



(Incorporated in the Cayman Islands with limited liability)
(Stock code: 2161)

JBM Healthcare Announces FY2023 Interim Results

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Net Profit Increases 116% to HK\$21.6 Million
Declares Interim Dividend of HK0.5 Cent Per Share

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Resilient Performance as Growth Momentum is Set to Continue

KEY HIGHLIGHTS

- Period-on-period revenue up by 25%, totaled HK\$236.8 million
- Profit attributable to equity shareholders increased by 116%, amounting to HK\$21.6 million
- The Board declares an interim dividend of HK0.5 cent per share
- Proprietary Chinese medicines business witnessed robust growth of 53.1%
- Cross-border e-commerce business gained traction alongside expanded product offerings and growing customer traffic
- Foreseeable growth of traditional Chinese medicine (TCM) business bolstered by favourable policies for gaining access to Greater Bay Area markets.

(Hong Kong, 25 November 2022) **JBM (Healthcare) Limited** (“JBM Healthcare” or the “Group”; Stock Code: 2161), a leading branded healthcare products marketer and distributor in Hong Kong, has announced today the interim results of the Group for the six months ended 30 September 2022 (the “Reporting Period”).

Despite the lingering effects of the COVID-19 pandemic and the volatile economic sentiment in Hong Kong, the Group continued to perform in a resilient manner posting total revenue of HK\$236.8 million in the Reporting Period, delivering a notable increase of 25% period-on-period. Profit attributable to equity shareholders also increased by 116% period-on-period to HK\$21.6 million. Such growth was primarily due to the easing of local social distancing policies, which buttressed retail spending sentiment and led to a gradual recovery of the Group’s overall sales, alongside a financial subsidy from the HKSAR Government through the Employment Support Scheme.

The Board declares the payment of an interim dividend for the six months ended 30 September 2022 of HK0.5 cent per share.

Resilient Performance Sustained by Robust Branded Portfolio

During the Reporting Period, the Group has made sound progress in developing its cross-border e-commerce platform, expanding the access of its products to a growing consumer base in Mainland China. Furthermore, the Group continued to implement its growth strategies to keep pace with consumer demand and market opportunities, further leveraging its unique strength to reinforce the Group's competitive position as a farsighted branded healthcare player in Asia. The promising performance was underpinned by the Group's brand management and strong commercial execution capabilities, as well as established sales network.

For the **branded medicines** business, sales revenue saw a decline of 10.3% period-on-period to HK\$56.9 million, mainly due to the adverse impact of the pandemic on retail consumption in Hong Kong and Macau. Nonetheless, the category-leading AIM Atropine Eye Drops brand continued to achieve promising growth realising 11.3% sales growth.

Regarding the **proprietary Chinese medicines** business, sales revenue delivered robust growth of 53.1%, amounting to HK\$163 million, which was driven by strong momentum from its Concentrated Chinese Medicine Granules ("CCMG") business as a result of rising recognition and acceptance towards the adjunct therapeutic benefits of Chinese medicine amongst the general public. Our category leading brand, Po Chai Pills, also posted a remarkable growth of over 60% during the Reporting Period.

As for **health and wellness products**, sales revenue registered a decline of 13.3% to HK\$16.9 million during the Reporting Period, which was mainly due to lower sales of certain products in the Hong Kong retail sector, though offset by growth from Oncotype DX and the Pantogar shampoo and tonic series. Oncotype DX posted a robust growth of 19.7% with a sustained momentum during the Reporting Period. With respect to Pantogar, an effective treatment for hair loss as substantiated by clinical studies, it also gained notable success via e-commerce platforms and professional hair salon channels. Pantogar sales was boosted by the launch of a new shampoo and tonic series that feature specialised formulations for women and men.

Accelerating E-commerce Development

The development of the Group's PRC cross-border e-commerce business continued to gather momentum as a result of its sustained efforts to drive expansion across product offerings, platform footholds, and customer traffic.

