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新世紀醫療控股有限公司

New Century Healthcare Holding Co. Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1518)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2025

2025 INTERIM RESULTS HIGHLIGHTS

Set forth below are our key performance highlights for the six months ended June 30, 2025:

1. Our revenue amounted to RMB304.5 million for the six months ended June 30, 2025, which was a decrease compared to our revenue recorded in the same period last year.
2. We recorded a loss before income tax of RMB41.1 million for the six months ended June 30, 2025 as compared to profit before income tax of RMB72.2 million for the six months ended June 30, 2024, which was primarily attributable to (i) the decrease in revenue by RMB111.5 million as a result of reduction of demand in pediatric services, and obstetric and gynecologic services; and (ii) the impairment loss of RMB12.5 million and RMB21.2 million on certain goodwill and property, plant and equipment in the first half of 2025.

KEY OPERATIONAL DATA

	For the six months ended June 30,		
	2025	2024	Change
Revenue from medical services attributable to outpatients (RMB'000)	182,520	244,616	(25.4)%
Outpatient visits	103,344	141,128	(26.8)%
Revenue from medical services attributable to inpatients (RMB'000)	102,786	145,285	(29.3)%
Inpatient visits	3,411	4,429	(23.0)%

Our Board is pleased to announce the interim unaudited condensed consolidated financial results of our Group for the six months ended June 30, 2025 together with the comparative figures as set out below.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Six months ended June 30,	
	<i>Notes</i>	2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Revenue	3	304,528	415,956
Cost of revenue	3	(214,882)	(247,237)
Impairment losses on non-current assets		(33,737)	—
Selling expenses		(33,921)	(32,764)
Administrative expenses		(59,053)	(60,843)
Research and development expenses		(1,809)	(2,227)
Net impairment losses on financial assets		(1,570)	(873)
Other income		525	691
Other losses — net		(176)	(340)
		<hr/>	<hr/>
Operating (loss)/profit		(40,095)	72,363
Finance income		1,666	2,782
Finance costs		(3,570)	(4,252)
Share of net profits of investments accounted for using the equity method		911	1,276
		<hr/>	<hr/>
(Loss)/profit before income tax		(41,088)	72,169
Income tax expense	4	(17,719)	(23,862)
		<hr/>	<hr/>
(Loss)/profit for the interim period		(58,807)	48,307
		<hr/>	<hr/>
(Loss)/profit for the interim period attributable to:			
Owners of the Company		(65,234)	25,193
Non-controlling interests		6,427	23,114
		<hr/> <hr/>	<hr/> <hr/>

		Six months ended June 30,	
	<i>Notes</i>	2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
— Exchange differences on translation of foreign operations		<u>73</u>	<u>2</u>
Total comprehensive income for the interim period		<u>(58,734)</u>	<u>48,309</u>
Total comprehensive income for the interim period attributable to:			
Owners of the Company		(65,161)	25,195
Non-controlling interests		<u>6,427</u>	<u>23,114</u>
(Loss)/earnings per share for (loss)/profit attributable to the ordinary equity holders of the Company			
<i>(expressed in RMB per share)</i>			
Basic and diluted (loss)/earnings per share	5	<u>(0.14)</u>	<u>0.05</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	As of June 30, 2025 <i>RMB'000</i> (Unaudited)	As of December 31, 2024 <i>RMB'000</i> (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		71,999	99,757
Right-of-use assets		110,708	123,581
Intangible assets		220,916	236,650
Investments accounted for using the equity method		15,073	14,090
Deferred tax assets		773	879
Long-term deposits and prepayments		4,734	3,755
Total non-current assets		424,203	478,712
Current assets			
Inventories		13,094	15,651
Trade receivables	6	28,523	46,150
Other receivables, deposits and prepayments		18,842	17,786
Amounts due from related parties		20,217	26,313
Cash and cash equivalents		331,903	354,522
Total current assets		412,579	460,422
Total assets		836,782	939,134
EQUITY			
Share capital		335	335
Shares held for employee share scheme		(2,939)	(2,939)
Share premium		2,580,078	2,589,887
Reserves		(1,492,095)	(1,492,168)
Accumulated losses		(606,523)	(541,289)
Equity attributable to owners of the Company		478,856	553,826
Non-controlling interests		(38,523)	(44,950)
Total equity		440,333	508,876

