

Immediate Release



**UMP Healthcare Announces FY2023/24 Interim Results with Total Revenue Up Nearly 3%
Strong Financial Position Maintained with Cash Balance Rising 9% to HK\$317M**

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Launch of Multiple New Medical Centres Has Laid Solid Foundation for Tomorrow

FY2023/24 Interim Results Highlights:

- Revenue was over HK\$375.8 million, up by 2.9% YoY
- Profit attributable to shareholders was HK\$15.7 million, shareholders' fund was around HK\$721.0 million with return on shareholders' funds of 2.2%
- Basic earnings per share were HK1.96 cents
- The Board proposed an interim dividend of HK 1.30 cents per share with a payout ratio of about 66.3%
- Strong financial position with cash, bank balances and deposits increased 9.2% YoY to HK\$317.2 million.

Hong Kong, 28 February 2024 – UMP Healthcare Holdings Limited ("UMP" or the "Group", Stock Code: 722.HK) is pleased to announce its unaudited interim results for the six months ended 31 December 2023. Despite the uncertainties of Hong Kong economy during the period and a challenging and competitive operating environment in the healthcare industry, the Group's interim revenue continued to grow steadily. By integrating internal resources and effectively controlling operating costs, and with the successful opening and operation commencement of several new centres that the Group has invested, the overall cash balance of the Group is sufficient and increasing, demonstrating the effectiveness of the Group's management and operating strategies as well as a solid financial position capable of dealing with a volatile economic environment in the future.

Group revenue recorded a YoY growth, with strategic cost control to improve financial position

UMP recorded more than HK\$375.8 million in revenue during the Period, an increase of 2.9% year-on-year. This growth primarily stems from the operation of two new medical and imaging centres that newly commenced during the previous financial year, which drove the revenue of the Hong Kong and Macau Clinical Healthcare Services division. To support the operation of the new centres, the Group invested resources in manpower, rent, medical equipment, and leased property renovations, resulting in a year-on-year decrease in shareholders' attributable profits. These centres are gradually getting on track and performing better than expected, with some have even achieved EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) breakeven during the period under review.

During the period under review, the Group's financial situation continued to improve with good strategic financial management, such as adjusting doctor fees, improving operation flow, and effective cost control measures, including merging service points in the same area to save on rent and operating expenses, eliminating redundancies, etc. As of 31 December 2023, cash position increased by 9.2% to nearly HK\$317.2 million, and

the gearing ratio maintained at a very low level of 7.2%, laying a solid foundation for further development and operation. The Group also expects to continue to improve costs control during this fiscal year, hence further improve financial position.

Expanding the Scale of Medical Services and Collaborating with Third Parties for Synergistic Effects

In line with the current scale of general outpatient, imaging and laboratory services, UMP plans to strengthen the development of specialist medical services in the future, especially in oncology, cardiology, orthopaedics, etc., to expand the business scope. The Group will continue to strengthen the interaction between various businesses and departments, anticipating to optimize the synergistic effect of the internal ecosystem of each business line. At the same time, the Group will increase the service volume of new medical and imaging centres to improve its own operational efficiency and financial performance.

This January, UMP partnered with a private hospital institution to open a new integrated imaging centre at Lee Garden Two, Causeway Bay. Such collaboration allows the Group's specialized expertise, extensive networks and innovative technologies to seamlessly integrate with the private hospital 's medical team in order to provide comprehensive and efficient clinical services, hence maximize the synergistic effect and lower the risk. **Dr. Michael SUN, Vice Chairman and Co-CEO of UMP**, commented, "UMP believes there is plenty of room for collaboration in the medical market, which can drive mutual growth and unleash greater market value. It also greatly benefits the overall operation of clinical staff and the effectiveness of treatments for patients. Therefore, we have been actively establishing strategic partnerships with multiple medical institutions in recent years, to achieve a win-win situation through maximizing the strengths of the collaborating parties. We are confident that through such cooperation, we can create competitive advantages, expand our business scope, and bring considerable benefits to the Group."

UMP is also optimistic about the business opportunities in Mainland China, providing overseas immigration medical examinations and outpatient services in Beijing and Shanghai. By improving operational efficiency and controlling costs, the Group's clinical healthcare services in Mainland China experienced a YoY increase of 2.8%, reaching HK\$19.3 million during the Interim Period 2023/24. It is believed that in the long run, the Mainland China business will bring more revenue to the Group and increase the profit margin. The Group has also been looking for new outpatient locations in other major cities to meet the needs of immigration medical examinations and medical services.

Strengthening UMP's Competitive Edge to Meet Cross-Border Medical Needs and Hong Kong Government's Primary Healthcare Policies

With the accelerated development of the Greater Bay Area, cross-border travel is becoming more frequent, and the demand for cross-border healthcare services is also significantly increasing. **Ms. Jacquen KWOK, Executive Director and Co-CEO of UMP** stated, "To seize this growing demand, we are actively promoting cross-border services. After we took the lead last year in providing cross-border services for a long-time cooperative global

insurance company, other insurance companies have also shown their interest in the service. It can be seen that there is a certain market demand that remains to be met, and UMP is one of the niche players with service experience and network in the Hong Kong market that can support large enterprises. We are confident to seize the opportunity." UMP will continue to strengthen its competitive edge, increase self-operated and joint medical service points in major Mainland cities, to provide insurance customers with cashless services, cross-border specialist referrals services, medical transportation services, etc.

The Hong Kong Government recently released a primary healthcare blueprint with an emphasis on public health, and hoped to strategically optimize private medical resources continuously to relieve the pressure on the public medical sector. In line with the government's promotion of Public-Private Partnership programmes, there is a lot of room in the private medical service market to provide more personalized services to the public. UMP has also actively participated in various primary healthcare programs, including Colorectal Cancer Screening Programme and Chronic Disease Co-Care Pilot Scheme (CDCC), etc. **Dr. Michael SUN** believes that "the private medical market seeks development and stable, reliable services rather than sudden expansion. The team of UMP is stable and professional, prudently developing diversified services to meet all kinds of needs, so I am very optimistic about the long-term development of the Group. As one of the large-scale medical institutions in Hong Kong, through participating in the Government's Public-Private Partnership Programme, we can not only make effective use of our resources to serve more people, but also fulfill our corporate social responsibility."

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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. 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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