net profit margin was 12% versus 14% in the previous year
- The Board proposed an interim dividend of HK1.70 cents per share, up by 13% over the prior year
- Shareholders' fund increased by about 4% to about HK\$725.3 million

**Hong Kong, 23 February 2023 – UMP Healthcare Holdings Limited** (“UMP” or the “Group”, Stock Code: 722.HK) announced today its unaudited interim results for the six months ended 31 December 2022. Facing changes in the general market environment and the increasing and diversifying needs of customers, the Group is actively preparing for the development of the medical service market.

**Local business continues to thrive while the Group's financial position is strong**

Total revenue from continuing operations grew by nearly 2% to approximately HK\$365.1 million year-on-year. EBITDA increased by over 3% to HK\$101.8 million. Net profit margin reached 12%, a slight decrease of 2% year-on-year. Basic earnings per share were HK5.425 cents (2021: HK6.053 cents). The Board of directors proposed an interim dividend of HK1.70 cents per share, representing an increase of 13% over the prior year (2021: HK1.5 cents).

During the period under review, UMP's major business consists of 1. Corporate healthcare solution services in Hong Kong & Macau; 2. Clinical healthcare services in Hong Kong & Macau (Including general practice, specialist, day surgery, medical imaging, laboratory services and dental); and 3. Clinical healthcare services in Mainland China. The Group's revenues from all these three business segments (after inter-segment elimination) were HK\$128.4 million (up by 4% YoY), HK\$218.0 million (up by 3% YoY), and HK\$18.8 million (down by 17% YoY) respectively, where the anti-epidemic measures caused the drop in business line in Mainland China. The Group retained a solid financial position with a sizeable cash balance of HK\$286.9 million, up by 20% year-on-year. Shareholders' funds increased by nearly 4% to about HK\$725.3 million.

**Dr. Michael SUN, Vice Chairman and Co-CEO of UMP**, commented, "This year is the strategic investment period for the future development of UMP. Although the business growth has slowed, we effectively implemented the strategic plan with full support from the management and the Board. The interim results are within expectations,

and the performance is satisfactory. Our confidence in meeting the public's growing demand for high-quality and reliable medical services is reflected in our recent investments in medical imaging and laboratory services, medical innovation and technology, increasing manpower to improve services, and so forth, all of which benefit the Group and increase revenue at a steady rate.

"We are pleased to see that our approach over the last two years has coincided with the 'Primary Healthcare Blueprint' announced by the Hong Kong Health Bureau last December, confirming that our business development is on the right track. We anticipate Hong Kong's private medical service industry will shift toward providing a wider selection of service levels as the public service triage and more Voluntary Health Insurance Scheme (VHIS) plans cover high-end medical services. We are confident that the Group's recent new center can provide the greatest choice for the target customer group, relieving pressure on the public health system and actively cooperating with the government to address medical needs, and thus be a significant step forward for the Group in defining an industry-leading position."

#### **UMP has entered the investment period and is actively carrying out strategic deployment**

As the demand for medical examination services continues to grow due to the ageing population, the Group is actively investing in strengthening the medical ecosystem and preparing for the rising demand for services. Since preventive medicine has begun to attract public attention and medical imaging is an important diagnostic method for many chronic diseases, the Group invested in multiple imaging centre projects. Two new imaging centres will be officially launched this year, contributing to the Group's revenue, and the imaging and laboratory business line has become one of the main driving forces for business development.

The two new imaging centres are at 26 Nathan Road in Tsim Sha Tsui and the Bank of America Tower in Central, which will open in March and May. The new centre of the Bank of America Tower will provide a brand-new PET-CT scan service. Due to special regulations for installing PET-CT imaging facilities, the market supply is limited, with only a few public and private institutions providing the service. The Group believes the new service points can help fill the gap in the supply of relevant services.

UMP expects that MedTech and HealthTech will be one of the potential driving forces to uplift healthcare services. The Group has led the way in adopting smart HealthTech and incorporating various artificial intelligence (AI) technologies into service operations, including collaboration with a local university to develop a personalised AI nursing app and clinical trials where certain AI is used to assist with heart and lung imaging diagnosis. The Group also established "UMP Healthcare Innov Centre", the first standing healthcare technology exhibition platform in Hong Kong, aiming to support the development of the innovation and technology industry by providing additional medical scenarios. It is hoped that in the future, the medical team will be given priority to utilise the latest innovation and technology products, allowing them to diagnose more accurately, effectively and safely, as well as to enhance the efficiency of nursing services.

**Ms. Jacquen KWOK, Co-CEO of UMP**, added, "The Group leveraged its strong cash position and leased multiple locations in the core commercial areas of Hong Kong's urban areas when the market tumbled. Our rapid rollout in Hong Kong would seize the opportunities that bring by the economic recovery. Recently, the local economy has begun to recover, and interaction with the Greater Bay Area and other parts of the mainland has increased, promoting domestic business and medical tourism development. It is foreseeable that demand for high-end medical services will be driven and continue to rise. Although strategic deployments after the epidemic will take time to break even, we believe that the continuous expansion of local and mainland businesses will bring positive returns."

"On the other hand, the Group has established strategic cooperative relationships with other industry partners to jointly strengthen the service chain, enabling citizens to obtain more appropriate and diversified medical healthcare services. We look forward to strengthening cooperation with different partners in the future, bringing mutual benefits, enabling the industry to improve service quality and contribute to society."

#### **Strengthen industry cooperation and complement each other to provide higher-quality services**

The Group actively developed cooperative relationships with various organisations in order to utilise broad resources to develop a more diverse medical healthcare service platform, culminating in a win-win situation for payers, providers and business partners, which had been the Group's unique competitiveness and profit advantages. This includes the agreement signed with FTLife in October 2022, providing the first customised medical care solution for individual insurance policyholders, further deepening the "Medical+Insurance" collaboration model. Meanwhile, the Group's subsidiary SkinCentral inked a service agreement with Humansa of New World Group in October 2022, with SkinCentral's medical professionals providing dermatology and aesthetics services at their flagship at Tsim Sha Tsui. It will benefit business development and strategic operations in the Greater Bay Area. The Group has recently introduced other well-known medical groups to invest in the new imaging centre in February 2023 in an effort to increase the customer base and improve service capabilities to meet the massive demand for private medical imaging and laboratory services. In the hereafter, the Group will also collaborate with private hospitals in Hong Kong to provide consumers with more high-quality and convenient specialty medical options in the city.

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#### **About UMP Healthcare Holdings Limited**

[www.ump.com.hk](http://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. We have been 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.

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