		As of June 30, 2025 <i>RMB'000</i> (Unaudited)	As of December 31, 2024 <i>RMB'000</i> (Audited)
	<i>Notes</i>		
LIABILITIES			
Non-current liabilities			
Lease liabilities		103,306	127,056
Deferred tax liabilities		19,336	10,923
Total non-current liabilities		122,642	137,979
Current liabilities			
Trade payables	7	22,653	29,916
Accruals, other payables and provisions		152,194	174,827
Lease liabilities		69,317	58,773
Contract liabilities		28,208	23,272
Current tax liabilities		—	3,403
Amounts due to related parties		1,435	2,088
Total current liabilities		273,807	292,279
Total liabilities		396,449	430,258
Total equity and liabilities		836,782	939,134

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

New Century Healthcare Holding Co. Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) are principally engaged in provision of pediatrics, obstetrics and gynecology specialty services in the People’s Republic of China (the “**PRC**”). The Group also provides online healthcare services, and other related services.

The Company is a limited liability company incorporated in the Cayman Islands on July 31, 2015. The address of its registered office is c/o Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands.

The ordinary shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**the Listing**”) on January 18, 2017.

The interim condensed consolidated financial information is presented in Renminbi (“**RMB**”) and rounded to nearest thousand yuan, unless otherwise stated.

2 BASIS OF PREPARATION OF THE INTERIM REPORT

This interim condensed consolidated financial information for the six-month period ended June 30, 2025 has been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS 34**”), ‘Interim financial reporting’.

The interim condensed consolidated financial information does not include all of the notes normally included in annual consolidated financial statements. Accordingly, this interim condensed consolidated financial information should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2024.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as below.

(a) New and amended standards adopted by the Group

A number of new or amended standards became applicable during current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

(b) Impact of standards issued but not yet adopted by the Group

Certain new accounting standards, amendments to existing accounting standards and interpretations have been published that are not mandatory for current reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

3 SEGMENT INFORMATION

Mr. Jason ZHOU in his role as the executive director and chairman of the Company, serves as the chief operating decision-maker (the “**CODM**”) of the Group. Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance.

In the view of the CODM, the Group is principally engaged in three distinct segments which are subject to different business risks and economic characteristics: (i) pediatric services, (ii) obstetrics and gynecology services, and (iii) others, including hospital appointment, online consultation services and online products sales to customers, canteens operation, gift and groceries sells in shops located in its own hospitals. Management group these revenue in others as each of them do not exceed 10% of the total revenue, total profit and total assets of the Group.

The Group’s segment information is shown as follows:

(i) Segment information

	Pediatrics <i>RMB'000</i>	Obstetrics and gynecology <i>RMB'000</i>	Others <i>RMB'000</i>	Intersegment eliminations <i>RMB'000</i>	Unallocated <i>RMB'000</i>	Total <i>RMB'000</i>
(Unaudited)						
Six months ended June 30, 2025						
Revenue from external customers	255,693	45,312	3,523	—	—	304,528
Inter-segment revenue	—	—	14,688	(14,688)	—	—
Total revenue	255,693	45,312	18,211	(14,688)	—	304,528
Cost of revenue	(164,642)	(45,214)	(8,055)	3,029	—	(214,882)
Impairment losses on non-current assets	(20,571)	(13,166)	—	—	—	(33,737)
Segment results	(507)	(28,636)	2,883	—	—	26,260
Unallocated income					3,160	3,160
Unallocated cost					(17,988)	(17,988)
(Loss)/profit before income tax	(507)	(28,636)	2,883	—	(14,828)	(41,088)
Income tax expense					(17,719)	(17,719)
Loss for the period						(58,807)
Others						
Depreciation and amortisation	17,949	6,247	409	—	427	25,032
As of June 30, 2025						
Total assets	378,983	83,811	23,380	—	350,608	836,782
Total liabilities	232,157	127,350	7,371	—	29,571	396,449

