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Full Year 2023 Hywin Holdings Ltd Earnings Call

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## CONFERENCE CALL PARTICIPANTS

**Teng Ma** *Harmolands Capital*  
**Chong Zhou** *Jusheng Fund*  
**Huang Yongzhong** *Dahao Investment*

## PRESENTATION

### Operator

Good morning, and good evening, ladies and gentlemen. Thank you for standing by, and welcome to Hywin Holdings Second Half and Fiscal Year 2023 Earnings Conference Call.

(Operator Instructions)

Before we start, I refer you to the safe harbor statement in the company's earnings release, which also applies to the conference call today as our management will make forward-looking statements. On the call today are the company's Director and CEO, Madam Wang Dian and CFO, Mr. Laurence Lok. Madam Wang will review the company's performance for the second half and fiscal year 2023. Mr. Lok will translate for Madam Wang. Then Mr. Lok will discuss the financials. We will be hosting a question-and-answer session after the management's prepared remarks. You may refer to your financial results of second half and fiscal year 2023 on the company's IR website at [ir.hywinwealth.com](http://ir.hywinwealth.com). I will now turn the call over to Director and CEO of Hywin Holdings, Madam Wang Dian. Madam Wang, please proceed.

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

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**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] Hello, everyone, and welcome to the Hywin Holdings Earnings Call for the Second Half and Full Year of Fiscal year 2023. On today's call, I will review the results first and provide updates regarding the significant progress we have achieved across each of the company's main business segments. After that, I will turn the call over to Mr. Lawrence Lok, our Chief Financial Officer; to provide greater details on the company's financial performance.

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

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**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] During this past fiscal year, both the global and the Chinese economies have shifted from a tumultuous pandemic period towards a phase of moderate recovery. However, while there are significant post-COVID rebounds in many areas, the overall markets in China have remained in flux, grappling with ongoing volatilities and uncertainties, and a muted investment sentiment overall.

Amidst these challenges, Hywin has taken a proactive approach, and we quickly adapted our strategy to respond to the changing market environment and we rapidly advanced our businesses in health management, asset management and overseas businesses.

In fiscal year 2023, the inaugural year of our Wealth plus Health dual platform strategy, Hywin achieved remarkable net revenues of RMB 2.09 billion, representing 7.7% year-on-year growth. Our strong business performance in traditional wealth management products served as a foundation while we actively developed new avenues and new ventures to drive growth and diversify our revenues.

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

**Wai Lok Hywin Holdings Ltd. - CFO**

In our Wealth Management business, we have adeptly responded to market shifts in this period by increasing our product focus on asset-backed products, protection products, as well as discretionary products to meet our high net worth clients' demand for both diversification as well as stability in this post-pandemic period. These products characterized by their strong resilience during a time of volatilities and uncertainties offer our clients stable returns and the ability to expand market cycles.

Meanwhile, our Health Management business has now emerged as a second growth driver and demonstrated rapid growth in its inaugural year. Generating net revenues of nearly RMB 90 million, which is more than [200x] (corrected by company after the call) year-on-year growth, our Health Business is starting to play an increasing role for expanding our client trust and loyalty in us and providing clients with more comprehensive services across their full life cycle.

Since Hywin's IPO, we have taken proactive steps to diversify our business mix, expand global asset allocation for clients and make a successful entry into the Health Management Industry. These strategic initiatives serve both as new growth catalysts as well as performance stabilizers, particularly during cyclical market downturns.

Next, let's take a look at the performance of each segment.

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

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**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] In the Wealth Management segment during fiscal year 2023, the domestic financial market faced challenges from both the supply side where asset quality and asset performance was weak as well as on the demand side where investor sentiment was soft in addition to build increasing competition from U.S. dollar assets given high interest rate differentials. As a result, this was reflected in the changes in our product mix during this period.

Overall, the transaction value in the Wealth Management segment totalled RMB 72.6 billion, a 9% year-on-year decline amongst which asset-backed products accounted for RMB 66.6 billion, representing a 5.8% year-on-year decrease as we were more selective with our products in this period.

