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# UMP HEALTHCARE HOLDINGS LIMITED
# 聯合醫務集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 722)**

## ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2024

**FINANCIAL HIGHLIGHTS**

| | For the year ended/ As at 30 June | | | |
|---|---|---|---|---|
| | **2024** | 2023 | Increase/(decrease) | |
| **(A) Operating results (HK$'000)** | | | | |
| Revenue | **748,489** | 727,167 | 21,322 | 2.9% |
| EBITDA(note a) | **84,776** | 100,852 | (16,076) | (15.9%) |
| Profit for the year | **35,217** | 55,735 | (20,518) | (36.8%) |
| Profit attributable to Owners of the Company | **40,643** | 60,452 | (19,809) | (32.8%) |
| **(B) Per share data (HK cents)** | | | | |
| Earnings per share – basic | **5.08** | 7.65 | (2.57) | (33.6%) |
| Earnings per share – diluted | **5.08** | 7.65 | (2.57) | (33.6%) |
| Dividends per share | | | | |
| – Proposed final | **2.00** | 3.00 | (1.0) | (33.3%) |
| – Paid interim | **1.30** | 1.70 | (0.4) | (23.5%) |
| Total | **3.30** | 4.70 | (1.4) | (29.8%) |

## FINANCIAL HIGHLIGHTS

| | For the year ended/ As at 30 June **2024** | 2023 | Increase/(decrease) | |
|---|---|---|---|---|
| **(C) Key ratios (%)** | | | | |
| EBITDA/Revenue | **11.3%** | 13.9% | (2.6% points) | |
| Net profit margin | **4.7%** | 7.7% | (3.0% points) | |
| Return on shareholders' funds | **5.6%** | 8.2% | (2.6% points) | |
| **(D) Financial Position (HK$'000)** | | | | |
| Cash, bank balances and deposits | **256,139** | 290,495 | (34,356) | (11.8%) |
| Net current assets | **218,719** | 224,413 | (5,694) | (2.5%) |
| Shareholders' funds | **725,942** | 740,547 | (14,605) | (2.0%) |

Note a: EBITDA represented profit for the year before interest income, finance cost, income tax expense and depreciation (excluded depreciation of right-of-use assets) and amortisation.

The board ("**Board**") of directors ("**Directors**") of UMP Healthcare Holdings Limited (the "**Company**") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 30 June 2024, together with the comparative amounts for the year ended 30 June 2023, as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the year ended 30 June 2024*

| | Notes | 2024 HK$'000 | 2023 HK$'000 |
|---|---|---|---|
| **REVENUE** | 5 | **748,489** | 727,167 |
| Other income and gains | 6 | **35,895** | 19,550 |
| Professional services expenses | | **(270,917)** | (255,396) |
| Employee benefit expense | | **(197,045)** | (179,817) |
| Property rental and related expenses | | **(16,623)** | (14,047) |
| Cost of inventories consumed | | **(56,238)** | (45,247) |
| Depreciation and amortisation | | **(113,786)** | (103,885) |
| Other expenses | | **(81,579)** | (74,005) |
| Finance cost | | **(6,944)** | (5,675) |
| Share of (losses)/profits of: | | | |
| Joint ventures | | **(860)** | (636) |
| Associates | | **232** | (3,644) |
| **PROFIT BEFORE TAX** | 7 | **40,624** | 64,365 |
| Income tax expense | 8 | **(5,407)** | (8,630) |
| **PROFIT FOR THE YEAR** | | **35,217** | 55,735 |
| Attributable to: | | | |
| Owners of the Company | | **40,643** | 60,452 |
| Non-controlling interests | | **(5,426)** | (4,717) |
| | | **35,217** | 55,735 |
| **EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY** | 10 | | |
| Basic | | **HK5.08 cents** | HK7.65 cents |
| Diluted | | **HK5.08 cents** | HK7.65 cents |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the year ended 30 June 2024*

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **PROFIT FOR THE YEAR** | **35,217** | 55,735 |
| **OTHER COMPREHENSIVE (LOSS)/INCOME** | | |
| Other comprehensive loss that may be reclassified to profit or loss in subsequent periods: | | |
| Exchange differences on translation of operations outside Hong Kong | **(2,367)** | (1,437) |
| Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods | **(2,367)** | (1,437) |
| Other comprehensive income that will not be reclassified to profit or loss in subsequent periods: | | |
| Changes in fair value of equity investments designated at fair value through other comprehensive income | **(18,846)** | 5,905 |
| **OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR, NET OF TAX** | **(21,213)** | 4,468 |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR** | **14,004** | 60,203 |
| Attributable to: | | |
| Owners of the Company | **19,430** | 64,920 |
| Non-controlling interests | **(5,426)** | (4,717) |
| | **14,004** | 60,203 |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
*As at 30 June 2024*

| | Notes | 2024 HK$'000 | 2023 HK$'000 |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | | **212,881** | 205,543 |
| Right-of-use assets | | **107,192** | 107,932 |
| Goodwill | | **164,157** | 164,768 |
| Other intangible assets | | **37,892** | 48,200 |
| Investments in joint ventures | | **7,162** | 8,022 |
| Investments in associates | | **2,996** | 16,719 |
| Investments at fair value through other comprehensive income | *12* | **30,453** | 36,844 |
| Finance lease receivables | | **1,876** | 3,904 |
| Deferred tax assets | | **25,507** | 9,168 |
| Deposits and other receivables | | **27,221** | 24,630 |
| Total non-current assets | | **617,337** | 625,730 |
| **CURRENT ASSETS** | | | |
| Inventories | | **14,769** | 12,372 |
| Trade receivables | *13* | **131,025** | 121,095 |
| Prepayments, other receivables and other assets | | **41,525** | 32,814 |
| Finance lease receivables | | **2,028** | 1,954 |
| Financial assets at fair value through profit or loss | | **41,134** | 29,447 |
| Financial assets at amortised cost | *11* | **–** | – |
| Amounts due from associates | | **1,103** | 3,391 |
| Amounts due from joint ventures | | **25** | 50 |
| Amounts due from related companies | | **1,335** | 1,335 |
| Tax recoverable | | **–** | 2,571 |
| Cash, bank balances and deposits | | **256,139** | 290,495 |
| Total current assets | | **489,083** | 495,524 |

| | Notes | 2024 HK$'000 | 2023 HK$'000 |
|---|---|---|---|
| **CURRENT LIABILITIES** | | | |
| Trade payables | *14* | **75,782** | 64,061 |
| Other payables and accruals | | **63,255** | 71,941 |
| Loans from non-controlling shareholders of subsidiaries | | **51,874** | 48,800 |
| Amounts due to associates | | **293** | 1,131 |
| Amounts due to related companies | | **1,762** | 2,122 |
| Provision | | **6,124** | 5,593 |
| Lease liabilities | | **53,462** | 58,483 |
| Tax payable | | **17,812** | 18,980 |
| Total current liabilities | | **270,364** | 271,111 |
| **NET CURRENT ASSETS** | | **218,719** | 224,413 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **836,056** | 850,143 |
| **NON-CURRENT LIABILITIES** | | | |
| Lease liabilities | | **67,233** | 64,932 |
| Deferred tax liabilities | | **17,245** | 9,183 |
| Provision | | **7,303** | 6,309 |
| Total non-current liabilities | | **91,781** | 80,424 |
| **NET ASSETS** | | **744,275** | 769,719 |
| **EQUITY** | | | |
| **Equity attributable to owners of the Company** | | | |
| Issued capital | *15* | **811** | 811 |
| Reserves | | **725,131** | 739,736 |
| | | **725,942** | 740,547 |
| Non-controlling interests | | **18,333** | 29,172 |
| **TOTAL EQUITY** | | **744,275** | 769,719 |

# NOTES

## 1. CORPORATE AND GROUP INFORMATION

UMP Healthcare Holdings Limited is a limited company incorporated in the Cayman Islands. The principal place of business of the Company is located at 27/F., Wing On House, 71 Des Voeux Road Central, Hong Kong.

During the year, the Company and its subsidiaries (collectively referred to as the "**Group**") were principally engaged in the provision of healthcare services which include:

- corporate healthcare solution services;
- medical and dental services;
- medical imaging and laboratory services;
- other auxiliary medical services; and
- healthcare management services

The shares of the Company were listed on the Main Board of the Stock Exchange on 27 November 2015.

## 2. BASIS OF PREPARATION

The final results set out in this announcement do not constitute the consolidated financial statements of the Group for the year ended 30 June 2024 but are extracted therefrom.

The Group's consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance ("**CO**"). They have been prepared under the historical cost convention, except for equity investments and certain other assets which have been measured at fair value. The consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

The financial information relating to the financial years ended 30 June 2024 and 2023 included in this announcement of annual results does not constitute the Group's statutory annual financial statements for those financial years but is derived from those financial statements.