	Pediatrics RMB'000	Obstetrics and gynecology RMB'000	Others RMB'000	Intersegment eliminations RMB'000	Unallocated RMB'000	Total RMB'000
(Unaudited)						
Six months ended June 30, 2024						
Revenue from external customers	360,956	51,093	3,907	—	—	415,956
Inter-segment revenue	—	—	15,368	(15,368)	—	—
Total revenue	360,956	51,093	19,275	(15,368)	—	415,956
Cost of revenue	(191,901)	(50,469)	(7,742)	2,875	—	(247,237)
Segment results	95,127	(15,698)	546	—	—	79,975
Unallocated income					4,780	4,780
Unallocated cost					(12,586)	(12,586)
Profit/(loss) before income tax	95,127	(15,698)	546	—	(7,806)	72,169
Income tax expense					(23,862)	(23,862)
Profit for the period						48,307
Others						
Depreciation and amortisation	17,635	8,465	392	—	591	27,083
As of December 31, 2024						
Total assets	434,492	100,439	31,531	—	372,672	939,134
Total liabilities	258,893	134,651	8,504	—	28,210	430,258

(ii) Disaggregation of revenue from contracts with customers

Substantially all of the Group's revenue from external customers is recognised at a point in time.

- (iii)** No geographical information is presented as all of the Group's revenue is derived from activities in the PRC, and the Group's operations and non-current assets are mainly located in the PRC.

4 INCOME TAX EXPENSE

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax:		
— PRC corporate income tax	9,200	22,786
Deferred income tax	8,519	1,076
	17,719	23,862

(a) **Cayman Islands income tax**

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

(b) **PRC Corporate Income Tax**

Subsidiaries established and operating in Mainland China are subject to PRC corporate income tax at the rate of 25% except for New Century Healthcare Technology (Beijing) Co., Ltd. which has been eligible as a High and New Technology Enterprise since December 2019 with preferential tax rate of 15% as set out in PRC Corporate Income Tax Law.

(c) **Hong Kong profits tax**

Hong Kong profits tax rate is 16.5% for the six months ended 30 June 2025 and 2024. No Hong Kong profit tax was provided for as there was no estimated assessable profit that was subject to Hong Kong profits tax the six months ended 30 June 2025 and 2024.

5 (LOSS)/EARNINGS PER SHARE

(a) **Basic**

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares in issue and excluding shares held for restricted share award scheme.

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
(Loss)/profit attributable to owners of the Company (RMB'000)	<u>(65,234)</u>	<u>25,193</u>
Weighted average number of ordinary shares in issue (in thousands) (i)	<u>483,184</u>	<u>483,184</u>
Basic (loss)/earnings per share (in RMB)	<u><u>(0.14)</u></u>	<u><u>0.05</u></u>

- (i) On July 25, 2017, the Company granted 9,000,000 restricted shares to certain employees pursuant to a restricted share award scheme, among which 4,767,500 shares that were forfeited and then held by the trustee of the restricted share award scheme. Those forfeited shares were excluded from the calculation of basic (loss)/earnings per share.

As at June 30, 2025, the Company held 2,073,500 (2024: 2,073,500) shares of the Company for employee share scheme. All these shares were excluded from calculation of basic (loss)/earnings per share as no shares were granted to employees and outstanding as at June 30, 2025.

(b) Diluted

For the six months ended June 30, 2025 and 2024, diluted (loss)/earnings per share is equal to the basic (loss)/earnings per share as there were no potential dilutive shares.

6 TRADE RECEIVABLES

	As of June 30, 2025 RMB'000 (Unaudited)	As of December 31, 2024 RMB'000 (Audited)
Trade receivables from contracts with customers	30,219	47,683
Less: allowance for impairment of trade receivables	(1,696)	(1,533)
	<hr/>	<hr/>
Trade receivables — net	<u>28,523</u>	<u>46,150</u>

The carrying amounts of the Group's trade receivables are denominated in RMB and approximate their fair values. The majority trade receivables were due from commercial insurance companies and government's insurance schemes.

