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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 (the “**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**”) announces that, based on a preliminary review on the unaudited consolidated management accounts of the Group for the six months ended June 30, 2020, the Group is expected to record an operating loss for the six months ended June 30, 2020 (the exact amount of which is yet to be ascertained due to the ongoing assessment of the potential impact of any impairment loss on goodwill as mentioned below), as compared to an operating profit of RMB32.6 million for the same period last year, despite efforts and measures to contain costs.

The expected operating loss was primarily attributable to the decline in the volume of out-patient visits, in-patient visits and surgical operations during the first half of 2020 as a result of (i) the restriction and control on the provision of medical services, and (ii) the temporary suppression on the customers’ demand for regular medical services, both of which were due to the implementation of various epidemic prevention policies and preventive measures amid the outbreak of the COVID-19 pandemic. Pursuant to the relevant financial reporting standards, the Company is also in the course of assessing whether the impact of the COVID-19 pandemic on certain medical institution of the Company would result in any impairment loss on goodwill, which may in turn have a further significant impact on the operating loss of the Company for the first half of 2020.

The Board would also like to supplement that (i) the Group's business through medical institutions in Beijing has started to rebound by the end of the second quarter of 2020 and has been profitable on an overall basis during the first half of 2020; (ii) the impact of the COVID-19 pandemic on the Company's overall business is under control; (iii) the demand side of the business remains robust in the long term; and (iv) the Company remains in a stable financial and cash flow position.

As the Company is still in the course of preparing and finalizing its interim results for the six months ended June 30, 2020, the information contained in this announcement is only preliminary based on unaudited consolidated management accounts of the Group and therefore is not final. The interim results of the Group for the six months ended June 30, 2020 is expected to be published by the end of August 2020.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities 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 7, 2020

*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.*