## 3. CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to HKFRSs issued by the HKICPA to these financial statements for the current accounting period:

- HKFRS 17, *Insurance contracts*
- Amendments to HKAS 8, *Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates*
- Amendments to HKAS 1, *Presentation of financial statements and HKFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies*
- Amendments to HKAS 12, *Income taxes: Deferred tax related to assets and liabilities arising from a single transaction*
- Amendments to HKAS 12, *Income taxes: International tax reform – Pillar Two model rules*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the amended HKFRSs are discussed below:

### HKFRS 17, *Insurance Contracts*

HKFRS 17 replaces HKFRS 4 Insurance Contracts and is effective for annual periods beginning on or after 1 January 2023, with early adoption permitted.

HKFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance and reinsurance contracts. Certain fixed-fee service contracts could be insurance contracts within the scope of HKFRS 17.

As the coverage period of each of the Group's insurance and reinsurance contracts would be one year or less, the Group expects that the premium allocation approach would be applicable which result in similar measurements of contract balances as under the Group's current accounting policies. Therefore, the adoption of HKFRS 17 had been assessed to have no material impact to the Group.

### Amendments to HKAS 8, *Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates*

The amendments provide further guidance on the distinction between changes in accounting policies and changes in accounting estimates. The amendments do not have a material impact on these financial statements as the Group's approach in distinguishing changes in accounting policies and changes in accounting estimates is consistent with the amendments.

**Amendments to HKAS 1, *Presentation of financial statements and HKFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies***

The amendments require entities to disclose material accounting policy information and provide guidance on applying the concept of materiality to accounting policy disclosure. The Group has revisited the accounting policy information it has been disclosing and considered it is consistent with the amendments.

**Amendments to HKAS 12, *Income taxes: Deferred tax related to assets and liabilities arising from a single transaction***

The amendments narrow the scope of the initial recognition exemption such that it does not apply to transactions that give rise to equal and offsetting temporary differences on initial recognition such as leases and decommissioning liabilities. For leases and decommissioning liabilities, the associated deferred tax assets and liabilities are required to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, the amendments are applied to those transactions that occur after the beginning of the earliest period presented. The amendments do not have a material impact on these financial statements as the Group.

**Amendments to HKAS 12, *Income taxes: International tax reform – Pillar Two model rules***

The amendments introduce a temporary mandatory exception from deferred tax accounting for the income tax arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development ("OECD") (income tax arising from such tax laws is hereafter referred to as "Pillar Two income taxes"), including tax laws that implement qualified domestic minimum top-up taxes described in those rules. The amendments also introduce disclosure requirements about such tax including the estimated tax exposure to Pillar Two income taxes. The amendments are immediately effective upon issuance and require retrospective application. The amendments are not relevant to the Group as the Group expects it would neither be liable for nor otherwise trigger Pillar Two income taxes.

**New HKICPA guidance on the accounting implications of the abolition of the mandatory provident fund ("MPF") – long service payment ("LSP") offsetting mechanism**

In July 2023, the HKICPA published "Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong" that provides accounting guidance relating to the offsetting mechanism and the abolition of the mechanism. In particular, the guidance indicates that entities may account for the accrued benefits derived from mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed contributions by that employee towards the LSP.

To better reflect the substance of the abolition of the offsetting mechanism, the Group has changed its accounting policy in connection with its LSP liability and has applied the above HKICPA guidance. This change in accounting policy did not have a material impact on the opening balance of equity at 1 July 2023, and the cash flows and earnings per share amounts for the year ended 30 June 2024. It also did not have a material impact on the financial position as at 30 June 2023 and 30 June 2024.

## 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

(a) Hong Kong & Macau Corporate Healthcare Solution Services segment engages in the provision of corporate healthcare solutions to Contract Customers in Hong Kong and Macau;

(b) Hong Kong & Macau Clinical Healthcare Services segment engages in the provision of medical and dental services, medical imaging and laboratory services, health check-up, and other auxiliary services in Hong Kong and Macau; and

(c) Mainland China Clinical Healthcare Services segment engages in the provision of health check-up service and selected outpatient services in Mainland China.

Management monitors the results of the Group's operating segments separately for the purpose of facilitating decision-making process of resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/ loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax excluding interest income, other income and gains, and share of profits and losses of joint ventures and associates as well as head office and corporate expenses.

Segment assets exclude goodwill, investments in joint ventures and associates, financial assets at fair value through profit or loss, financial assets at amortised cost, investments at fair value through other comprehensive income, other assets and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude derivative financial instrument, and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Inter-segment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

**Year ended 30 June 2024**

| | Hong Kong and Macau | | Mainland China | |
|---|---|---|---|---|
| | Corporate Healthcare Solution Services | Clinical Healthcare Services | Clinical Healthcare Services | Total |
| | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* |
| **Segment revenue:** | | | | |
| External sales | **254,520** | **450,869** | **43,100** | **748,489** |
| Inter-segment sales | **1,320** | **132,215** | **–** | **133,535** |
| | **255,840** | **583,084** | **43,100** | **882,024** |
| *Reconciliation:* | | | | |
| Elimination of inter-segment sales | | | | **(133,535)** |
| Revenue | | | | **748,489** |
| **Segment results** | **39,568** | **17,230** | **13,724** | **70,522** |
| *Reconciliation:* | | | | |
| Interest income | | | | **5,543** |
| Other income and gains | | | | **27,388** |
| Share of profit/(losses) of: | | | | |
| Joint ventures | | | | **(860)** |
| Associates | | | | **232** |
| Corporate and other unallocated expenses, net | | | | **(62,201)** |
| Profit before tax | | | | **40,624** |
| Income tax expense | | | | **(5,407)** |
| Profit for the year | | | | **35,217** |

| | Hong Kong and Macau | | Mainland China | |
|---|---|---|---|---|
| | **Corporate Healthcare Solution Services** | **Clinical Healthcare Services** | **Clinical Healthcare Services** | **Total** |
| | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* |
| **Segment assets** | **198,094** | **343,371** | **38,599** | **580,064** |
| *Reconciliation:* | | | | |
| Elimination of intersegment receivables | | | | **(31,974)** |
| Corporate and other unallocated assets | | | | **558,330** |
| Total assets | | | | **1,106,420** |
| **Segment liabilities** | **112,282** | **256,424** | **23,851** | **392,557** |
| *Reconciliation:* | | | | |
| Elimination of intersegment payables | | | | **(31,974)** |
| Corporate and other unallocated liabilities | | | | **1,562** |
| Total liabilities | | | | **362,145** |
| **Other segment information:** | | | | |
| Depreciation and amortisation | **9,225** | **101,380** | **3,181** | **113,786** |
| Capital expenditure* | **2,096** | **54,317** | **832** | **57,245** |

* Capital expenditure consists of additions to property, plant and equipment and deposits paid for purchases of items of property, plant and equipment.

**Year ended 30 June 2023**

| | Hong Kong and Macau | | Mainland China | |
|---|---|---|---|---|
| | Corporate Healthcare Solution Services | Clinical Healthcare Services | Clinical Healthcare Services | Total |
| | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* |
| **Segment revenue:** | | | | |
| External sales | 244,691 | 437,819 | 44,657 | 727,167 |
| Inter-segment sales | 1,534 | 124,955 | – | 126,489 |
| | 246,225 | 562,774 | 44,657 | 853,656 |
| *Reconciliation:* | | | | |
| Elimination of inter-segment sales | | | | (126,489) |
| Revenue | | | | 727,167 |
| **Segment results** | 45,004 | 32,037 | 16,793 | 93,834 |
| *Reconciliation:* | | | | |
| Interest income | | | | 3,139 |
| Other income and gains | | | | 13,467 |
| Share of losses of: | | | | |
| Joint ventures | | | | (636) |
| Associates | | | | (3,644) |
| Corporate and other unallocated expenses, net | | | | (41,795) |
| Profit before tax | | | | 64,365 |
| Income tax expense | | | | (8,630) |
| Profit for the year | | | | 55,735 |

| | Hong Kong and Macau | | Mainland China | |
|---|---|---|---|---|
| | Corporate Healthcare Solution Services | Clinical Healthcare Services | Clinical Healthcare Services | Total |
| | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* |
| **Segment assets** | 169,424 | 331,774 | 21,145 | 522,343 |
| *Reconciliation:* | | | | |
| Elimination of intersegment receivables | | | | (14,921) |
| Corporate and other unallocated assets | | | | 613,832 |
| Total assets | | | | 1,121,254 |
| **Segment liabilities** | 94,695 | 255,216 | 10,594 | 360,505 |
| *Reconciliation:* | | | | |
| Elimination of intersegment payables | | | | (14,921) |
| Corporate and other unallocated liabilities | | | | 5,951 |
| Total liabilities | | | | 351,535 |
| **Other segment information:** | | | | |
| Depreciation and amortisation | 12,231 | 87,616 | 4,038 | 103,885 |
| Capital expenditure* | 850 | 108,208 | 276 | 109,334 |

* Capital expenditure consists of additions to property, plant and equipment and deposits paid for purchases of items of property, plant and equipment.