As at June 30, 2025 and December 31, 2024, the aging analysis of the trade receivables based on demand note date was as follows:

	As of June 30, 2025 RMB'000 (Unaudited)	As of December 31, 2024 RMB'000 (Audited)
Up to 3 months	23,421	43,882
4–6 months	3,167	400
7 months–1 year	2,364	2,303
Over 1 year	1,267	1,098
	<hr/>	<hr/>
	<u>30,219</u>	<u>47,683</u>

7 TRADE PAYABLES

As at June 30, 2025 and December 31, 2024, the aging analysis of the trade payables based on demand note date was as follows:

	As of June 30, 2025 <i>RMB'000</i> (Unaudited)	As of December 31, 2024 <i>RMB'000</i> (Audited)
Up to 3 months	16,938	22,568
4–6 months	3,036	5,602
7 months–1 year	1,281	458
Over 1 year	1,398	1,288
	<u>22,653</u>	<u>29,916</u>

8 DIVIDENDS

	Six months ended June 30, 2025 (Unaudited)	2024 (Unaudited)
Dividends paid during the interim period of HKD0.0221 (2024: HKD0.0378) per fully paid ordinary share (i)	<u>7,996</u>	<u>14,852</u>

- (i) Pursuant to the shareholders resolution of the Company dated on May 22, 2025, a final dividend amounting to HKD10,830,000 (approximate RMB9,948,000) (June 30, 2024: HKD18,523,000, approximate RMB16,844,000) of HKD0.0221 per fully paid ordinary share was declared. The dividends attributable to shares held by the trustee of the restricted share award scheme and shares held for employee share scheme were eliminated in the condensed consolidated statement of financial position of the Group, dividends of HKD10,678,000 (approximate RMB9,809,000) (June 30, 2024: HKD18,264,000, approximate RMB16,608,000) after elimination was recorded in in the condensed consolidated statement of changes in equity of the Group, accordingly. For the six months ended June 30, 2025, HKD8,705,000 (approximate RMB7,996,000) (June 30, 2024: HKD16,340,000, approximate RMB14,852,000) of the final dividend was paid by the Company. The remaining dividend was recognised in accruals, other payables and provisions in the interim condensed consolidated financial information.
- (ii) For the six months ended June 30, 2025, no dividend (June 30, 2024: nil) was declared or paid to Beijing Children's Hospital, Capital Medical University, a non-controlling shareholder of Beijing New Century Children's Hospital Co., Ltd., a subsidiary of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

Our Group's business recorded a revenue of RMB304.5 million, representing a 26.8% YoY decrease when compared to the same period last year. Our revenue from medical services was RMB301.0 million, representing a 27.0% YoY decrease, among which, the revenue from pediatric services recorded a 29.2% YoY decrease to RMB255.7 million, accounting for 85.0% of the total revenue from medical services. Our revenue from pediatric outpatient services recorded a 26.7% YoY decrease to RMB159.5 million. The number of pediatric services outpatient visits was 88,045, representing a 25.6% YoY decrease. Our revenue from pediatric inpatient services recorded a 33.6% YoY decrease to RMB80.5 million. The number of pediatric services inpatient visits was 2,651, representing a 26.8% YoY decrease.

In the first half of 2025, our revenue from obstetric and gynecologic business recorded a 11.4% YoY decrease to RMB45.3 million. Our revenue from obstetric and gynecologic outpatient services recorded a 15.1% YoY decrease to RMB23.0 million; the number of obstetric and gynecologic services outpatient visits was 15,299, representing a 32.7% YoY decrease, and the average outpatient spending per visit recorded a 26.2% YoY increase to RMB1,505. Our revenue from obstetric and gynecologic inpatient services was RMB22.3 million, representing a 7.1% YoY decrease. The number of obstetric and gynecologic services inpatient visits reached 760, representing a 5.8% YoY decrease.

Being a leading private pediatrics, and obstetrics and gynecologic healthcare service provider in Beijing as well as in China, we provide integrated medical services to customers in respect of pediatrics, and obstetrics and gynecology, and we are characterized by providing comprehensive and in-depth pediatric medical services. Revenue for the first half of 2025 decreased significantly compared to the same period in 2024, primarily due to a substantial decline in demand for pediatric internal medicine and obstetric and gynecologic medical services. The overall reduction in newly-born population in recent years has led to a decrease year by year in the infant population served by the Group. Additionally, the incidence of infectious diseases in internal medicine in the first half of 2025 has markedly declined compared to the corresponding period last year, resulting in significant reductions in both outpatient and inpatient visits for pediatric internal medicine, with corresponding substantial decreases in revenue. The reduced demand for pediatric infectious disease treatment has further diminished customer willingness to renew membership and purchase commercial insurance. In response to this unexpected situation in the first half of 2025, the Group has implemented tiered membership cards and long-term loyalty programs across multiple hospitals. Regarding pediatric surgery services, revenue contributions remained relatively stable at the level consistent with our performance in the first half of 2024.

