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New Century Healthcare Holding Co. Limited
新世紀醫療控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1518)

PROFIT WARNING

This announcement is made by New Century Healthcare Holding Co. Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors of the Company that, based on a preliminary review on the unaudited consolidated management accounts (the "**Consolidated Management Accounts**") of the Group for the six months ended June 30, 2019, the overall revenue of the Group is expected to record an increase of at least 25% as compared with that for the six months ended June 30, 2018. However, the consolidated profit before income tax is expected to decrease by 65%-75% as compared with the consolidated profit before income tax of RMB64.4 million for the six months ended June 30, 2018. The Group is expected to record a net loss attributable to owners of the Company as compared with the net profit attributable to owners of the Company for the six months ended June 30, 2018. This was primarily attributable to (i) the newly acquired hospital, newly established clinics and clinics under preparation in 2018 have resulted in increased operating costs and expenses of the Group; (ii) the increased management cost of enhanced management personnel and organizational structure in line with the expansion of business; and (iii) the impact of the adjustments recognised on the adoption of Hong Kong Financial Reporting Standards 16 Leases on treatment of operating leases.

The Board believes that the core businesses of the Group, namely the Group's three hospitals, are making encouraging progress, and the expansion of business will be in line with the development of our core businesses with controllable investment costs. The Company plans to set up a mergers and acquisitions fund to reduce the impact of business expansion and plans to repurchase its shares from secondary market to form employee stock incentive plans that meet the Company's needs of business development and facilitate the Company's management improvement.

As the Company is still in the process of finalising its interim results for the six months ended June 30, 2019, the information contained in this announcement is only based on a preliminary review by the management of the Company on the unaudited Consolidated Management Accounts of the Group for the six months ended June 30, 2019 currently available, which has not been audited, confirmed or reviewed by the auditors or audit committee of the Company. The Company expects to announce its unaudited interim results for the six months ended June 30, 2019 before the end of August 2019.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By Order of the Board
New Century Healthcare Holding Co. Limited
Mr. Jason ZHOU
Chairman, Executive Director and Chief Executive Officer

Hong Kong, August 5, 2019

As of the date of this announcement, the Board comprises Mr. Jason ZHOU, Ms. XIN Hong and Mr. XU Han, as executive Directors; Mr. GUO Qizhi, Mr. WANG Siye, Dr. CHENG Chi-Kong, Adrian, Mr. YANG Yuelin and Mr. FENG Xiaoliang, as non-executive Directors; and Mr. WU Guanxiong, Mr. SUN Hongbin, Mr. JIANG Yanfu and Dr. MA Jing, as independent non-executive Directors.