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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)

CONTINUING CONNECTED TRANSACTIONS MEDICAL SERVICES FRAMEWORK AGREEMENT

The Board is pleased to announce that on 31 July 2025, the Company entered into the Agreement with Pedder Healthcare, for a term commencing from 1 August 2025 to 30 June 2028. Pursuant to the Agreement, (1) Pedder Healthcare shall, or procure members of the Pedder Healthcare Group to, on a non-exclusive basis, provide the Pedder Medical Related Services to the Group and (2) the Company shall, or procure members of the Group to, on a non-exclusive basis, provide the UMP Medical Related Services to the Pedder Healthcare Group. The Proposed Annual Caps for Pedder Medical Related Services under the Agreement are HK$50,000,000, HK$55,000,000, and HK$60,000,000 for Year 1, Year 2 and Year 3, respectively. The Proposed Annual Caps for UMP Medical Related Services under the Agreement are HK$30,000,000, HK$35,000,000 and HK$43,000,000 for Year 1, Year 2 and Year 3, respectively.

As at the date of this announcement, Pedder Healthcare is a subsidiary of a substantial shareholder of a number of subsidiaries of the Company and thus a connected person of the Company at subsidiary level. The transactions contemplated under the Agreement therefore constitute continuing connected transactions of the Company with connected person at the subsidiary level for the purpose of Chapter 14A of the Listing Rules and would be subject to the reporting, announcement, circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules as one or more of the applicable percentage ratios for the transactions contemplated under the Agreement on an annual basis is more than 5% but less than 25%. Pursuant to Rule 14A.101 of the Listing Rules, since (i) Pedder Healthcare is a connected person of the Company at the subsidiary level; (ii) the transactions contemplated under the Agreement are entered into on normal commercial terms; and (iii) the Directors (including INEDs) have approved the Agreement and the transactions contemplated thereunder, and confirmed that such transactions are entered into on normal commercial terms, are fair and reasonable and are in the interest of the Company and shareholders as a whole, the transactions contemplated under the Agreement are subject to the reporting and announcement requirements but are exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Board is pleased to announce that on 31 July 2025, the Company entered into the Agreement with Pedder Healthcare for a term commencing from 1 August 2025 to 30 June 2028. Pursuant to the Agreement, (1) Pedder Healthcare shall, or procure members of the Pedder Healthcare Group to, on a non-exclusive basis, provide the Pedder Medical Related Services to the Group and (2) the Company shall, or procure members of the Group to, on a non-exclusive basis, provide the UMP Medical Related Services to the Pedder Healthcare Group. The Proposed Annual Caps for Pedder Medical Related Services under the Agreement are HK$50,000,000, HK$55,000,000, and HK$60,000,000 for Year 1, Year 2 and Year 3, respectively. The Proposed Annual Caps for UMP Medical Related Services under the Agreement are HK$30,000,000, HK$35,000,000 and HK$43,000,000 for Year 1, Year 2 and Year 3, respectively.

Major terms of the Agreement are as follows:

Date

31 July 2025

Parties

(1) The Company;
(2) Pedder Healthcare

Duration

The term of the Agreement is two years and eleven months commencing on 1 August 2025 and ending on 30 June 2028.

Subject matter

Pursuant to the Agreement, Pedder Healthcare shall, or procure members of the Pedder Healthcare Group to, on a non-exclusive basis, provide the Pedder Medical Related Services to the Group, including (i) medical consultation services to plan members under corporate healthcare benefit plans of the Group (as one of the affiliates of the Group's network of healthcare providers); (ii) medical consultation services to the Group through arranging or procuring its medical practitioners to provide medical services (including inpatient and/or outpatient services) to the Group; (iii) clinical administration and personnel support services; (iv) advisory and consulting support services; (v) supply of pharmaceuticals, drugs and medication; and (vi) other auxiliary services.

The Company shall, or procure members of the Group to, on a non-exclusive basis, provide the UMP Medical Related Services to the Pedder Healthcare Group, including (i) diagnostic, imaging and laboratory tests services; (ii) third-party administrator services; (iii) licensing and/or sub-leases of premises; (iv) medical consultation services to the Pedder Healthcare Group through arranging or procuring its medical practitioners to provide medical services (including inpatient and/or outpatient services) to Pedder Healthcare Group; and (v) other auxiliary services.

Pricing Policy

Pursuant to the Agreement, the terms of, and the service amounts payable under the individual agreements to be entered in accordance with the Agreement will be negotiated on a case-by-case and an arm's length basis in the ordinary course of business, and shall be on normal commercial terms in accordance with the following principles:

(a) by reference to the nature, scale, content, complexity and required expertise of the relevant services, the prevailing market prices of comparable services, and the rates charged by the Group for accepting or providing (as the case may be) the same or substantially similar services from or to independent third parties; and

(b) from the perspective of the Group, no less favourable than the prices and terms (including the payment terms) which the relevant members of the Group could receive from or offer to (as the case may be) independent third parties for comparable scope of services.