On the other hand, our Insurance Business made great advances achieving a remarkable 262% year-on-year growth in the transaction value of international insurance products reaching RMB 460 million.

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

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**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] In the Asset Management segment, total asset under management AUM increased by 90.8% year-on-year, reaching RMB 8.5 billion. Notably, 82% of the AUM was contributed by clients acquired outside of Mainland China. The global nature of our client base and their investing activities is a reflection of the success of our global strategy. In the second quarter of this calendar year, we recruited a team to target Middle East and South Asian clients further expanding our global client coverage and tapping into new sources of wealth.

Hywin International's EAM, external asset management business model is the flagship product of our Asset Management segment and has achieved exceptional success with AUM reaching USD 1 billion in fiscal year 2023, representing a year-on-year growth of 72.6%.

The EAM business model is a sophisticated asset management business model combining intellect driven active management, multi-asset class investing as well as global booking and global execution. Hywin's EAM business is highly regarded by our ultra high net worth clients in Asia Pacific. The high standards set by Hywin's EAM business can also act as a catalyst and in turn, help us coach the advisory skills and client servicing skills of all of Hywin's relationship managers.

**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] As a fully owned subsidiary of Hywin Holdings, Hywin International is recognized by the Hong Kong SAR government as one of the top 5 family offices and holds the Vice Chair of the Hong Kong Limited Partnership Fund Association.

In addition, as an example of Hywin's foray into technology-driven asset management, in 2023, we successfully launched the "Global Mega-Trend Series" of principal-protected notes in partnership with Leonteq AG, a Swiss fintech company and ARTA TechFin, a hybrid fintech platform in Hong Kong. This product series can help investors participate in 6 distinct and sustainable investment themes while enjoying the peace of mind of principal protection. This innovative and proprietary product series, once again, demonstrated Hywin's expertise in product R&D and risk management and help us enhance the profitability, countercyclicality and stickiness of our client AUM.

The success of Hywin's Asset Management business in an international market that is dominated by global incumbents is the strong endorsement of our investment management expertise and product know-how. We plan to expand this business and deepen our penetration with a wider client base going forward.

**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] As of June 30, 2023, our total client base reached 153,000, reflecting an 8.2% year-on-year increase. Of those, nearly 47,000 were active, up 6.5%. The repeat investment rate amongst our clients stood at 82%. These statistics underscore the trust that high net worth individuals place in Hywin. Their strong trust in our relationship managers and their strong loyalty to our investment platform even in the face of market challenges.

Within our ultra high net worth clients here, 36% are domiciled outside of Mainland China, which demonstrates Hywin's client acquisition and client servicing capabilities in both domestic and international markets.

Meanwhile, we remain committed to attracting top-tier talents. Actively growing our relationship managers team and enhancing the footprint of our wealth servicing centers across key regions in China. As of June 30, 2023, our total number of relationship managers reached 1,749, a 3.1% increase year-on-year. We have successfully expanded our reach to cover 91 cities, key cities with a robust network of 185 wealth servicing centers reflecting sustained growth from the previous year. With this foundation, we seek to vigorously develop our Health Management business as well and unlock the synergies between the infrastructure and client base of our Wealth Business and the expansion of client proposition and client engagement driven by our health business.

**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] In fiscal year 2023, Hywin Health recorded net revenues of RMB 87.8 million, amongst which the Health Screening segment accounted for RMB 23.4 million with an average revenue per visit of RMB 2,904 while the Health Management segment accounted for RMB 64.4 million with an average revenue per client of RMB 22,613.

Our premium pricing and health management reflects our premium positioning and providing high-end medical screening and high-end health management services for high net worth individuals.

Industry research data shows that medical and health services is one of the largest categories of nonfinancial services demanded by high net worth individuals. As the affluent population in China continues to grow and age, demand for high-end health management services is becoming increasingly critical. Yet this market segment is currently underserved as it requires a high level of expertise, privacy, access

to global solutions as well as top-notch client experience.

