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Union Medical Healthcare Limited

香港醫思醫療集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2138)

RECENT UPDATE ON SALES VOLUME & UNAUDITED SALES INFORMATION DURING NATIONAL DAY GOLDEN WEEK HOLIDAY IN 2020

This announcement is made by Union Medical Healthcare Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Sales volume for the six months ended 30 September 2020

The board of directors (the “**Directors**”) of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the latest assessment by the Board with reference to the preliminary unaudited sales information of the Group for the six months ended 30 September 2020 (the “**Reporting Period**”) currently available, the Group expects to record,

- (i) Sales volume (being the total sales volume generated from contracted sales entered into, and all products and services offered by the Group, the “**Sales Volume**”) for the Group of no less than:
 - a. HK\$460 million for the three months ended 30 June 2020;
 - b. HK\$440 million for the three months ended 30 September 2020; and
 - c. HK\$900 million for the Reporting Period, representing a decrease of no more than 16% in Sales Volume for the Reporting Period as compared with the corresponding period last year.
- (ii) an increase in Sales Volume in the clinics and service centers located in Mainland China for no less than 30% during the Reporting Period as compared with the corresponding period last year; and
- (iii) an increase of no less than 25% in Sales Volume of medical services offered by the Group for the Reporting Period as compared with the corresponding period last year.

Sales information during National Day Golden Week Holiday

According to the statistics of the Immigration Department of the Government of Hong Kong, the passenger traffic from Mainland China visiting Hong Kong between 1 October 2020 and 7 October 2020 was approximately 1,000, representing a decrease of approximately 100% for the same period last year.

The Group also announces the Sales Volume of the Group from 1 October 2020 to 10 October 2020 recorded an increase of no less than 15% as compared with the same period last year, primary due to the increase in medical services offering.

Overall performance

Despite the adverse economic conditions from the outbreak of COVID-19 with restrictions on entering Hong Kong and social distancing over the entire Reporting Period,

- (i) the Group expects to record a decline in net profit for the Reporting Period as compared with the corresponding period last year;
- (ii) the number of customers visits in clinics and service centers located in Hong Kong and the Mainland China increased by over 5% and 25% during the Reporting Period respectively; and
- (iii) the overall financial position of the Group remains healthy.

The Group was able to redirect its proactive client engagement and promotional campaigns to boost sales in Mainland China and local spending, and complete acquisitions of certain medical establishment during the Reporting Period.

The Group will closely monitor the situation and continue to develop our business, with particular focus on information technology, while complying with the relevant rules and regulations. The Group's unaudited consolidated results for the Reporting Period are expected to be published by 30 November 2020.

The Board wishes to remind Shareholders and potential investors that the above data are based on the unaudited management accounts of the Group which have not been reviewed or audited by the auditors of the Company. Sales performance during the Reporting Period are affected by a series of factors, and, the operational data for the Reporting Period may not be able to reflect the overall performance for a complete Reporting Period.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Union Medical Healthcare Limited
Siu Chun Pong Raymond
Company Secretary

Hong Kong, 15 October 2020

As at the date of this announcement, the board of Directors comprises four executive Directors, namely Mr. Tang Chi Fai, Mr. Lee Gabriel, Mr. Lee Heung Wing and Mr. Wong Chi Cheung; two non-executive Directors, namely Mr. Luk Kun Shing Ben and Dr. Wang Steven Dasong, and three independent non-executive Directors, namely Mr. Ma Ching Nam, Mr. Look Andrew and Mr. Lam Chi Hang Josekin.

*For identification purpose only