

November 13, 2020

Mr. Eddy Tang
Chairman and Chief Executive Office
Level 50, Langham Place Office Tower,
8 Argyle Street, Mong Kok
Hong Kong

Dear Mr. Tang,

We hope this letter finds you and your company well. Thank you for the recent meetings with us to share your strategy and efforts to maximize long-term shareholder value. In the spirit of openness, here are several suggestions for the Company to consider:

1. Improving financial disclosure

We believe that the Company has been improving its financial reporting transparency and effectively communicating with investors since the IPO. However, we have observed that further disclosures may help investors and analysts to gauge the Company better. For example, (i) operating numbers such as the geographical distribution of clients would allow us to understand customer trends and upcoming business opportunities; (ii) facility design capacity and utilization rate would allow us to understand operational efficiency and long-term expansion plans; and (iii) post-acquisition integration measures to showcase cost benefits or synergies would allow us to better understand the Company's acquisition strategy. These are just some examples and we would be happy to discuss this topic further if you are interested.

2. Cash or scrip dividend to cater to investor interest

UMH has been paying attractive dividends to investors since their IPO in 2016. As a long-term investor, we prefer to grow with the Company as partners to generate compound returns instead of eyeing short-term dividends. In view of this, as the Company is going through a growth phase, scrip or cash dividends would cater to different investors' interest.

3. Establishing an ESG roadmap

As the largest non-hospital medical service provider in Hong Kong, UMH can play an important role in setting up a good environmental, social, and governance (ESG) standard for its industry. We strongly recommend that management forms an ESG committee for steering an ESG roadmap that considers: the environmental front such as the recycle rate for reducing the carbon footprint; the social responsibility front such as the employee retention rate or the loss in work days due to work-related accidents; and finally governance aspects such as establishing a clear company vision and relevant KPIs. Such a roadmap enables stakeholders to keep track of the company's vision and progress and to engage with the Company's long-term partners.

We sincerely hope that management will consider these recommendations. If you have any questions, please do contact us.

Sincerely,



Ronald Chan
Chief Investment Officer
Chartwell Capital Limited



Anastasia Cheung
ESG Director
Chartwell Capital Limited