## 5. REVENUE

An analysis of the Group's revenue is as follows:

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **Revenue from contracts with customers within the scope of HKFRS 15** | | |
| **Provision of corporate healthcare solution services in Hong Kong and Macau** | **254,520** | 244,691 |
| Medical | **235,124** | 225,159 |
| Dental | **19,396** | 19,532 |
| **Provision of clinical healthcare services in Hong Kong and Macau** | **450,869** | 437,819 |
| Medical | **398,562** | 379,273 |
| Dental | **52,307** | 58,546 |
| **Mainland China Clinical Healthcare Business** | **43,100** | 44,657 |
| **TOTAL** | **748,489** | 727,167 |

**Revenue from contracts with customers**

*(i) Disaggregated revenue information*

**For the year ended 30 June 2024**

| **Segments** | **Corporate Healthcare Solution Services** | **Clinical Healthcare Services** | **Total** |
|---|---|---|---|
| | ***HK$'000*** | ***HK$'000*** | ***HK$'000*** |
| **Type of services** | | | |
| Medical services | **235,124** | **441,662** | **676,786** |
| Dental services | **19,396** | **52,307** | **71,703** |
| Total revenue from contracts with customers | **254,520** | **493,969** | **748,489** |
| **Geographical markets** | | | |
| Hong Kong | **242,176** | **448,025** | **690,201** |
| Mainland China | **–** | **43,100** | **43,100** |
| Macau | **12,344** | **2,844** | **15,188** |
| Total revenue from contracts with customers | **254,520** | **493,969** | **748,489** |

**For the year ended 30 June 2023**

| Segments | Corporate Healthcare Solution Services *HK$'000* | Clinical Healthcare Services *HK$'000* | Total *HK$'000* |
|---|---|---|---|
| **Type of services** | | | |
| Medical services | 225,159 | 423,930 | 649,089 |
| Dental services | 19,532 | 58,546 | 78,078 |
| Total revenue from contracts with customers | 244,691 | 482,476 | 727,167 |
| **Geographical markets** | | | |
| Hong Kong | 231,545 | 435,216 | 666,761 |
| Mainland China | – | 44,657 | 44,657 |
| Macau | 13,146 | 2,603 | 15,749 |
| Total revenue from contracts with customers | 244,691 | 482,476 | 727,167 |

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

| | **2024** *HK$'000* | 2023 *HK$'000* |
|---|---|---|
| Revenue recognised that was included in contract liabilities at the beginning of the reporting period: | | |
| Provision of corporate healthcare solution services | **14,384** | 13,114 |

*(ii)* *Performance obligations*

Information about the Group's performance obligations is summarised below:

Provision of corporate healthcare solution services

The Group provides healthcare solution services by entering into (i) capitation plan contract; (ii) annual retainer contract; and (iii) fee for service contract with Contract Customers. The performance obligation is satisfied over time as services are rendered. Payment is either paid upfront for capitation plan contract and annual retainer contract or billed based on each treatment incurred for fee for service contract which is generally due within 30 to 60 days.

Provision of clinical healthcare services

The performance obligation is satisfied at a point in time when services are rendered; and payment is mainly on cash or credit card settlement.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) which amounted to HK$24,100,000 (2023: HK$20,218,000) as at 30 June 2024 are expected to be recognised within one year.

## 6. OTHER INCOME AND GAINS

An analysis of the Group's other income and gains is as follows:

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Dividend income from investments at fair value through other comprehensive income | **2,668** | 5,032 |
| Rental income | **2,963** | 4,440 |
| Bank interest income | **5,363** | 2,811 |
| Fair value gain on financial assets at fair value through profit or loss, net | **1,888** | 918 |
| Administrative support fees income | **1,520** | 583 |
| Interest income on financial assets at amortised cost | **–** | 328 |
| Interest income from finance lease | **180** | 252 |
| Gain from profit guarantee* | **18,000** | – |
| Others | **3,313** | 5,186 |
| | **35,895** | 19,550 |

* The amount represents the adjusted shortfall payment of HK$18,000,000 in relation to a guaranteed profit pursuant to the sale and purchase agreement between the Group and the seller from the acquisition of SkinCentral Limited. According to the settlement deed, the adjusted shortfall will be settled by the seller in three tranches, one of which amounts to HK$3,000,000 and is to be settled by or before 30 June 2026, and has been classified under non-current assets.

## 7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Auditor's remuneration | **2,450** | 2,458 |
| Cost of inventories consumed | **56,238** | 45,247 |
| Professional services expenses | **270,917** | 255,396 |
| Depreciation of property, plant and equipment | **41,686** | 32,376 |
| Depreciation of right-of-use assets | **71,034** | 69,681 |
| Amortisation of other intangible assets | **1,066** | 1,828 |
| Employee benefit expense (including directors' remuneration)*: | | |
| Salaries, allowances, bonuses and other benefits | **193,449** | 179,856 |
| Equity-settled share-based payment expense (including employees, professional consultants and other business partner) | **796** | 2,620 |
| Pension scheme contributions (defined contribution schemes)# | **8,633** | 7,380 |
| Less: Government subsidies@ | **–** | (2,422) |
| | **202,878** | 187,434 |
| Write-off of items of property, plant and equipment | **535** | 482 |
| Loss on disposal of items of property, plant and equipment | **–** | 144 |
| Impairment of goodwill | **611** | – |
| Write-off of intangible assets | **9,242** | 9,824 |
| Impairment loss of investment in an associate | **600** | 1,546 |
| Write-off of inventories | **–** | 502 |
| Lease payments not included in the measurement of lease liabilities | **2,456** | 1,531 |
| Fair value gain on financial assets at fair value through profit or loss, net** | **(1,888)** | (918) |
| Lease modification | **–** | (126) |
| Provision for amounts due from an associate | **1,127** | – |

* Inclusive of employee benefit expense of HK$5,832,610 (2023: HK$7,617,000) paid/payable to the Group's employees for the rendering of professional services, which was classified as "Professional services expenses" in the consolidated statement of profit or loss.

# As at 30 June 2024, the Group had no material forfeited contributions available to reduce its contributions to the pension schemes in future years (2023: Nil).

@ The subsidies were granted under Employment Support Scheme from the Government of Hong Kong Special Administrative Region and were deducted in the line item of "Employee benefit expense" in the consolidated statement of profit or loss. There were no unfulfilled conditions relating to the subsidies.

** The net fair value gain was credited in the line item of "other income and gains" in the consolidated statement of profit or loss. The net fair value loss was debited in the line item of "other expenses" in the consolidated statement of profit or loss.

## 8. INCOME TAX

Hong Kong Profits Tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax regime effective from the year of assessment 2018/2019.

The first HK$2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

The amount of income tax charged to the consolidated income statement represents:

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Current – Hong Kong | | |
| Charge for the year | **11,891** | 17,383 |
| Over-provision in prior years | **(1,391)** | (364) |
| Current – Elsewhere | | |
| Charge for the year | **2,409** | 1,454 |
| Withholding tax | **(10)** | 54 |
| Under/(over)-provision in prior years | **785** | (1,716) |
| Deferred | **(8,277)** | (8,181) |
| Total tax charge for the year | **5,407** | 8,630 |

A reconciliation of the tax expense applicable to profit before tax using the Hong Kong statutory tax rate (the statutory tax rate for the jurisdiction in which the majority of the Company's subsidiaries are domiciled) to the tax charge at the Group's effective tax rate is as follows:

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Profit before tax | **40,624** | 64,365 |
| Tax at the Hong Kong statutory tax rate of 16.5% (2023: 16.5%) | **6,703** | 10,620 |
| Difference in tax rates for specific jurisdictions or enacted by local tax authority, net | **566** | 1,101 |
| Adjustments in respect of current tax of previous periods | **(606)** | (2,080) |
| Profits and losses attributable to joint ventures and associates | **–** | 706 |
| Income not subject to tax | **(4,481)** | (3,806) |
| Expenses not deductible for tax | **2,164** | 1,111 |
| Tax losses utilised from previous periods | **(262)** | (2,527) |
| Tax losses not recognised | **1,946** | 1,705 |
| Others | **(623)** | 1,800 |
| Tax charge at the Group's effective rate | **5,407** | 8,630 |

## 9. DIVIDENDS

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Dividends recognised as distribution during the year: | | |
| Final 2023 – HK3.00 cents | | |
| (2022: HK3.00 cents) per ordinary shares | **24,329** | 23,780 |
| Less: Dividend for shares held under the share award scheme | **(352)** | (299) |
| | **23,977** | 23,481 |
| Interim 2024 – HK1.30 cents (2023: HK1.70 cents) | | |
| per ordinary share | **10,542** | 13,786 |
| Less: Dividend for shares held under the share award scheme | **(152)** | (193) |
| | **10,390** | 13,593 |
| | **34,367** | 37,074 |
| Dividend proposed after the end of the reporting period: | | |
| Proposed final 2024 – HK2.00 cents (2023: HK3.00 cents) | | |
| per ordinary share | **16,219** | 24,329 |

The proposed final 2024 dividend of HK2.00 cents per ordinary share for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK$40,643,000 (2023: HK$60,452,000), and the weighted average number of ordinary shares of 799,484,654 (2023: 789,955,284) in issue during the year, as adjusted to exclude the shares held under the share award scheme.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK$40,643,000 (2023: HK$60,452,000). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares of 799,484,654 (2023: 789,955,284) in issue during the year and excluded the shares held under the share award scheme, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares of 169,917 (2023: 3,633) assumed to have been issued at no consideration on the deemed vesting of the respective share awards schemes.