In particular, where comparable services are available, the business department of the Company (the "**Business Department**") will obtain and consider at least two quotations of: (i) in the case of Pedder Medical Related Services, medical services received from medical service providers who are independent third parties, and the nature and scope of such services that are comparable to Pedder Medical Related Services; and (ii) in the case of UMP Medical Related Services, medical services offered by the Group to customers who are independent third parties and the nature and scope of such services that are comparable to UMP Medical Related Services.

In the absence of any comparable medical services, the Business Department will conduct market research (through means such as discussions with service providers, customers and/or market surveyors) on the prevailing market prices charged for similar services by independent medical service providers in the case of Pedder Medical Related Services; and the quotations received by the Group from customers which are independent medical service providers in the case of UMP Medical Related Services. Under any of the above circumstances, the Business Department will report the findings, together with the recommended pricing determined based on such findings, to the senior management of the Company, which will then determine the prices for the relevant services.

Proposed Annual Caps

The Proposed Annual Caps in respect of the Pedder Medical Related Services and the Proposed Annual Caps in respect of the UMP Medical Related Services for Year 1, Year 2 and Year 3 will be:

Nature of Services	**Year 1**	**Year 2**	**Year 3**
The Pedder Medical Related Services	HK$50,000,000	HK$55,000,000	HK$60,000,000
The UMP Medical Related Services	HK$30,000,000	HK$35,000,000	HK$43,000,000

The Proposed Annual Caps in respect of the Pedder Medical Related Services are estimated primarily with reference to:

(a) the historical transaction amount of the Pedder Medical Related Services in the two financial years ended 30 June 2023 and 30 June 2024 and the 11 months ended 31 May 2025, amounting to HK$7,845,000, HK$19,415,000 and HK$20,867,000, respectively; and

(b) the estimated costs and expenses payable to the Pedder Healthcare Group during the term of the Agreement based on the future demand for the Pedder Medical Related Services in Year 1, Year 2 and Year 3, including (i) the expected increase in demand of medical services in consideration of the increase in public healthcare awareness and the aging population in Hong Kong; (ii) the expected increase in the number of visiting doctors assigned by the Pedder Healthcare Group based on the Group's business needs and development; (iii) the expected increase in demand of advisory and consulting support services to be provided by the Pedder Healthcare Group mainly on specialty medical services as a result of aging population in Hong Kong and rising demand on oncology services; (iv) the expected significant increase in demand of pharmaceuticals, drugs and medication services to be provided by the Pedder Healthcare Group, mainly attributable to the rising demand for the specialty medical services, especially oncology, the start of full procurement of expensive oncology medication by the Pedder Healthcare Group from 1 August 2025, as the terms which may be offered by the Pedder Healthcare Group to the Group are potentially more favourable than those currently obtained by the Group from independent third parties; and (v) general inflation of medical cost.

The Proposed Annual Caps in respect of the UMP Medical Related Services are estimated primarily with reference to:

(a) the historical transaction amount of the UMP Medical Related Services in the two financial years ended 30 June 2023 and 30 June 2024 and the 11 months ended 31 May 2025, amounting to HK$10,145,000, HK$20,710,000 and HK$19,592,000, respectively;

(b) the estimated costs and expenses payable to the Group during the term of the Agreement based on the future demand for the UMP Medical Related Services in Year 1, Year 2 and Year 3, including (i) the expected increase in demand of medical services in consideration of the increase in public healthcare awareness and the aging population in Hong Kong, which is anticipated to drive higher utilisation of ancillary medical services; (ii) the expected increase in demand on the auxiliary services, mainly medical imaging and laboratory services, as a result of expected increase in demand on specialty medical and oncology services that rely heavily on these diagnostic supports; (iii) the expected introduction and adoption of new medical technologies and diagnostic equipment by the Group to maintain competitive service quality, which entails increased investment and operation costs; and (iv) the general inflation of medical cost, including equipment maintenance, laboratory reagents, consumables, and staff remuneration.

In view of the above, the Directors (including the INEDs) are of the view that the Proposed Annual Caps in respect of the Pedder Medical Related Services and the Proposed Annual Caps in respect of the UMP Medical Related Services are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT

The Group is one of the leading corporate healthcare solution providers in Hong Kong which partners with corporations and insurance companies in the design and administration of corporate healthcare benefits plans for, and provides healthcare services to, such members, employees and policyholders. Other than providing medical services through its own medical centres, the Group has also maintained an extensive network of medical service providers. Therefore, it is in the ordinary course of business of the Group to establish cooperation with other medical service providers for the provision of medical and other ancillary services.

