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
SUPPLEMENTAL ANNOUNCEMENT

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).

Reference is made to the announcement of the Company dated August 7, 2020 (the "**Announcement**") in relation to the profit warning of the Company for the six months ended June 30, 2020 (the "**2020 Interim Period**").

The board of directors of the Company (the "**Board**") wishes to provide further information to the shareholders and potential investors of the Company that, based on the Board's preliminary review of the unaudited management accounts of the Group for the 2020 Interim Period and the information currently available to the Board, the Group is expected to record net loss in the region of RMB310 million to RMB330 million, as compared to net profit of approximately RMB4 million for the six months ended June 30, 2019, which was primarily due to a significant impairment loss on goodwill and other intangible assets in certain subsidiaries of the Company for an aggregate amount in the region of RMB240 million to RMB260 million. Such impairment loss was a non-cash item and thus will not have any material impact on the Group's cash flows. The financial position of the Group remains stable.

While the impact of the COVID-19 pandemic on the Company's overall business is under control and the demand side of the business remains robust in the long term, the management of the Company believes that the increasing uncertainty of macroeconomic environment and the impact of COVID-19 pandemic are expected to adversely affect consumer confidence in the near to medium term, which may lead to more severe competition resulting in lower recoverable amounts in relation to the estimated future business performance and hence the value of the discounted cash flow of those subsidiaries.

The Group is still in the process of finalizing its unaudited consolidated results for the 2020 Interim Period. The information contained in this announcement is only a preliminary assessment by the Board based on the unaudited management accounts of the Group for the 2020 Interim Period and the information currently available to the Board, which may be subject to further adjustments after further internal review by the Board. Details of the unaudited financial performance of the Group will be contained in the interim results announcement of the Group for the 2020 Interim Period, which 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 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 20, 2020

As of the date of this announcement, the board of directors of the Company 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.