Since the launch of Hywin Health, we have been integrating our 5 professional health management clinics into our daily operations and expanded their advanced health management technologies, hardware, service models from developed markets, including the United States, Germany and Japan. Our vision is to further build out our online health management platform and our offline one-stop health management services as 2 strategic levers in 1 ecosystem in order for us to grow and further monetize on our high net worth client base.

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

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**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] One of our core digital strategies is the digitization of our clients' health management records. We have built out a digital health cloud platform to achieve centralized management and protection of client data as well as digital management of our products and supply chain. We have accumulated over 110,000 health data assets to support a centralized planning and management of our businesses. At the same time, we also began to utilize digital technologies such as VR stores and AI health assessment to improve our seamless online plus offline client experience.

Going forward, we are fully dedicated to further expanding the growth of our health management business, leveraging our 5 health management clinics in Beijing, Shanghai, Chengdu and Chongqing. We plan to establish additional presence in other first-tier or second-tier cities in China. We seek to grow our healthcare offerings and expand into new markets, which may include organic build-outs, acquisitions, investments, joint ventures or other growth avenues.

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

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**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] Hywin's investment in digital technology is embedded in not only the Health Management segment, but also our Wealth Management business. We take a client-centric approach and created HIPA intelligence asset allocation system and the X-Link Big Data service platform. These platforms enhance our asset allocation consultation, risk management and client processes. We provide investors with personalized asset allocation solutions by anticipating client needs and giving clients insightful guidance.

Moreover, our dedicated fund trading platform Invest Path is specialized for institutional clients, which improves trading efficiency and ensuring high-quality execution experience. With the use of technology, our online transaction rate for institutional clients has now reached 99%, and account opening processing now takes 30 minutes instead of previously 2 days. And transaction execution now takes 3 minutes instead of previously 1 day, thereby greatly enhancing our efficiency for institutional clients.

In addition to leveraging technology to empower products and services, our digital technologies today also underline how we run our businesses. Digitizing our operations and processes has helped us become a more agile organization, reducing operating inefficiencies and promoting scientific data-driven decision-making across the firm.

To date, we have obtained over 30 software copyrights and our subsidiary Hywin Technology has recently gained official recognition as a national high-tech enterprise and has been named on the list of specialized, refined, distinctive and innovative small, medium enterprises in Shanghai.

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

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**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] Hywin's corporate governance, institutional platform and client reputations have been widely recognized in the industry, earning us numerous awards and accolades. On June 1 this year, Hywin Holdings was named the Best Wealth Manager of Greater China

2023 by WealthBriefingAsia. This is the third consecutive year that Hywin has been named for this award. On August 12 this year, Hywin Wealth was honored as an "Outstanding Wealth Manager" at the 2023 China Asset Management Annual Conference and China Asset Management Golden Shell Awards, hosted by the 21st Century Business Herald. On June 8 this year as the 2023 ESG Practice -50 Responsible Listed Companies Award of The Economic Observer, Hywin Holdings was recognized for our ESG contributions, Hywin is recognized as one of the few industry leaders who pioneered and champion ESG values in our industry.

On May 19, Hywin Wealth won number #3, amongst the "Top 5 2022 Most Competitive Wealth Management Institutions by ChinaVenture, Hywin's dual-platform strategy and notable advances in digital transformation were recognized.

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

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**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] In closing, as we concluded fiscal year 2023, there was a year of change and transformation for Hywin, we made proactive adjustments to our product mix and our business strategy in response to market changes. We achieved steady revenue growth. And we're proud of our client stickiness as our clients stayed with us during the market downturns, as demonstrated in our client repeat investment rate at 82% this year.

We strengthened our core platform capabilities, and we incentivized our relationship managers to upgrade their skill sets and further expanded the use of technology across our businesses and processes. The resilience of our performance this year once again give us the confidence to grow and position ourselves for future market cycles and market opportunities.

We stay optimistic about Hywin's future, just as we are excited with the enormous potential of China's wealth management industry going forward.