The loss attributable to the owners of our Company amounted to RMB65.2 million for the six months ended June 30, 2025, while the profit attributable to the owners of our Company was RMB25.2 million for the same period in 2024. This was mainly attributable to (i) the decline in business demand for the six months ended June 30, 2025; and (ii) the increase in impairment losses on certain goodwill and property, plant and equipment for the six months ended June 30, 2025 as compared with the first half of 2024.

Industry Outlook and our Group's Strategies

The comprehensive development of healthcare services in respect of women and children have been highly emphasized by the PRC. In September 2021, the State Council issued the “Outline on the Development of Chinese Women (2021–2030)” and “Outline on the Development of Chinese Children (2021–2030)”, which are of great significance in promoting the high-quality development of China’s women and children’s healthcare business. The “Notice of the National Health Commission on Publishing the Implementation Plan for the 2021–2030 Outlines for the Development of Chinese Women and Children” issued in April 2022 provides further guidance. China’s women and children’s health work still faces many challenges such as insufficient total service resources, uneven distribution, and a shortage of high-quality resources. Especially since the adjustment of the birth policy, the proportion of advanced age and multiparous women has increased, the risk of complications, comorbidities, and birth defects during pregnancy have increased, and the demand for newborn safety and child healthcare services has further increased, triggering (i) a significant increase in the market demand for the provision of whole-cycle, whole-process and all-round medical and healthcare services to women and children; and (ii) more stringent requirements regarding medical service capabilities, service modes and service principle.

In order to further promote the delicacy management of medical insurance and boost the utilization efficiency of medical insurance funds, the National Healthcare Security Administration published a notice on November 26, 2021 regarding the “Three-Year Action Plan for DRG/DIP Payment Reform”, in which it is stated that DRG/DIP Payment will be carried out in all planning areas in the PRC by the end of 2024 and DRG/DIP Payment will cover all qualified medical institutions providing inpatient services by the end of 2025, basically achieving a full coverage on diseases and medical insurance funds. The full implementation of DRG/DIP Payment in designated medical institutions will raise the requirements on the medical technology level of private high-end medical institutions, which further highlights their advantages and attracts people with long-term illness, complicated illness and mid-end to high-end commercial medical insurance to pursue quality medical services.

Adhering to the previously formulated development strategies, our Group intends to grasp the industry opportunities by implementing the following measures in the second half of 2025:

- In response to changes in payment policies of the domestic basic medical insurance, the Group continues to strengthen the Group's brand promotion among mid-end to high-end commercial insurance institutions to expand coverage of target customer base.
- We will implement a tiered membership card strategy, lowering renewal thresholds for long-term members to maintain renewal rates and stabilize both the member base calculated by household units and service penetration rates.
- We will focus on developing pediatric subspecialty services and restructure our child healthcare product offerings.
- We will streamline workforce composition to enhance workforce productivity.

FINANCIAL REVIEW

Segment Revenue

We generate revenue primarily from providing medical services, including pediatric services, and obstetric and gynecologic services. The following table sets forth a breakdown of the revenue for the periods indicated:

	Six months ended June 30,			
	2025		2024	
	(in thousands of RMB, except percentages)			
Medical services	301,005	98.8%	412,049	99.1%
Others ⁽¹⁾	3,523	1.2%	3,907	0.9%
Total	304,528	100.0%	415,956	100.0%

⁽¹⁾ Others mainly include revenue from cafeteria and gift shop sales at our medical institutions and online healthcare services after intersegment elimination.

Medical Services

Our revenue from the provision of medical services consists of healthcare services fees and revenue from pharmaceutical sales. The following table sets forth the revenue, cost of revenue, gross profit and gross profit margin of our medical services for the periods indicated:

	Six months ended June 30,	
	2025	2024
	<i>(in thousands of RMB, except percentages)</i>	
Revenue	301,005	412,049
Cost of revenue	209,856	242,370
Gross profit ⁽¹⁾	91,149	169,679
Gross profit margin ⁽²⁾	30.3%	41.2%

Notes:

⁽¹⁾ Gross profit is calculated by deducting cost of revenue from revenue.