The two self-operated flagship stores on Tmall Global Marketplace (天貓國際賣場型旗艦店) and JD Worldwide (京東國際) achieved significant progress in expanding market share and customer base during the Reporting Period, bolstered by the effective operation and customer service support of its dedicated cross-border e-commerce team. The Group's flagship store has earned a top 8 ranking at Tmall, while Ho Chai Kung Tji Thung San (何濟公止痛退熱散) has claimed a top 5 ranking in the pain-killer category of the platform during the Reporting Period.

The Group has continued to strengthen its partnership and operation with major PRC cross-border e-commerce platform customers, which witnessed a notable increase of pre-event purchase orders from B2B partners for the "6.18" and "Double 11" promotions during the Reporting Period. Apart from OTC products, the Group has been also actively enhancing its portfolio with products for tapping new potential categories to target a wider range of consumer groups. The Group's skincare and beauty products are currently sold through VIP Shop (唯品會), a popular cross-border e-commerce platform for branded lifestyle products, and will be available via a growing array of cross-border e-commerce platforms.

Capturing Growth Potential of Chinese Medicines

The Group's proprietary Chinese medicine business also benefits from the government bureaus' collaborative support in facilitating the entry of Hong Kong's traditional proprietary Chinese medicines into the Greater Bay Area. Leveraging the streamlined measures for the Group's proprietary Chinese medicines portfolio to register with the Guangdong Provincial Medical Products Administration, it has successfully secured approval for registering its medicated oil brands Shiling Oil (十靈油) and Konsodona Medicated Oil (鎮痛霸祛風活絡油) in the Greater Bay Area.

Mr. Patrick Wong, Chief Executive Officer of JBM Healthcare, said, "In the wake of adverse market sentiments, pragmatism and persistence have never been more important as we navigate through the challenges that the pandemic has introduced to the business landscape. The pandemic has heightened health awareness and accelerated consumers' shift towards a more proactive approach in managing their health and wellness, which will further shore up self-care demand. The Group, as a key proprietary Chinese medicine and CCMG market player in Hong Kong, is also well poised to tap the burgeoning market in the Greater Bay Area, supported in part by favorable policies that encourage the development of TCM in the region and which will create more prospective business opportunities.

Looking ahead, we remain optimistic about the outlook for the healthcare industry. Adhering to our mission of enabling better health through self-care, we will continue to focus on developing our growth strategies based on the objectives of greater resilience and operational efficiency, and capitalise on market opportunities by helping consumers better manage their health through quality and well-trusted branded healthcare products."

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About JBM (Healthcare) Limited (健倍苗苗 (保健) 有限公司 ; Stock Code: 2161)

JBM Healthcare is a Hong Kong-based company that markets and distributes branded healthcare products across Greater China, Southeast Asia and certain other countries. The Group is a unique field player with marketing expertise and a drug heritage that prioritises product efficacy and quality to meet consumers' healthcare needs. As a renowned healthcare brand operator in Hong Kong, the Group carries a wide-ranging portfolio of branded healthcare products comprising branded medicines, proprietary Chinese medicines and health and wellness products, which include well-recognised household brands such as Po Chai Pills (保濟丸), Ho Chai Kung Tji Thung San (何濟公止痛退熱散), Contractubex (德國秀碧除疤膏), BITE-X (德國寶寶手指水), Mederma Kids (美德瑪寶兒除疤膏), Tong Tai Chung Woodlok Oil (唐太宗活絡油), Flying Eagle Woodlok Oil (飛鷹活絡油), Saplingtan (十靈丹), Shiling Oil (十靈油) and Konsodona Medicated Oil (鎮痛霸祛風活絡油). JBM Healthcare has been a constituent stock of the MSCI Hong Kong Micro Cap Index since 27 May 2021. For more details about JBM Healthcare, please visit: www.jbmhealthcare.com.hk

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