Thank you, Madam Wang, and thank you all for joining us today. Before we begin our detailed financial discussions, please note that unless otherwise stated, all financial numbers presented today are in Renminbi terms, while comparisons are made on a year-over-year basis.

I will now present our financial results for the second half and fiscal year 2023 ended June 30. In the 6 months ended June 30, 2023, our total net revenues were CNY 1.1 billion, down 0.5%. Total net revenues for the full fiscal year was CNY 2.1 billion, up 7.7%. Looking at our revenue breakdown. Revenue for our Wealth Management segment was CNY 1.9 billion for the full fiscal year, up 2.6%. The year-on-year growth was primarily driven by strong sales performance of other financial products, which increased to more than threefold to CNY 302.1 million, mainly attributed to surging insurance demand post-COVID.

We adjusted our product offering strategy in the face of market volatilities and uncertainties to emphasize more on protection and wealth preservation.

We also reduced the supply of our traditional asset-backed wealth management products during this period as we were more selective on the credit quality of fixed income products. NAV-based products also declined as a result of weak overall Chinese equities markets. Revenue from private market investment products declined by 10.4% to CNY 1.6 billion, while revenue from public market investment products increased by 45% to CNY 20.5 million.

Revenue from our Asset Management segment for the full fiscal year was CNY 32.6 million, up 67%. Asset management continues to contribute high growth to our revenues, mainly due to increases in clients assets under management AUM. We maintained our leadership in EAM in Hong Kong, where client AUM increased by 72% to USD 1.0 billion.

Hywin Health segment revenue and net losses for the full fiscal year was CNY 87.8 million and minus CNY 112.8 million, respectively. Hywin Health revenue grew rapidly this year as we focused on integration and capacity ramp-up post acquisitions this year. We may seek to make additional investments in Hywin Health going forward in order to expand our Hywin Health footprint. While we will also focus on

further tightening our cost control to improve net losses at individual Hywin Health clinics.

On the cost and expense side, total operating cost and expenses for the full fiscal year was CNY 1.9 billion, up 17%. Compensation and benefits increased 10% to CNY 1.2 billion, which is in line with the increases in the number of relationship managers and increases in the transaction value of overseas insurance products. Health related costs was CNY 74.5 million, sales and marketing expenses increased only slightly by 2% to CNY 318 million. General and administrative expenses increased 24.9% to CNY 302.2 million, primarily due to increased personnel and infrastructure expenses in technology as well as new expenses related to the Health Management segment.

Our income from operations for the full year was CNY 197.4 million, down 39%. Reported net income for the full fiscal year was CNY 100.3 million, down 49%. Our earnings per ADS for the full fiscal year was CNY 4.64 on a per ADS on a basic basis and CNY 4.48 per ADS on a diluted basis.

As of June 30, 2023, we had CNY 945.9 million in cash and cash equivalents and restricted cash on hand. We believe our strong cash flow generation, together with our strong balance sheet has provided us with significant opportunities for further growth and further value creation going forward. Thank you, everyone. This concludes our prepared remarks for today. And operator, we are now ready to take questions.

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## QUESTIONS AND ANSWERS

### Operator

(Operator Instructions)

Today's first question comes from [Teng ma]. Please pardon me. Today's first question comes from Sandy Mehta with Evaluate Research, please go ahead. Pardon me, today's first question comes from Teng ma with Harmolands Capital.

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### Teng Ma Harmolands Capital

Hello, can you hear me? I have 1 question is -- at what stage is Hywin's current diversification strategy in?

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### Dian Wang Hywin Holdings Ltd. - CEO & Director

(foreign language)

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### Wai Lok Hywin Holdings Ltd. - CFO

[Interpreted] So thank you, Martin for your question. This is Lawrence here. I'll translate for Madam Wang and add some perspectives from my own as well.