⁽²⁾ Gross profit margin is calculated by dividing gross profit by revenue and multiplied by 100%.

The following table sets forth the composition of our revenue from pediatric, and obstetric and gynecologic services for the periods indicated:

	Six months ended June 30,			
	2025		2024	
	(in thousands of RMB, except percentages)			
Pediatric services	255,693	84.0%	360,956	86.8%
Obstetric and gynecologic services	45,312	14.8%	51,093	12.3%
Total	301,005	98.8%	412,049	99.1%

Our medical services can also be classified by service and sale to inpatients and outpatients and membership card sales. The following table sets forth revenue and certain data relating to such classification for the periods indicated:

	Six months ended June 30,	
	2025	2024
Our Group		
Inpatients services		
Inpatient visits	3,411	4,429
Average inpatient spending per visit (<i>RMB</i>)	30,134	32,803
Outpatients services		
Outpatient visits	103,344	141,128
Average outpatient spending per visit (<i>RMB</i>)	1,766	1,733
Revenue from medical services attributable to inpatients (<i>RMB'000</i>)	102,786	145,285
Revenue from medical services attributable to outpatients (<i>RMB'000</i>)	182,520	244,616
Revenue recognized for membership card sales (<i>RMB'000</i>)	15,699	22,148
Pediatric Services		
Inpatient services		
Inpatient visits	2,651	3,622
Average inpatient spending per visit (<i>RMB</i>)	30,368	33,491
Outpatient services		
Outpatient visits	88,045	118,392
Average outpatient spending per visit (<i>RMB</i>)	1,811	1,837
Revenue from pediatric services attributable to inpatients (<i>RMB'000</i>)	80,505	121,306
Revenue from pediatric services attributable to outpatients (<i>RMB'000</i>)	159,489	217,502
Revenue recognized for membership card sales (<i>RMB'000</i>)	15,699	22,148
Obstetric and gynecologic services		
Inpatient services		
Inpatient visits	760	807
Average inpatient spending per visit (<i>RMB</i>)	29,317	29,714

	Six months ended June 30,	
	2025	2024
Outpatient services		
Outpatient visits	15,299	22,736
Average outpatient spending per visit (<i>RMB</i>)	1,505	1,193
Revenue from obstetric and gynecologic services attributable to inpatients (<i>RMB'000</i>)	22,281	23,979
Revenue from obstetric and gynecologic services attributable to outpatients (<i>RMB'000</i>)	23,031	27,114

The revenue generated from the provision of our medical services amounted to RMB301.0 million for the six months ended June 30, 2025, representing a 27.0% YoY decrease and accounting for 98.8% of our Group's total revenue. Such decrease was primarily due to (i) a 25.4% decrease and 29.3% decrease in revenue from medical services attributable to the outpatients and inpatients respectively; and (ii) a 29.1% YoY decrease in revenue recognized for membership card sales.

In particular, our medical services were composed of pediatric services, and obstetric and gynecologic services, from which we generated a revenue of RMB255.7 million and RMB45.3 million, respectively, for the six months ended June 30, 2025, representing a YoY decrease of 29.2% and a YoY decrease of 11.4%, respectively, when compared with the same period in the previous financial year. For the six months ended June 30, 2025, we recorded (i) a total of 2,651 inpatient visits and 88,045 outpatient visits for our pediatric services, representing a YoY decrease of 26.8% and a YoY decrease of 25.6%, respectively; and (ii) a total of 760 inpatient visits and 15,299 outpatient visits for our obstetric and gynecologic services, representing a YoY decrease of 5.8% and a YoY decrease of 32.7%, respectively.

The cost of revenue of our medical services consists primarily of employee benefits expenses, cost of inventories and consumables, consultation fees, depreciation and amortisation, outsourced examination and inspection fees and utilities, maintenance fees and office expenses. The cost of revenue of our medical services for the six months ended June 30, 2025 reached RMB209.9 million, representing a YoY decrease of 13.4%.

Gross Profit and Gross Profit Margin

Our gross profit for the six months ended June 30, 2025 amounted to RMB89.6 million, representing a YoY decrease of 46.9% when compared with our gross profit of RMB168.7 million for the same period in the previous financial year. This was mainly due to the lower demand for pediatric, and obstetric and gynecologic medicine services. Our gross profit margin decreased from 40.6% in the six months ended June 30, 2024 to 29.4% in the six months ended June 30, 2025.