Pedder Healthcare Group is a medical group formed by a team of professional physicians and surgeons who are dedicated to providing high quality diagnostic, medical and surgical services to patients. It provides services in a vast array of medical and surgical specialities including breast surgery, cardiology, cardiothoracic surgery, clinical oncology, colorectal surgery, endocrine surgery, gastro-esophageal surgery, hepatobiliary and pancreatic surgery, spine surgery, neurosurgery, paediatric surgery, paediatric and adult urology, geriatric medicine, internal medicine, nephrology, ophthalmology, orthopaedics and traumatology, otorhinolaryngology, vascular surgery and plastic surgery.

The procurement of the Pedder Medical Related Services would be beneficial to the Group in broadening the scope of medical services to be provided via its panel, as well as facilitating the implementation of special projects by leveraging on the resources, experience and expertise of Pedder Healthcare Group. The introduction of Pedder Medical Related Services would further strengthen medical services logistics by providing one-stop service to the customers. It can also improve service and operational efficiency and hence improve the overall revenue and profitability. Separately, such procurement can help increase the Group's bargaining power, which will in return establish the competitive advantage of the Group's corporate healthcare solutions business to seek better terms of business with corporate and individual customers in business development.

The provision of UMP Medical Related Services to Pedder Healthcare Group would guarantee a stable income flow for the Group and enhance the utilization of the Group's imaging and laboratory facilities. This collaboration enables the Group to optimize the use of its advanced medical infrastructure and expertise, reducing idle capacity and maximizing return on investment. The extension of the Group's medical services to Pedder Healthcare Group allows the Group to effectively broaden its customer base, gaining access to a wider pool of corporate and individual clients associated with the Pedder Healthcare Group. This expansion facilitates deeper market penetration and creates cross-selling opportunities, thereby diversifying revenue streams and enhancing business resilience, therefore strengthens operational synergies and service integration within the Group, leading to improved service quality and customer satisfaction. Therefore, in the long run, the increased scale and scope of services would further bolster the Group's competitiveness, enabling the Group to secure more favourable terms in negotiations with external corporate and individual customers.

The provision of the UMP Medical Related Services and the procurement of the Pedder Medical Related Services will stimulate the cross referral of medical services among the Group and the Pedder Healthcare Group. The strategic alliance of the two well-established medical groups would complement their respective practice and be beneficial to the Group's development in the long term.

INFORMATION OF THE COMPANY

The Company is an investment holding company. The Group is principally engaged in the provision of healthcare services, which include corporate healthcare solution services, medical and dental services, medical imaging and laboratory services, healthcare and hospital management services, and other auxiliary medical services.

INFORMATION OF PEDDER HEALTHCARE

Pedder Healthcare is a wholly-owned subsidiary within the Pedder Healthcare Group.

To the best knowledge, information and belief of the Directors, having made reasonable enquiries, Pedder Healthcare Group has a dispersed shareholder base with 14 ultimate beneficial owners (being natural persons) with none of them individually controlling, directly or indirectly, one-third or more of the effective equity interest of Pedder Healthcare Group. Among the 14 ultimate beneficial owners, three (3) of them (namely, Dr. Chiu Shui Wah, Dr. Fan Chi Ming Edward and Dr. Tung Hiu Ming) each individually holds (directly or indirectly) more than 12% effective equity interest but collectively not more than 47% effective equity interest in Pedder Healthcare Group, none of the remaining ultimate beneficial owners individually holds (directly or indirectly) more than 11% effective equity interest in Pedder Healthcare Group. All these ultimate beneficial owners of Pedder Healthcare Group are independent third parties and they are also independent of and not related to each other.

INTERNAL CONTROL

In order to ensure the terms of the Agreement are on normal commercial terms and fair and reasonable to the Company and the Shareholders and are no more favourable than those offered by the Group to or received by the Group from to independent third parties, the Group has adopted the following internal control procedures to manage the transactions contemplated under the Agreement and the Proposed Annual Caps thereunder:

(i) the finance department of the Company will closely monitor and record the actual transaction amounts of the transactions under the Agreement to ensure that the Proposed Annual Caps will not be exceeded;

(ii) the relevant personnel of the Business Department will conduct regular checks to review and assess whether the transactions contemplated under the Agreement are conducted in accordance with the terms of the Agreement. The Business Department will regularly review the scope of services provided under the Agreement and, to the extent that similar scope of services is provided by independent third parties, compare the prices and terms under the Agreement with the market prices or standards of similar transactions involving the provision or receipt of medical and auxiliary services, to consider whether the prices charged on specific transactions are fair, reasonable and in compliance with the above pricing policies;