So your question on diversification. I think our view on diversification, Madam Wang mentioned, at least 3 dimensions where we think of our diversification strategies. The first dimension is the product dimension. On the NAV-based products, obviously, this is a direction for us. But these are assets NAV-based products, these are asset classes that tend to be procyclical, right, not countercyclical. So we have to look at the market condition in deciding our strategies around specific products. On the private secondaries or mutual fund products, we were in this past year, we were cautious, right, given the ongoing market volatilities and market conditions. But we now -- increasingly, we now see opportunities as the market may seek to bottom.

For longer-duration private equity in view of the overall compression in the IPO market, the strategy for us is to focus, right? Our strategy is to focus on top managers or promising large promising opportunities especially in high-tech sectors that are in line with national directions.

For asset-backed traditional wealth management products, our strategy is to continue to stay flexible, right, and continue to be optimistic, but this is where risk management and credit quality is very key. So we will also continue, right, to introduce more fixed income plus or fixed income like wealth management products that will further diversify our asset-backed product offerings as well.

So as we approach the end of the year and start thinking about 2024, overall, we feel that we are positioned for a rebound in NAV-based products if the market conditions support that. That's the first dimension, which is on products.

The second dimension that Madam Wang was explaining was our geographical diversification. Hywin is very deeply rooted in Mainland China, perhaps differently than some of our competitors, we will continue to be committed to and continue to invest and grow in the Mainland. But at the same time, we are very fortunate that we have built a very strong international operation today based in Hong Kong. So our Hong Kong arm has historically has operated still independently, right, and follow international best practices. We're therefore unique in the sense that we have very strong offerings, both domestically as well as in Hong Kong, and we'll continue to do so in serving our clients onshore as well as offshore wealth management needs.

The third dimension that Madam Wang point to was our business segments. We announced our Wealth Plus Health strategy as our overall future direction. We know firsthand that high net worth entrepreneurs in China have large unmet needs in respect of health management. So that is a \$1 trillion industry opportunity for us, a once in a decade opportunity in our view. And we're also aware that there is a generational succession industry opportunity in China's wealth management industry as the first generation of wealthy families in China passing on their wealth to their second generation. This also is a once-in-a-decade opportunity for us in our view. So yes, we view our diversification strategy and pathway to encompass all of these elements above. Thank you, next question, please.

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**Operator**

(Operator Instructions)

The next question is from Chong Zhou, Investor.

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**Unidentified Participant**

(foreign language)

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**Chong Zhou Jusheng Fund**

[Hello management, could you provide more color on the impact of the real estate downturn on the economy, and on Hywin's operations?] (added by company after the call).

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language)

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**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] Thank you, Mr. Zou. I will translate for Madam Wang. So Madam Wang pointed to the fact that the real estate industry plays a very significant role in driving the overall economy in China. Statistics show that the real estate sector accounts for more than 30% in GDP directly and indirectly. China went through a booming development phase with real estate and then there was a frothy bubble pace with real estate. Our view is that the recent dislocations in the real estate industry is actually a necessary process and a part of the sector's overall deleveraging process. And after that, we are going to see a more stable and more sensible real estate industry landscape overall.

That said, we also noted a number of stimulus or relaxation policies in the sector, which we think are supportive of the investment environment in this space. For example, interest rate cuts, relaxation of first-time homebuyer benefits, urban village upgrade in 21 cities, et cetera. All these policies are aimed at improving the demand and supply balance in the fiscal sector.

So for us, Hywin real estate-backed wealth management products is only 1 of the many assets backed product that we distribute. The specific products or asset classes that we introduced to our product pipeline, on a week-to-week, month-to-month basis is a very dynamic process, right, where we take into account market factors, our house views as well as investor client demand. And we want to emphasize that unlike other players, we don't take risk positions ourselves in the products that we distribute. And we did not try to make money by making leveraged bets on distressed assets, for example, trying to flip them in the past, right?

So we don't have this kind of risk exposure that some players in the market are having right now, which generally intend to be exposed when there is a market downturn like today. So it is important and Madam Wang reiterated that we stay very focused in our Wealth Management business, and we're very clear that we will continue to keep our business model and revenue model very simple and focused.