The weighted average number of ordinary shares for the years ended 30 June 2024 and 2023 have been adjusted to reflect the bonus element in respect of scrip dividend during the year.

## 11. FINANCIAL ASSETS AT AMORTISED COST

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Financial assets at amortised cost | **6,240** | 6,240 |
| Impairment | **(6,240)** | (6,240) |
| | **–** | – |

As at 30 June 2024, the balance after the provision of impairment is nil (2023: Nil).

## 12. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **Investments at fair value through other comprehensive income** | | |
| Unlisted equity investments, at fair value* | **13,448** | 5,167 |
| Listed equity investment, at fair value* | **17,005** | 31,677 |
| | **30,453** | 36,844 |

* The above investments were designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

During the year, the Group received dividends in the approximate amounts of HK$nil (2023: HK$30,000) and HK$2,661,000 (2023: HK$5,002,000) from an unlisted equity investment and a listed equity investment, respectively.

On 31 August 2023, Dr. Sun Yiu Kwong has resigned from the board of director in The GBA Healthcare Group Limited and the Group lost its significant influence over The GBA Healthcare Group Limited. As a result, the investment in The GBA Healthcare Group Limited and its subsidiaries was no longer accounted for as an associate and has been reclassified as investments at fair value through other comprehensive income from investments in associates.

## 13. TRADE RECEIVABLES

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Trade receivables | **131,025** | 121,095 |

The Group's trading terms with its contract customers are mainly on credit. The credit period is generally one month, extending up to two months for certain customers. Each contract customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a designated policy to monitor and minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest bearing.

Included in the Group's trade receivables are trade receivables due from related companies of HK$8,966,000 (2023: HK$1,055,000), which have the same credit period as other Contract Customers. Chow Tai Fook Enterprises Limited ("CTFE") is a major beneficial shareholder of these related companies in which Mr. Tsang On Yip, Patrick, an executive director of the Company, is the Chief Executive Officer of CTFE.

An aging analysis of the trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Within 1 month | **78,302** | 75,143 |
| 1 to 2 months | **24,919** | 20,972 |
| 2 to 3 months | **23,273** | 12,308 |
| Over 3 months | **4,531** | 12,672 |
| | **131,025** | 121,095 |

A credit loss analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than two years and are not subject to enforcement activity. As at 30 June 2024 and 2023, the Group assessed that the loss allowance under the application of HKFRS 9 was immaterial.

## 14. TRADE PAYABLES

An aging analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Within 1 month | **41,233** | 36,925 |
| 1 to 3 months | **31,598** | 26,157 |
| Over 3 months | **2,951** | 979 |
| | **75,782** | 64,061 |

The trade payables are non-interest-bearing and are normally settled on terms ranging from 30 to 90 days.

## 15. SHARE CAPITAL

**Shares**

| | **2024** | 2023 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Authorised: | | |
| 5,000,000,000 (2023: 5,000,000,000) ordinary shares of HK$0.001 (2023: HK$0.001) each | **5,000** | 5,000 |
| Issued and fully paid: | | |
| 810,955,244 (2023: 810,955,244) ordinary shares of HK$0.001 (2023: HK$0.001) each | **811** | 811 |

The movements in the Company's authorised and issued share capital during the years ended 30 June 2024 and 2023 are as follows:

| | *Notes* | **Number of ordinary shares** | **Nominal value of ordinary shares** *HK$'000* |
|---|---|---|---|
| Authorised: | | | |
| At 1 July 2022, at 30 June 2023 at 1 July 2023 and at 30 June 2024 | | 5,000,000,000 | 5,000 |
| Issued and fully paid: | | | |
| At 1 July 2022 | | 792,666,555 | 793 |
| Shares issued in lieu of cash dividend | *(a)* | 18,288,689 | 18 |
| At 30 June 2023, 1 July 2023 and at 30 June 2024 | | 810,955,244 | 811 |

(a) On 25 November 2022, the Company's shareholders approved at the annual general meeting a final dividend of HK3.00 cents per ordinary share payable in cash with a scrip dividend alternative (the "Scrip Dividend Scheme 2022") for the year ended 30 June 2022 (the "2022 Final Dividend"). During the year ended 30 June 2023, 18,288,689 new shares were issued by the Company at a deemed price of $0.78 per ordinary share, credited as fully paid, to shareholders of the Company who had elected to receive scrip shares in lieu of cash to settle the 2022 Final Dividend of HK$14,265,000. The remaining balance of the 2022 Final Dividend of HK$9,515,000 was satisfied by cash. Further details of the Scrip Dividend Scheme 2022 are set out in the Company's circular dated 23 December 2022.

## MANAGEMENT DISCUSSION AND ANALYSIS

### OUR BUSINESS

UMP's business scope consists of the following business lines:

1. **Hong Kong & Macau Corporate Healthcare Solution Services**

   Our Hong Kong and Macau corporate healthcare solution services refer to the business of designing and administrating healthcare benefits plans and solutions tailored for contract clients in the region. The extension of third party administration ("**TPA**") service (including hotline and pre-approval services) to our insurance company clients is an important offering among UMP's corporate healthcare solutions. UMP aims to provide convenient, reliable, coordinated, comprehensive and affordable healthcare services through the well-established and multi-specialties UMP Network. As at 30 June 2024, the UMP Network comprises over 1,000 points of services located across Hong Kong and Macau.

   The Group's Contract Customers comprise (i) insurance companies, which enter into contracts with the Group for healthcare services for their policyholders or employees of their policyholders and (ii) corporations, which enter into contracts with the Group for healthcare services for their employees and/or their dependants. When designing healthcare benefits plans, the Group collaborates closely with the Contract Customers and designs and refines corporate healthcare benefits plans, with each plan tailored to each customer's needs based on factors such as industry or occupational health-related concerns, scope of healthcare benefits desired, employee demographic as well as their budget.

2. **Hong Kong & Macau Clinical Healthcare Services**

   UMP provides medical and dental services, medical imaging and laboratory services and other auxiliary medical services to Self-paid Patients. For medical services, UMP provides (i) general practice services, which serves as the first point of contact for the patients and (ii) specialist services covering more than 20 different specialties. For dental services, UMP provides both primary dental care and secondary dental care such as dental implants.

   Medical imaging and laboratory services are an integral part of medical and healthcare. UMP, through its ProCare medical group, provides one-stop and comprehensive imaging and laboratory services. Equipped with many advanced imaging equipment and testing facilities including PET-CT, MRI, CT Scan, ultrasound, mammography and X-ray, we provide extensive and reliable medical diagnosis and laboratory services. UMP can provide a wide range of imaging and laboratory services at our own laboratory. During the year ended 30 June 2024, we have reorganized and consolidated certain medical and imaging centres. As at 30 June 2024, the Group invests and/or operates a total of 10 advanced imaging and laboratory centres, including its own registered laboratory, in Hong Kong.

   For other auxiliary medical services, UMP provides services such as physiotherapy and vision care.

3. **Mainland China Clinical Healthcare Services**

Our Mainland China Clinical Healthcare Services currently consists of (i) health check-up business and (ii) selected outpatient services such as family medicine within the clinics we own and operate.

The following table sets out the revenue, operating profit and number of visits by our business lines for FY2024 and FY2023 for comparison:

*Revenue by business lines*

| | **Year ended 30 June** | | | |
|---|---|---|---|---|
| | **2024** | 2023 | Increase/(decrease) | |
| | ***HK$'000*** | *HK$'000* | *HK$'000* | % |
| *Hong Kong & Macau:* | | | | |
| Corporate Healthcare Solution Services | **255,840** | 246,225 | 9,615 | 3.9% |
| Clinical Healthcare Services | **583,084** | 562,774 | 20,310 | 3.6% |
| *Mainland China:* | | | | |
| Clinical Healthcare Services | **43,100** | 44,657 | (1,557) | (3.5%) |
| **Total revenue before elimination of inter-business lines sales** | **882,024** | 853,656 | 28,368 | 3.3% |
| *Reconciliation:* | | | | |
| Elimination of inter-business lines sales | **(133,535)** | (126,489) | (7,046) | 5.6% |
| **TOTAL REVENUE** | **748,489** | 727,167 | 21,322 | 2.9% |

*Operating profit by business lines*

| | Year ended 30 June | | | |
|---|---|---|---|---|
| | **2024** | 2023 | Increase/(decrease) | |
| | ***HK$'000*** | *HK$'000* | *HK$'000* | % |
| *Hong Kong & Macau:* | | | | |
| Corporate Healthcare Solution Services | **39,568** | 45,004 | (5,436) | (12.1%) |
| Clinical Healthcare Services | **17,230** | 32,037 | (14,807) | (46.2%) |
| *Mainland China:* | | | | |
| Clinical Healthcare Services | **13,724** | 16,793 | (3,069) | (18.3%) |
| **TOTAL OPERATING RESULTS** | **70,522** | 93,834 | (23,312) | (24.8%) |

*Number of visits by business lines*

| | Year ended 30 June | | Increase/ |
|---|---|---|---|
| | **2024** | 2023 | (decrease) |
| **Provision of corporate healthcare solution services in Hong Kong and Macau** | **1,287,532** | 988,091 | 30.3% |
| Medical | **1,262,193** | 963,928 | 30.9% |
| Dental | **25,339** | 24,163 | 4.9% |
| **Provision of clinical healthcare services in Hong Kong and Macau** | **228,850** | 253,528 | (9.7%) |
| Medical | **197,837** | 222,499 | (11.1%) |
| Dental | **31,013** | 31,029 | (0.1%) |
| **Mainland China Clinical Healthcare Services** | **35,433** | 34,558 | 2.5% |
| **TOTAL** | **1,551,815** | 1,276,177 | 21.6% |

## BUSINESS REVIEW

The healthcare landscape has significantly transformed in recent years, driven by evolving market dynamics and shifting consumer expectations. As we reflect on our business performance, it is essential to consider the broader context in which we operate. The aftermath of the COVID-19 pandemic has introduced both challenges and opportunities, particularly in Hong Kong, Macau, and Mainland China. We emphasize our dedication to sustainable growth and innovation as we address the operational performance across our various segments.

