

[FOR IMMEDIATE RELEASE]



HSBC doubles EC Healthcare target price to HKD15.00 and reiterates “Buy” rating EC Healthcare’s third advanced imaging service centre commences operation

(6 May 2021, Hong Kong) **EC Healthcare** (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 to announce that the HSBC Global Research (HSBC) reiterates EC Healthcare’s “Buy” rating and doubles the target price to HKD15.00 from HKD7.50.

HSBC expects that China’s aesthetic medical service market is to double by 2024 on rising acceptance of beauty procedures and EC Healthcare is a major beneficiary as it is accelerating its expansion into the Greater Bay Area. The Company is particularly well positioned underpinned by the following factors:

- The change of company name reflects the Company’s strategy of becoming a leading one-stop medical healthcare service provider in Asia and its rising focus on Mainland China.
- EC Healthcare’s fast recovery amid the COVID-19 pandemic and the rebound of contract sales reflect its business resilience and strong execution.
- The expected further relaxation of the cross-border travel quarantine requirements will act as a catalyst.
- HSBC expects the recent M&As to contribute considerably to the estimated 2021 earnings, while the organic expansion of the Company, especially in the medical segment, remains on track.
- HSBC recognized that the introduction of two new strategic investors Dr. Cheng Chi Kong and Aspex Master Fund will provide fresh capital for expansion and suggests potential collaboration.

In addition, the Group’s new advanced imaging service center in Tsim Sha Tsui has commenced operation today to complement its existing service offerings in Kowloon. The new centre located at Pacific Centre has a gross floor area of approximately 3,200 square feet and offers state-of-art advanced imaging services such as Magnetic Resonance Imaging (MRI) Scan, Computed Tomography (CT) Scan, X-ray and ultra sound. Together with the two existing advanced imaging service centres in Mong Kok and Yuen Long, the total gross floor area of the Group’s three advanced imaging service centers is approximately 14,000 square feet.

Mr. Eddy Tang, Chairman, Executive Director and Chief Executive Officer of EC Healthcare said, “Preventive and precision medicine has been one of the core business of the Group. To fulfill the demand for advanced imaging services, the Group has established relevant service centers through organic growth to achieve further business synergy with diversified medical and healthcare business units among the enclosed ecosystem of the Group. We believe the aforementioned business expansion will become a growth driver for the Group’s business, further consolidating the Group’s position in the industry as a one-stop comprehensive healthcare and medical service provider, and effectively expanding its healthcare and medical market share.”

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About EC Healthcare

EC 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 healthcare and 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 and NEW MEDICAL CENTER, obstetrics and gynaecology specialist ZENITH MEDICAL CENTER AND PRENATAL DIAGNOSIS CENTRE, specialists central, a paediatric center PRIME CARE, cardiology center HONG KONG INTERNATIONAL CARDIOLOGY CENTER, PathLab Medical Laboratories and a professional hair care center HAIR FOREST.

*According to an independent research conducted by Frost and Sullivan in terms of revenue in 2019 and 2020

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