Selling Expenses

Our selling expenses for the six months ended June 30, 2025 amounted to RMB33.9 million, representing a YoY increase of 3.4% when compared with our selling expenses of RMB32.8 million for the same period in the previous financial year. Such increase was mainly a result of the measures continuously carried out by us to strengthen marketing penetration in 2025.

Administrative Expenses

Our administrative expenses for the six months ended June 30, 2025 amounted to RMB59.1 million, representing a YoY decrease of 2.8% when compared with our administrative expenses of RMB60.8 million for the same period in the previous financial year. Such decrease was mainly a result of the measures continuously carried out by us to reduce expenses and improve operational efficiency in 2025.

Research and Development Expenses

Our Group incurred research and development expenses of RMB1.8 million for the six months ended June 30, 2025, representing a YoY decrease of 18.2% when compared with our research and development expenses of RMB2.2 million for the same period in the previous financial year. Such decrease was mainly due to the reduction of research and development activities in the first half of 2025.

Impairment Losses on Non-current Assets

Our Group recorded the impairment losses on non-current assets in the amount of RMB33.7 million in the half of 2025, including (i) an impairment loss on certain property, plant and equipment from pediatric services, and obstetric and gynecologic services of RMB21.2 million of Chengdu New Century Women's and Children's Hospital, Co., Ltd., and (ii) an impairment loss of RMB12.5 million on goodwill of the cash-generating unit ("CGU") of obstetric and gynecologic segment in Beijing area. The impairment losses on non-current assets were mainly due to the lower demand for pediatric, and obstetric and gynecologic services, fierce competition in the market and the operating results not meeting expectations in the half of 2025.

Impairment Losses on Financial Assets

During the six months ended June 30, 2025, our Group recorded net impairment losses on financial assets amounting to RMB1.6 million, which was mainly due to the impairment losses on the amounts due from related parties.

Finance Income and Expenses

Our finance income decreased from RMB2.8 million for the six months ended June 30, 2024 to RMB1.7 million for the six months ended June 30, 2025, which was mainly a result of the decrease in interest income and the fluctuation of foreign exchange gains and losses. Our finance costs for the six months ended June 30, 2025 amounted to RMB3.6 million, mainly consisting of interest expenses related to lease payment.

Income Tax Expense

Our Group incurred an income tax expense of RMB17.7 million for the six months ended June 30, 2025, representing a YoY decrease of 25.9% when compared with our income tax expense of RMB23.9 million for the same period in the previous financial year. Such decrease was mainly due to (i) the loss of our Group and (ii) the write-down of deferred tax assets by RMB9.0 million from a wholly-owned subsidiary in the six months ended June 30, 2025.

Loss for the six months ended June 30, 2025

We recorded a loss of RMB58.8 million for the six months ended June 30, 2025 as compared to a profit of RMB48.3 million for the six months ended June 30, 2024.

FINANCIAL POSITION

Inventories

Our inventories decreased by 16.6% from RMB15.7 million as of December 31, 2024 to RMB13.1 million as of June 30, 2025, primarily due to the decrease of requisite medical inventories as a result of the decline of the Group's medical business in the first half of 2025.

Trade Receivables

Our trade receivables decreased by 38.3% from RMB46.2 million as of December 31, 2024 to RMB28.5 million as of June 30, 2025, primarily because a YoY decrease in medical business.

Trade Payables

Our trade payables decreased by 24.1% from RMB29.9 million as of December 31, 2024 to RMB22.7 million as of June 30, 2025, primarily due to the reduction in the usage of pharmaceuticals and medical consumables and decreased purchases near June 30, 2025.

LIQUIDITY AND CAPITAL RESOURCES

Cash and Cash Equivalents

As of June 30, 2025, we had cash and cash equivalents of RMB331.9 million, which represented a decreased of 6.4% when compared with our cash and cash equivalents of RMB354.5 million as of December 31, 2024.

Significant Investments

Our Group did not hold any significant investments for the six months ended June 30, 2025.

Acquisitions and Disposals

Our Group had no acquisitions or disposals of subsidiaries, associated companies and joint ventures for the six months ended June 30, 2025.