(iii) the legal department of the Company will conduct regular checks to review and assess whether the transactions contemplated under the Agreement are conducted on normal commercial terms, in accordance with the terms set out in the Agreement, and whether the service fees and relevant contract terms are in the interest of the Company and the Shareholders as a whole;

(iv) the internal audit of the Company will conduct review (which is subject to the annual review and disclosure requirements under the Listing Rules) on the continuing connected transactions on an annual basis and confirm whether (a) the transactions under the Agreement have been approved by the Board; (b) the transactions are in accordance with the Group's pricing policies in all material respects; (c) the transactions are entered into in accordance with the Agreement; and (d) the Proposed Annual Caps are not exceeded; and

(v) the INEDs will conduct an annual review (which is subject to the annual review and disclosure requirements under the Listing Rules) to confirm that the transactions under the Agreement are (a) conducted in the ordinary and usual course of business of the Group; (b) on normal commercial terms or better; and (c) conducted in accordance with the Agreement, and the terms of which are fair and reasonable in the interest of the Company as well as the Shareholders as a whole.

GENERAL

As at the date of this announcement, Pedder Healthcare is a subsidiary of a substantial shareholder of a number of subsidiaries of the Company and thus a connected person of the Company at subsidiary level. The transactions contemplated under the Agreement therefore constituted continuing connected transactions of the Company with connected person at the subsidiary level for the purpose of Chapter 14A of the Listing Rules and would be subject to the reporting, announcement, circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules as one or more of the applicable percentage ratios for the transactions contemplated under the Agreement on an annual basis is more than 5% but less than 25%. Pursuant to Rule 14A.101 of the Listing Rules, since (i) Pedder Healthcare is a connected person of the Company at the subsidiary level; (ii) the transactions contemplated under the Agreement are entered into on normal commercial terms; and (iii) the Directors (including INEDs) have approved the Agreement and the transactions contemplated thereunder, and confirmed that such transactions are entered into on normal commercial terms, are fair and reasonable and are in the interest of the Company and shareholders as a whole, the transactions contemplated under the Agreement are subject to the reporting and announcement requirements but are exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

None of the Directors has a material interest in the Agreement which required them to abstain from voting on the Board resolutions in relation thereto.

DEFINITIONS

In this announcement, unless otherwise indicated or the context otherwise requires, the following expressions shall have the following meanings:

"Agreement"	the medical services framework agreement dated 31 July 2025 entered into between the Company and Pedder Healthcare
"Board"	the board of Directors
"Company"	UMP Healthcare Holdings Limited (stock code: 722), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
"connected person"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"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
"independent third party"	third party independent of the Company and connected persons of the Company
"INEDs"	the independent non-executive Directors
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Pedder Healthcare"	Pedder Healthcare Management Limited, a company incorporated in Hong Kong with limited liability
"Pedder Healthcare Group"	Pedder Healthcare and any company which is for the time being its subsidiary or its holding company or a subsidiary of any such holding company and/or its affiliates
"Pedder Medical Related Services"	services to be provided by Pedder Healthcare Group to the Group as specified in the Agreement, including (i) medical consultation services to plan members under corporate healthcare benefit plans of the Group (as one of the affiliates of the Group's network of healthcare providers); (ii) medical consultation services to the Group through arranging or procuring its medical practitioners to provide medical services (including inpatient and/or outpatient services) to the Group; (iii) clinical administration and personnel support services; (iv) advisory and consulting support services; (v) supply of pharmaceuticals, drugs and medication; and (vi) other auxiliary services
"Proposed Annual Caps"	the proposed annual caps for the transactions contemplated under the Agreement for Year 1, Year 2 and Year 3
"Shareholder(s)"	the shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	has the meaning ascribed to it under the Listing Rules

"UMP Medical Related Services"	services to be provided by the Group to the Pedder Healthcare Group as specified in the Agreement, including (i) diagnostic, imaging and laboratory tests services; (ii) third-party administrator services; (iii) licensing and/or sub-leases of premises; (iv) medical consultation services to the Pedder Healthcare Group through arranging or procuring its medical practitioners to provide medical services (including inpatient and/or outpatient services) to Pedder Healthcare Group; and (v) other auxiliary services
"Year 1"	the period from 1 August 2025 to 30 June 2026
"Year 2"	the year from 1 July 2026 to 30 June 2027
"Year 3"	the year from 1 July 2027 to 30 June 2028
"%"	per cent.

By order of the Board
UMP Healthcare Holdings Limited
CHEUNG Chi Wah, Patrick
Company Secretary

Hong Kong, 31 July 2025

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, 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.