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**Operator**

The next question comes from Huang Yongzhong with Dahao Investment.

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**Teng Ma Harmolands Capital**

(foreign language).

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**Huang Yongzhong Dahao Investment**

[Congratulations on the results! I have two questions. Has Hywin's business and client investment sentiment been affected by the weak economic situation this year? What measures have you taken in face of the situation?] (added by company after the call).

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language).

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**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] Thank you, Huang Yongzhong. I'll translate for Madam Wang. So we did see some market shifts as well as investor sentiment and appetite changed in the past year, as you pointed out. But for us, Hywin, we were not impacted to a large extent. We believe that's because of several reasons. First, Hywin has been very proactive in our client dialogue or client expectation management, and giving our clients professional advice and insights, right? So all of these are actually very important elements in our daily business, as an independent wealth manager in keeping our clients' trust and keeping our clients focused, especially in the face of a tough market like today's.

The second is Hywin has been very proactive as I had previously pointed to with our product strategy. Basically, our goal is to offer a full shelf of products for all weathers, whether it's rain or sunny, right? We're distributing the right products to the right clients. As I mentioned in the prepared remarks, we did emphasize more on stable products in this period, for example, right, whether it is fixed income or principal protected notes or insurance, et cetera. All of these help us and our clients in this current market environment.

As you mentioned about the Chinese economy, we actually stay optimistic, perhaps cautiously optimistic as well on China. We noticed that there are recently numerous policy support measures that have been announced this year so far is especially clear to us that the government's policy direction is back to supporting stability and growth in the Chinese economy, especially in the property sector, for example, as well as stimulating consumption in the Chinese economy.

We also know that under NDRC, right, National Development and Reform Commission, which is under the State Council announced that it set up a new China Private Economy Bureau, meaning once again, very, very clear signal to us that the top Chinese regulators are focused and they want to bring back an environment that is conducive to the private sector and private factor entrepreneurship. A lot of clients or Chinese private sector entrepreneurs themselves. And I think these actions from the top will help restore confidence in the economy. Thank you.

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**Teng Ma Harmolands Capital**

(foreign language).

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**Huang Yongzhong Dahao Investment**

[On the Health Management side, I noticed the average price is really high as compared with other industry players, could management elaborate more on the difference of medical screening service and health management service you provide as compared to peers and public hospitals?] (added by company after the call).

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**Dian Wang Hywin Holdings Ltd. - CEO & Director**

(foreign language).

**Wai Lok Hywin Holdings Ltd. - CFO**

[Interpreted] Okay. Thank you, Huang Yongzhong. I'll translate for Madam Wang. So you're right in pointing out that we do have higher average prices in respect of our medical [screening] (corrected by company after the call) services, the medical examination services that we provide at Hywin Health is very different than those that are offered by, say, public hospitals, while the specific items may be the same, right, you may be checking out the same things, but the overall experience is very different in several aspects. Number 1 is the equipment that we use, we insist on using top-notch equipment that we acquired domestically or globally. And the second is services. We put a lot of emphasis on services. That includes, for example, the time and the consultation that our doctors will give to the clients, the one-on-one personal touch -- the personal approach that our doctors give to our clients is very important.

Madam Wang also pointed to the environment, which we believe is also very important to the client experience. It's important to emphasize that the Hywin Health approach is to really treat our clients holistically. It is not just a onetime sort of consultation and be done, right? It's really a personalized and customized approach -- servicing approach that we take.

And lastly, Madam Wang's view is that the fact that we were able to command a higher average price in this segment demonstrates that there indeed is a strong demand within the high net worth population for higher-end services in medical examination as well as in health management. Thank you. Any more questions?

**Operator**

As there are no further questions at this time, this concludes our conference call. You may now disconnect your lines. Thank you for your participation.

**Wai Lok Hywin Holdings Ltd. - CFO**

Thank you.

[Portions of this transcript that are marked [Interpreted] were spoken by an interpreter present on the live call.]

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