### Hong Kong & Macau Corporate Healthcare Solution Services

In FY2024, our Corporate Healthcare Solution Services in Hong Kong and Macau achieved a commendable revenue increase of 3.9% despite facing a decline in operating profit of 12.1%. Importantly, we experienced a substantial 30.3% surge in user volume, demonstrating our capability to meet the growing demands of mid-range users effectively. Yet, the divergence in financial performance can be attributed to a few reasons.

The significant increase in user volume has resulted in heightened operational expenditures due to the expanded utilization of our contract business. This shift has compressed our margins as we strategically prioritize investments in staffing, service enhancement, and infrastructure to support our expanding customer base.

We have proactively broadened our medical network and bolstered our backend capacity to strengthen client retention. We are dedicated to delivering timely and effective client support by streamlining our processes and significantly improving response times to inquiries. This relentless focus on providing convenient, reliable, and comprehensive healthcare solutions is essential for addressing the tailored needs of our contract customers, including insurance companies and corporations.

Changes in service demand have necessitated adaptations in our offerings. Broader economic conditions, such as inflation and fluctuations in consumer spending, have made our contract clients more cautious and price-sensitive, influencing their purchasing decisions. Moreover, changes in our client mix, particularly a shift from higher-margin clients to those with more modest margins, have added pressure to the overall financial performance of our contract business.

Our strategy is dedicated to refining corporate healthcare benefits plans that cater to industry-specific health concerns, desired benefits, employee demographics, and budgetary needs. We have built a robust and stable customer base by fostering extensive, long-term relationships with our customers and service providers. This approach positions us for sustainable growth in the corporate healthcare sector while ensuring we consistently deliver exceptional value to our clients.

To facilitate the Group's growth in Hong Kong and Macau Corporate Healthcare Solution Services, we invested in the following during the year under review:

**(i) Provision of Cross-Boundary Medical Services for Insurance Scheme Members**

We have developed robust cross-boundary medical services designed to meet the needs of insurance scheme members traveling between Hong Kong and mainland China. This initiative allows us to offer premium healthcare solutions through an extensive network of approximately 20 service points in key mainland cities, addressing the rising demand in the Greater Bay Area.

As a significant milestone, we signed a strategic partnership with AXA Hong Kong in late 2023, which serves as our first major user of these services. This collaboration enables AXA customers traveling between Hong Kong and mainland China to access convenient cashless medical services at designated clinics, enhancing their overall healthcare experience. With increasing service points on the Mainland, UMP is well-positioned to meet the healthcare demands of an expanding customer base that maximizes revenue potential.

**(ii) Partnership Development for TPA service in China**

We are initiating partnerships with companies in China to expand our TPA services in the region. By leveraging our medical network management expertise, we attract partners interested in enhancing their healthcare offerings to cross-boundary users.

The TPA service model holds significant business value as it streamlines healthcare administration, ensuring efficient access to our extensive medical network. This approach improves service delivery for clients and positions us to gradually increase service volume as demand grows in the Chinese market. These collaborations will create new business opportunities, driving revenue growth for our corporate healthcare solutions business.

**Hong Kong & Macau Clinical Healthcare Services**

In the past year, our Clinical Healthcare Services in Hong Kong and Macau reported a revenue increase of 3.6%, while operating profit saw a significant decline of 46.2%. This stark contrast can be attributed to higher costs for staffing, medical supplies, and facility maintenance. As we strive to maintain high standards of care, these rising costs have outpaced our revenue growth, leading to a compression of profit margins.

The broader economic environment has been critical in shaping patient behavior and demand for healthcare services. The economic downturn has reduced discretionary spending and increased consumer financial caution. As a result, many patients have deferred elective procedures and routine visits, negatively impacting our overall patient volumes and, consequently, our operating profit.

Increased competition in the healthcare sector has led to downward pressure on service prices. We have had to adjust our pricing strategies to attract and retain patients, further eroding our margins. While maintaining competitive pricing is essential for market positioning, it also necessitates careful management to ensure that profitability does not suffer as a result.

Variability in patient volume has also contributed to the decline in operating profit. Seasonal trends, public health concerns, and economic factors have led to fluctuations in the number of patients seeking care. These fluctuations can result in the underutilization of resources, further impacting operational efficiency and profitability.

Addressing these challenges will require a multi-faceted approach, including cost control measures, strategic marketing initiatives to boost patient volume, and carefully evaluating pricing strategies to balance competitiveness with profitability.

Financial performance reflects both the challenges and opportunities within our service offerings. In particular:

- In our medical sector, general practice (GP) services experienced a slight increase of 7.3% in revenue. However, the volume of Immigration Medical Examinations (IME) adjusted downward, resulting in a drop of over 30% in its contribution to the overall revenue. On a positive note, specialist practice (SP) revenue increased by 20%, indicating strong demand and the fact that UMP remains the chosen provider in this area.

- The dental sector has a mild drop of 7% in revenue while a slightly increase of 1% in number of visits. It has been obvious to the local dental care market that it encountered challenges due to shifts in living patterns and changing demand for complex dental care services. As more patients seek advanced dental treatments in Shenzhen, we must carefully navigate this evolving landscape. We are actively adjusting our operational efficiency to ensure we maintain our profit contributions amid these changes. Maintaining a strong relationship with our patient base is crucial, and we are committed to providing quality care that meets their needs, even in a competitive environment.

- Our imaging centers have ramped up operations significantly, resulting in increased revenue of 13%. This growth is especially important given the competitive market, where margin pressures are prevalent. Our investment in advanced technology in previous years has enhanced our diagnostic capabilities and improved patient throughput. While the depreciation of capital expenditures poses a challenge, we are confident that our strategic investments will yield positive contributions in the long run. By continuously optimizing our processes and expanding our service offerings, we aim to solidify our position in the imaging sector, ensuring that we meet the growing demand for high-quality diagnostic services.

**(i) Commencement of Business of New Medical and Imaging Centre in Causeway Bay**

Our medical imaging brand, "ProCare Medical Imaging," has relocated its Causeway Bay center and expanded to a service area of about 5,500 sq. ft. at Lee Garden Two, where we join forces with Adventist Health as they provide outpatient medical services on the same floor.

Equipped with advanced technologies, the centre addresses the increasing demand for diagnostic imaging, appealing to a broader patient base. Our partnership with Adventist Medical Centre enhances referral networks, facilitating seamless patient experiences and potentially driving higher volumes. As healthcare technology needs evolve, particularly in oncology and cardiology, this centre positions us well in a competitive market. Its strategic location is intended to attract patients with better spending power and a need for convenience and quality, resulting in increased service consumption and income.

**(ii) Development of the Brand "UMP+" for Premium Services**

Establishing the "UMP+" brand marks a strategic expansion beyond our existing medical centre chain, focusing on preventive and lifestyle medicine. This initiative is designed to cater specifically to individuals who are willing and able to take proactive steps for their health, thereby addressing a growing market segment.

We have expanded from a single centre in Central to three strategic locations in Causeway Bay and Tsim Sha Tsui. These UMP+ centres are conveniently situated near ProCare medical imaging centres, facilitating immediate access to a range of imaging services. Offering services such as health checks, general practice, and specialist care, we anticipate that such offerings will drive traffic and business to our adjacent imaging centres, creating a synergistic effect that maximizes revenue potential.

Additionally, these UMP+ centres serve as key touchpoints for corporate clients and their selected members, providing a premium environment and value-added services. This approach enhances user experience and strengthens our contract business by positioning us as a preferred provider for corporate health programs. By delivering a high-quality service experience, we can foster loyalty and long-term relationships with these clients.

**(iii) Development of Chinese Medicine Services**

After conducting extensive market research, customer surveys, and business analysis, we recognized a rising demand for Traditional Chinese Medicine (TCM) and its potential to create synergies within our group. As a key player in the healthcare market, we established our UMP-branded TCM center located in Jordan, Kowloon, adjacent to our general practice, specialist, and imaging centers. This strategic placement facilitates interaction and cross-referrals among services, enhancing the overall patient experience and operational efficiency.

