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Heung Kong Financial raise Union Medical Healthcare target price to HK\$6.77 and maintain "Buy" rating

(3 December 2020, Hong Kong) **Union Medical Healthcare Limited** ("Union Medical Healthcare" or the "Company", which together with its subsidiaries is referred to as the "Group", SEHK stock code: 2138), the largest non-hospital medical group in Hong Kong* is pleased that Heung Kong Financial Group (Heung Kong Financial) has raised target price to HK\$6.77 and maintained a "Buy" rating.

Heung Kong Financial stated that given the fund raising and the current low valuations of medical peers from COVID-19 impact, the Group to take advantage of the situation and have significant M&As in the near future and these M&A's to provide the group with significant earnings boost.

Heung Kong Financial believed that the Group's strong growth going forward with its PRC business, given (i) new strategic investor, non-executive director of Agile, providing more opportunities with Agile's network; (ii) new Shenzhen headquarters in FY21 completed; and (iii) the group's target of 30-50 new health centres in the GBA by FY25E and the PRC revenue is expected to surge to HK\$1 billion by FY25.

- End -

About Union Medical Healthcare Limited

Union Medical Healthcare is Hong Kong's largest non-hospital medical service provider*, leveraging its core businesses of preventive and precision medicine, and committed to developing medical artificial intelligence by integrating its multi-disciplinary medical services. The move, which is supported by the Group's high-end branding and quality customer services, is aimed at offering customers safe and effective medical services with professionalism.

The Group principally engages in the provision of one-stop medical and health care services in Greater China. The Group provides a full range of services and products under its well-known brands, including those of its one-stop aesthetic medical solutions provider DR REBORN which has ranked first in Hong Kong by sales for years, primary care clinics jointly established with Tencent Doctorwork, chiropractic services centre SPINE Central, New York Spine and Physiotherapy Center NYMG, health management centre re:HEALTH, a vaccine centre Hong Kong Professional Vaccine HKPV, a comprehensive dental centre UMH DENTAL CARE, a diagnostic and imaging centre HKAI, an oncology treatment centre reVIVE, a day procedure centre HKMED, a specialty clinic SPECIALISTS CENTRAL, obstetrics and gynecology specialist Zenith Medical Center and Prenatal Diagnosis Centre, specialists central New Medical Center, Hong Kong International Cardiology Center and a professional hair care center HAIR FOREST.

*According to the independent research conducted by Frost and Sullivan in terms of revenue in 2018 and 2019

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