In support of this initiative, we signed a Memorandum of Understanding with Hong Kong Baptist University (HKBU) for collaborative research in integrative medicine. This partnership will enhance our capability to provide holistic healthcare solutions that leverage the strengths of both medical traditions.

The new UMP Chinese Medicine Centre commenced operations in July 2024, following its preparation during the fourth quarter of FY2024. This development expands our service offerings and benefits our corporate scheme users, who can access comprehensive care seamlessly, ensuring a more cohesive treatment approach. We anticipate that integrating TCM with our existing services will significantly contribute to the group's overall growth and strengthen our market position.

**(iv) Dermatology Business and $18M Profit Assurance Initiative**

In July 2024, we announced that we have concluded a settlement deed for a profit guarantee shortfall receivable amounted to $18 million related to our dermatology specialty business, SkinCentral. This receivable is part of our strategic initiative to enhance our dermatological service delivery and operational performance. Since carrying value of such profit guarantee financial assets have been confirmed and valued as at 30 June 2024, the Group has recognised a gain of profit guarantee.

The settlement deed recognizes SkinCentral's expertise in dermatology, which is vital for our medical service development. The shortfall was primarily due to pandemic-related circumstances beyond the control of the management of SkinCentral, making the adjusted shortfall payment a fair decision that supports our overall business interests, and in UMP's and its shareholders' best financial interests.

By offering a discount to SkinCentral, we incentivize early payments and strengthen our long-term relationship, which is crucial for ongoing specialty business growth. This proactive approach ensures the financial liquidity and positions us to capitalize on future opportunities in the dermatology market.

As we prioritize collaboration with SkinCentral, we aim to leverage their contributions to our dermatology services. With an improving landscape for medical services post-pandemic, this strategic adjustment preserves our business prospects and drives our commitment to delivering high-quality care, ultimately benefiting our patients and stakeholders.

### Mainland China Clinical Healthcare Services

Our clinical operations in Mainland China saw a decrease in revenue of 3.5% and a decline in operating profit of 18.3%. The market conditions following COVID-19 pandemic have played a significant role in these changes. One notable factor is the decrease in the number of Chinese immigrants and students abroad after 2023, which has impacted the overall demand for healthcare services.

Despite these financial shifts, the number of visits remains stable, which suggests a consistent demand for our services. Our medical service teams in Mainland China strongly emphasize providing distinguished, top-quality healthcare check-up services and selected outpatient family medical services in major cities such as Beijing, Shanghai, Guangzhou, and Shenzhen.

We are currently expanding our presence in the Greater Bay Area (GBA) through strategic partnerships with local authority organizations. The private healthcare market in China has immense growth potential, fueled by the growing demand for high-quality healthcare services and the expanding middle class.

As we continue to grow, we are adopting a strategic approach, emphasizing maintaining high standards and a positive reputation rather than simply focusing on the quantity of our locations. We are committed to creating a sustainable and profitable business that prioritizes the well-being of our patients and ensures our success in the highly competitive private healthcare industry in China.

## BUSINESS OUTLOOK

In closing, we reaffirm our steadfast commitment to providing accessible, high-quality healthcare to our patients. We are cautiously optimistic about UMP's growth prospects in Hong Kong, Macau, the Greater Bay Area, and Mainland China. Our ability to adapt to the evolving needs of our communities positions us favorably for expansion.

The lessons learned from the COVID-19 pandemic reinforce the importance of agility in our decision-making. Our strategic initiatives and investments equip us to address these challenges effectively, paving the way for a resilient future for UMP and those we serve. Our gradual expansion into the Mainland exemplifies our dedication to making measured, purposeful choices that align with our long-term vision.

As we push forward on our journey to be the provider platform of choice, we recognize the challenges that have affected our doctors and employees. The management appreciates the dedication shown by the team during this difficult economic environment and is aware of their hopes and aspirations.

## FINANCIAL REVIEW

*FY2024 compared to FY2023*

### Revenue

During FY2024, we primarily generated revenue from (i) the provision of corporate healthcare solutions to Contract Customers in Hong Kong and Macau, (ii) the provision of clinical healthcare services to Self-paid Patients in Hong Kong and Macau and (iii) the provision of clinical healthcare services in Mainland China.

During the period under review, the Group reported a total revenue of approximately HK$748.5 million, represented an increase of 2.9% as compared to that of FY2023. Such increase was mainly attributable to the increase in revenue from corporate healthcare solutions business and our clinical medical services especially increase in revenue contribution from those newly launched imaging centres in past 1 year.

### Professional Services Expenses

Professional services expenses is one of the key operating expense which primarily comprise fees paid to Doctors, Dentists and Auxiliary Services Providers for Medical Services, Dental Services and Auxiliary Services rendered within the UMP Network, as well as fees paid to third party laboratories and medical imaging centres for services rendered to the Group.

Professional services expenses in FY2024 increased by approximately HK$15.5 million, representing an increase of 6.1% as compared to that in FY2023. Professional services expenses maintained at 36.2% to the total revenue (FY2023: 35.1%). The increase in professional services expenses was in line with the business growth and the percentage of professional services expenses to the revenue was maintained at a reasonable range in respect of different medical services.

### Employee Benefit Expense

Employee benefit expense primarily comprise salaries and related costs, equity-settled share-based payment expense, as well as pension scheme contributions for nurses and administrative personnel, and also include those of the Directors and key management personnel.

Employee benefit expenses in FY2024 recorded an amount of approximately HK$197.0 million, representing an increase of approximately HK$17.2 million and 9.6% as compared to that in FY2023. Employee benefit expenses principally included staff costs for clinical medical service frontline staff and the corporate staff expenses. Employee benefit expenses represented at about 26.3% to the total revenue (FY2023: 24.7%). The increase in employee benefit expenses was in line with the business growth and the percentage of employee benefit expenses to the total revenue was maintained at a reasonable range.

**Earning before Interest, Tax, Depreciation and Amortisation ("EBITDA")**

During the year ended 30 June 2024, including a one-off gain from profit guarantee amounted to HK$18.0 million, the Group reported an EBITDA of approximately HK$84.8 million, represented an decrease of 15.9% as compared to approximately HK$100.9 million in FY2023. Excluding this one-off profit, the Group core business reported an EBITDA of approximately HK$66.8 million, which represented a drop of 33.8%. Such drop in EBITDA was mainly attributable to (i) the drop of profit margins of certain corporate healthcare solutions; (ii) clinical medical services mix change; and (iii) the increase operating costs as a result of expansion of workforce for business development.

**Depreciation and Amortisation**

Depreciation and amortisation, which comprises of depreciation of the right-of-use assets and depreciation and amortisation of other non-current assets.

As a result of significant capital expenditure investment mainly relating to new medical imaging centres in mid of last financial year 2023, certain incremental depreciation charge has started to record in income statements for FY2024. In addition, relating to all these new centres and normal business development, we have newly entered certain new leases and/or renewed certain existing leases in FY2023 and FY2024. During the year under review, depreciation and amortisation charge increased significantly from approximately HK$103.9 million in FY2023 to approximately HK$113.8 million in FY2024, representing a jump of approximately HK$9.9 million and 9.5%.

**Other Expenses**

Other expenses primarily comprise provision of impairment loss and general overhead expenses such as utilities, operating and other administrative expenses such as professional fees, repair and maintenance expenses incurred with respect to the Group's offices and medical equipment, printing expenses and bank charges.

Other expenses in FY2024 recorded an amount of approximately HK$81.6 million, representing an increase of approximately HK$7.6 million and 10.3% as compared to that in FY2023. The increase was mainly attributable to a non-cash one-off write-off of other intangible assets. Other expenses represented at about 10.9% to the total revenue (FY2023: 10.2%). The percentage of other expenses to total revenue was maintained at a stable and reasonable range.

**Net Profit**

During the year ended 30 June 2024, the profit for the year 2024 reported approximately HK$35.2 million (FY2023: HK$55.7 million) represented a drop of approximately HK$20.5 million, 36.8%. The drop in profit for the year was mainly attributable to the drop in operating margins, significant increase in depreciation and amortisation and the write-off of other intangible assets, net of recognition of one-off profit from financial assets of profit guarantee.

## KEY FINANCIAL POSITION ITEMS

### Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term.

As at 30 June 2024, the right-of-use assets recorded at approximately HK$107.2 million (FY2023: HK$107.9 million), the change in FY2024 was result from the additions of new lease amounted to approximately HK$70.3 million net off to the depreciation charge of approximately HK$71.0 million. As at 30 June 2024, the right-of-asset represented about 9.7% of the Group's total assets (FY2023: 9.6%).

### Goodwill

Goodwill primarily represents the excess of the aggregate of the consideration over the fair value of the identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

As at 30 June 2024, the goodwill recorded at approximately HK$164.2 million (FY2023: HK$164.8 million), no significant change as compared to last year. As at 30 June 2024, the goodwill represented about 14.8% of the Group's total assets (FY2023: 14.7%).

### Investments at fair value through other comprehensive income, financial assets at fair value through profit or loss and financial assets at amortised cost

Investments at fair value through other comprehensive income, financial assets at fair value through profit or loss and financial assets at amortised cost primarily represent unlisted equity investments at fair value, listed equity and debt investments at fair value and investment funds. Certain equity investments are designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

***(i) Investments at fair value through other comprehensive income***

As at 30 June 2024, the investments at fair value through other comprehensive income amounted to approximately HK$30.5 million (FY2023: HK$36.8 million), the change in FY2024 was resulted in (i) the reclassification of the Group's 13.5% equity investment in GBA Healthcare Group Limited ("GBA Healthcare") from interests in associate to investments at fair value through other comprehensive income due to change of significant influence to GBA Healthcare; and (ii) fair value change of the investment.

*(ii)* ***Financial assets at fair value through profit or loss***

As at 30 June 2024, the financial assets at fair value through profit or loss amounted to approximately HK$41.1 million (FY2023: HK$29.4 million), the change in FY2024 was resulted in increase in investment and the fair value change during the year.

As at 30 June 2024, the total value of the investments at fair value through other comprehensive income and the financial assets at fair value through profit or loss represented about 6.5% of the Group's total assets (FY2023: 5.9%).

## LIQUIDITY AND FINANCIAL RESOURCES

| | **As at 30 June** | |
|---|---|---|
| | **2024** | 2023 |
| | ***HK$'000*** | *HK$'000* |
| Current Assets | **489,083** | 495,524 |
| Current Liabilities | **270,364** | 271,111 |
| Net Current Assets | **218,719** | 224,413 |
| Current Ratio | **1.81** | 1.83 |

The Group's current ratio was 1.81 as at 30 June 2024 (30 June 2023: 1.83), reflecting a strong liquidity in its financial position. Working capital position of the Group remains strong.

The Group has historically funded its operations primarily by cash generated from operating activities. Upon the listing of the shares of the Company on the Stock Exchange, the Group intended to satisfy its liquidity requirements using a combination of cash generated from operating activities, net proceeds from the Global Offering and the net considerations received from the series of transactions. As of 30 June 2024, the Group had free cash and bank deposits of approximately HK$253.3 million (30 June 2023: HK$289.1 million).

As of the date of this announcement, the Group did not have any bank borrowings or outstanding bank loans and did not enter into any bank loan facilities.

## GEARING RATIO

The gearing ratio expressed as a percentage of loans from non-controlling shareholders of subsidiaries divided by consolidated total equity of the Group as at 30 June 2024 as about 7.0% (30 June 2023: 6.3%).

## CAPITAL STRUCTURE

There has been no change in the capital structure of the Company during the year ended 30 June 2024. The capital of the Company comprises ordinary shares and other reserves.

## SIGNIFICANT INVESTMENTS HELD

Save for the Investments at fair value through other comprehensive income, financial assets at fair value through profit or loss and financial assets at amortised cost held by the Group, as elaborated in further details in the section headed "FINANCIAL REVIEW" of this announcement, the Group did not hold any significant investment as at 30 June 2024.

## MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND ASSOCIATES

Save as disclosed in this announcement, there was no material acquisition or disposal of subsidiaries undertaken by the Group during FY2024.

## FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, the Group did not have any specific future plan for material investments or capital assets as of 30 June 2024.

## CAPITAL EXPENDITURE

The capital expenditure during the year was primarily related to deposits paid for and expenditures on additions of property, plant and equipment for the Group's Medical, Dental, and Auxiliary Services centres. For FY2024, the Group incurred capital expenditure in an aggregate amount of approximately HK$57.2 million (FY2023: HK$109.3 million).

## INDEBTEDNESS

### Contingent Liabilities

As at 30 June 2024, the Group did not have any material contingent liabilities.

### Capital Commitment

As at 30 June 2024, the Group has material capital commitments of approximately HK$3.9 million in relation to the acquisition of property, plant and equipment (FY2023: HK$50.6 million).

## TREASURY MANAGEMENT

The Group employs a conservative approach to cash management and risk control. To achieve better risk control and efficient fund management, the Group's treasury activities are centralised.

During FY2024, the Group's receipts were mainly denominated in Hong Kong dollars and Renminbi. Payments were mainly made in Hong Kong dollars and Renminbi. Cash was generally placed in short-term deposits denominated in Hong Kong dollars.

The objective of the Group's treasury policies is to minimise risks and exposures due to the fluctuations in foreign currency exchange rates and interest rates. The Group does not have any significant interest rate risk at present as the Group did not have any bank borrowings or outstanding bank loans and did not enter into any bank loan facilities.

## RISK MANAGEMENT

### Foreign Currency Risk

During the reporting period, the Group undertook certain transactions in foreign currencies, which exposed the Group to foreign currency risk, primarily relating to the Renminbi against Hong Kong dollars.

The Group did not use any derivative contracts to hedge against its exposure to currency risk. The management manages the currency risk by closely monitoring the movement of the foreign currency rates and will consider hedging against significant foreign exchange exposure when the need arises.

### Credit Risk

The credit risk of the Group's financial assets arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and concentrations of credit risk are managed by customer/counterparty.

## PLEDGE OF ASSETS

As at 30 June 2024, the Group has pledged certain deposits with an aggregate carrying amount of HK$2.8 million (30 June 2023: HK$1.4 million) in connection with a surety bond issued by a bank in favour of respective independent third parties for potential disruption of Medical and Dental Services.

## EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2024, the Group had a total of 486 full-time employees (30 June 2023: 508 full-time employees). For FY2024, the staff cost (including Directors' remuneration in the form of salaries and other benefits) was approximately HK$197.0 million (FY2023: HK$179.8million).

The Group ensures that the pay levels of its employees are competitive and employees are rewarded on a performance-related basis, together with reference to the profitability of the Group, prevailing remuneration benchmarks in the industry, and market conditions within the general framework of the Group's remuneration system.

In addition, the Company also adopted the 2023 Share Option Scheme on 24 November 2023, where eligible persons are entitled to subscribe for the Shares for their contribution to the Group. The Company has not granted any share options under the 2023 Share Option Scheme since its adoption. The Post-IPO Share Option Scheme was terminated on 24 November 2023. As at 30 June 2024, there were 12,700,000 share options under the Post-IPO Share Option Scheme remained outstanding. Under the Post-IPO Share Option Scheme, 13,040,000 share options were lapsed or forfeited and no share options were granted or exercised during FY2024.

The Company has also adopted the Share Award Scheme to provide an incentive and reward to selected participants for their contribution or potential contribution to the Group. During FY2024, 1,665,000 awarded shares were granted and 865,000 awarded shares were vested under the Share Award Scheme, with 100,000 awarded shares were forfeited.

The remuneration of the Directors are reviewed by the Remuneration Committee and approved by the Board, according to the relevant Director's experience, responsibility, workload and the time devoted to the Group, the Company's operating results and comparable market statistics.

## FINAL DIVIDEND

The directors proposed the payment of a final dividend of HK2.00 cents per Share for FY2024 (FY2023: HK3.00 cents), subject to the approval of the Shareholders at the 2024 AGM. Such proposed dividend is expected to be distributed on Friday, 10 January 2025 to the Shareholders whose names appear on the register of members of the Company on Friday, 13 December 2024.

## ANNUAL GENERAL MEETING

The 2024 AGM will be held on Friday, 29 November 2024 at 2:30 p.m.. A notice convening the 2024 AGM will be published and dispatched to the Shareholders in accordance with the requirements of the Listing Rules in due course.

## CLOSURE OF REGISTER OF MEMBERS FOR THE 2024 AGM

For determining the entitlement to attend and vote at the 2024 AGM, the register of members of the Company will be closed from Tuesday, 26 November 2024 to Friday, 29 November 2024, both days inclusive, during which period no transfer of shares will be registered. In order to qualify as members entitled to attend and vote at the meeting, investors should lodge all transfers of shares accompanied by the relevant share certificates and transfer forms with the Company's branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Monday, 25 November 2024.

## CLOSURE OF REGISTER OF MEMBERS FOR FINAL DIVIDEND

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 12 December 2024 to Friday, 13 December 2024 (both dates inclusive), during which period no transfer of shares will be registered. In order to qualify for the entitlement to the proposed final dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 11 December 2024.

## CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance practices and transparency. The Company confirms that it has complied with the code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules during FY2024.

The Board will review the corporate governance structure and practices from time to time and shall make necessary arrangements when the Board considers them appropriate.

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code for dealings in the securities by Directors.

Having made specific enquiry with all Directors, the Company confirmed that the Directors have complied with the Model Code during FY2024.

Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with the Code of Conduct for Securities Transactions by Employees on terms that are no less exacting than those set out in the Model Code. To the best knowledge of the Company, there was no incident of non-compliance of the Code of Conduct for Securities Transactions by Employees during FY2024.

## SCOPE OF WORK OF THE COMPANY'S AUDITOR IN RESPECT OF THIS PRELIMINARY ANNOUNCEMENT

The financial figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for FY2024 as set out in the preliminary announcement have been agreed by the Company's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's draft consolidated financial statements for the year and the amounts were found to be in agreement. The work performed by KPMG in this respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the auditor.

## AUDIT COMMITTEE

Audit Committee comprises three independent non-executive Directors, namely Mr. LEE Luen Wai, John (chairman), Dr. LI Kwok Tung, Donald and Mr. YEUNG Tak Bun, all of whom possess extensive experience in financial and general management. The Audit Committee has also adopted written terms of reference which clearly set out its duties and obligations for ensuring compliance with the relevant regulatory requirements.

The Audit Committee has reviewed the consolidated financial statements of the Group for FY2024, and has reviewed with the management of the Group regarding the accounting principles and practices adopted by the Group, and discussed with them the internal controls and financial reporting matters.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Save for the purchase of shares for the Share Award Scheme, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during FY2024.

## SUFFICIENCY OF THE PUBLIC FLOAT

Based on the information publicly available to the Company as of the date of this announcement, and to the best knowledge, information and belief of the Directors, the Directors confirm that the Company had maintained a sufficient public float as required under the Listing Rules during FY2024.

## EVENTS AFTER REPORTING PERIOD

There were no material subsequent events undertaken by the Company or by the Group after 30 June 2024 and up to the date of this announcement.

## OUTLOOK AND FUTURE DEVELOPMENT

A review of the business of the Group during the year and discussion on the Group's future business development are set out on page 25 to 34 of this announcement.

## PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT ON THE WEBSITES OF THE COMPANY AND THE STOCK EXCHANGE

This announcement is required to be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.ump.com.hk), respectively. The annual report of the Company for FY2024 containing all the information required under the Listing Rules will be dispatched to the shareholders of the Company (if requested) and published on the websites of the Stock Exchange and the Company in due course.

## DEFINITIONS

| | |
|---|---|
| "2023 Share Option Scheme" | the new share option scheme approved and adopted by the Company on 24 November 2023; |
| "2024 AGM" | the annual general meeting of the Company to be held on Friday, 29 November 2024; |
| "Affiliated Clinic(s)" | clinic(s) which is not operated by the Group but which has entered or will enter into an agreement directly with the Group to offer Medical Services, Dental Services and/or Auxiliary Services to the Plan Members; |
| "Affiliated Doctor", "Affiliated Dentist", "Affiliated Auxiliary Services Providers" | doctor(s)/dentist(s)/Auxiliary Services Provider(s) who has entered or will enter into an agreement directly with the Group to provide services to Plan Members and who, in accordance with the terms of such agreement, has received or will receive an amount from the Group based on the volume of Plan Members treated; |
| "Audit Committee" | the audit committee of the Board; |
| "Auxiliary Services" | includes imaging and laboratory services, physiotherapy, traditional Chinese medicine, vision care and optometry and child health assessment; |
| "Auxiliary Services Provider" | auxiliary services provider(s) who is/are or will be engaged directly by the Group as a consultant to provide Auxiliary Services in the UMP Medical Centres in accordance with the terms of a consultancy agreement with the Group, and the Affiliated Auxiliary Services Providers; |
| "Board" | the board of Directors; |
| "Chairman" | the chairman of the Board; |
| "Code of Conduct for Securities Transactions by Employees" | the Code of Conduct for Securities Transactions by Employees adopted by the Company; |
| "Company" | UMP Healthcare Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 722); |

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| "Contract Customers" | collectively, insurance companies and corporations which have entered or will enter into corporate plans with the Group for healthcare benefits for Plan Members; |
| "Corporate Governance Code" | the Corporate Governance Code as set out in Appendix C1 to the Listing Rules; |
| "CT Scan" | computed tomography scan, a medical imaging technique used in radiology to get detailed images of the body non-invasively for diagnostic purposes; |
| "Dental" or "Dental Services" | include primary dental services such as scaling and polishing and secondary dental services such as crown and bridge, orthodontics, implants and whitening; |
| "Dentists" | dentists who is/are or will be engaged directly by the Group as a consultant to provide Dental Services in the UMP Medical Centres in accordance with the terms of a consultancy agreement with the Group, and the Affiliated Dentists; |
| "Directors" | directors of the Company; |
| "Doctors" | doctors who is/are or will be engaged directly by the Group as a consultant to provide Medical Services in the UMP Medical Centres in accordance with the terms of a consultancy agreement with the Group and the Affiliated Doctors; |
| "FY2023" | the financial year ended 30 June 2023; |
| "FY2024" | the financial year ended 30 June 2024; |
| "Global Offering" or "IPO" | the offer of the shares of the Company to the public in Hong Kong and outside the United States of America in offshore transactions in reliance on Regulation S, the details of which are set out in the section headed "Structure of the Global Offering" of the prospectus of the Company dated 17 November 2015; |

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| "Greater Bay Area" | Guangdong-Hong Kong-Macau Greater Bay Area, a geographical region of China comprising Guangzhou, Shenzhen, Zhuhai, Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen, Zhaoqing, the Special Administrative Regions of Hong Kong and Macau for the purposes of this document; |
| "Group", "we", "our", "us", "UMP" or "UMP Healthcare Group" | the Company and its subsidiaries; |
| "HK$" | Hong Kong dollars, the lawful currency of Hong Kong; |
| "Hong Kong" | the Hong Kong Special Administrative Region of the People's Republic of China; |
| "Hong Kong & Macau Clinical Healthcare Services" | provision of clinical healthcare services to Self-paid Patients in Hong Kong and Macau; |
| "Hong Kong & Macau Corporate Healthcare Solution Services" | provision of corporate healthcare solutions services in Hong Kong and Macau; |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange; |
| "Macau" | the Macau Special Administrative Region of the People's Republic of China; |
| "Mainland China" | the People's Republic of China (excluding, for the purpose of this announcement, Hong Kong, Macau and Taiwan); |
| "Mainland China Clinical Healthcare Services" | provision of clinical healthcare services to Self-paid Patients in Mainland China; |
| "Medical" or "Medical Services" | include general practice and specialist practice; |
| "Model Code" | the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules; |

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|---|---|
| "MRI" | magnetic resonance imaging, a procedure that uses magnetism, radio waves, and a computer to create images of areas inside the body; |
| "PET-CT" | positron emission tomography-computed tomography, a nuclear medicine technique which combines, in a single gantry, a positron emission tomography (PET) scanner and an x-ray computed tomography (CT) scanner, to acquire sequential images from both devices in the same session, which are combined into a single superposed (co-registered) image; |
| "Plan Members" | members of the Group's corporate healthcare benefits plans, who typically include group medical insurance policyholders and employees of corporations and/or their dependants; |
| "Post-IPO Share Option Scheme" | the post-IPO share option scheme approved and adopted by the Company on 13 November 2015 and terminated by the Board with effect from 24 November 2023; |
| "PRC" | the People's Republic of China; |
| "Remuneration Committee" | the remuneration committee of the Board; |
| "Self-paid Patients" | patients who visit a UMP Medical Centre operated by the Group and pays for services using cash or credit card; |
| "Share Award Scheme" | the share award scheme approved and adopted by the Board on 30 June 2016 and amended by the Board with effect from 24 November 2023; |
| "Share(s)" | ordinary share(s) with a nominal value of HK$0.001 each in the share capital of the Company; |
| "Shareholder(s)" | the holder(s) of Share(s); |

| | |
|---|---|
| "specialist practice" or "specialist services" | the range of specialist practice offered by UMP, including Cardiology, Dermatology, Endocrinology, Diabetes and Metabolism, Family Medicine, Gastroenterology and Hepatology, General Surgery, Internal Medicine, Nephrology, Neurology, Neurosurgery, Obstetrics and Gynaecology, Ophthalmology, Orthopaedics and Traumatology, Otorhinolaryngology (ENT), Paediatrics, Paediatrics Surgery, Radiology, Respiratory Medicine, Rheumatology and Urology, an updated list of which is available on www.ump.com.hk; |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited; |
| "UMP Medical Centre(s)" | medical centre(s) offering Medical Services, Dental Services and/or Auxiliary Services which is operated by the Group; |
| "UMP Network" | consist of (i) UMP Medical Centres which are operated by the Group and (ii) Affiliated Clinics which are clinics not operated by the Group but which has entered into an agreement with the Group to offer Medical Services, Dental Services and/or Auxiliary services to Plan Members; |
| "Renminbi" | the lawful currency of the PRC; and |
| "%" | per cent. |

In this announcement, the terms "associate", "connected person", "connected transaction", "subsidiary" and "substantial shareholder" shall have the same meanings given to such terms in the Listing Rules, unless the context otherwise requires.

By the order of the Board
**UMP Healthcare Holdings Limited**
**SUN Yiu Kwong**
*Chairman*

Hong Kong, 25 September 2024

*As at the date of this announcement, the Executive Directors of the Company are Dr. SUN Yiu Kwong (Chairman), Dr. SUN Man Kin, Michael (Vice-chairman and Co-Chief Executive Officer), Ms. KWOK Cheuk Kwan, Jacquen (Co-Chief Executive Officer), Mr. TSANG On Yip, Patrick and Dr. LEE Pak Cheung, Patrick; the Non-executive Director is Dr. LEE Kar Chung, Felix; and the Independent Non-executive Directors are Mr. LEE Luen Wai, John, Dr. LI Kwok Tung, Donald and Mr. YEUNG Tak Bun.*