Capital Expenditures

Our capital expenditures primarily include expenditures on

- (i) property, plant and equipment which are medical equipment, furniture and office equipment; and
- (ii) intangible assets such as computer software relating to our operations.

The amount of our capital expenditures for the six months ended June 30, 2025 was RMB5.3 million, representing a YoY decrease of 34.6% when compared with RMB8.1 million for the same period in the previous financial year.

Such decrease was mainly due to the purchase of certain property, plant and equipment required for business development in the first half of 2024, while the Group's related purchases decreased in the first half of 2025.

INDEBTEDNESS

Borrowings

As of June 30, 2025 and December 31, 2024, we did not have any borrowings.

Exposure to Fluctuations in Exchange Rates

We mainly operate in the PRC with most of the transactions settled in RMB. Foreign exchange rate risk arises when recognized assets and liabilities are denominated in a currency that is not the entity's functional currency. As of June 30, 2025, our assets and liabilities are primarily denominated in RMB, except for certain cash and cash equivalents denominated in USD or HKD and dividends payable denominated in HKD. We have not used any derivative financial instrument to hedge against our exposure to foreign exchange risk but will closely monitor such risk on an ongoing basis.

Contingent Liabilities

As of June 30, 2025, we did not have any contingent liabilities or guarantees that would have a material impact on our financial position or results of operations.

Pledge of Assets

As of June 30, 2025, none of our assets had been pledged.

Contractual Obligations

As of June 30, 2025, we did not have any contractual obligations that would have a material effect on our financial position or results of operations.

Financial Instruments

Our major financial instruments include trade receivables, other receivables and deposits excluding prepayments, amounts due from related parties, cash and cash equivalents, trade payables, other payables excluding non-financial liabilities, amounts due to related parties and lease liabilities. Our management manages such exposure to ensure appropriate measures are implemented in a timely and effective manner.

Gearing Ratio

As of June 30, 2025 and December 31, 2024, we did not have any borrowings, and therefore the gearing ratio, which is calculated as total borrowings divided by total equity, is not applicable.

EMPLOYEE AND REMUNERATION POLICY

We had 1,233 and 1,258 employees as of June 30, 2025 and 2024, respectively. Our total staff remuneration expenses including Directors' remuneration for the six months ended June 30, 2025 and 2024 amounted to RMB161.1 million and RMB172.2 million, respectively. Remuneration is determined with reference to performance, skills, qualifications and experience of the staff concerned and in accordance with the prevailing industry practice. On top of salary payments, other staff benefits include social insurance and housing provident contributions made by our Group, performance-based compensation and discretionary bonus. Our Group also adopted the RSA Scheme and the Employee Share Scheme to attract, retain and monitor our key employees.

The remuneration of our Directors is reviewed by the Remuneration Committee and approved by our Board. The relevant Director's experience, duties and responsibilities, time commitment, performance at our Company and the prevailing market conditions are taken into consideration in determining the emolument of our Directors.

INTERIM DIVIDEND

Our Board does not recommend the payment of an interim dividend for the six months ended June 30, 2025.

CORPORATE GOVERNANCE PRACTICE

Our Board is committed to maintaining high corporate governance standards. Our Company has applied the principles as set out in the CG Code contained in Appendix C1 to the Listing Rules which are applicable to our Company.

In the opinion of our Directors, our Company has complied with all applicable code provisions as set out in the CG Code during the six months ended June 30, 2025, save and except for code provision C.2.1 which states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Jason ZHOU is both our chairman and chief executive officer and is responsible for the overall management of our Group and directing the strategic development and business plans of our Group. We believe that he is instrumental to our growth and business expansion since our establishment in 2002. Our Board considers that the roles of chairman and chief executive officer being vested in the same person is beneficial to the business prospects, management and overall strategic direction of our Group by ensuring consistent leadership within our Group and facilitating more effective and efficient overall strategic planning and decision-making for our Group. After considering all the corporate governance measures that have been taken, our Board considers that the balance of power and authority will not be impaired by the present arrangement and the current structure will enable our Company to make and implement decisions more promptly and effectively. Thus, our Company does not segregate the roles of chairman and chief executive officer. Our Board will continue to review the situation and consider splitting the roles of chairman and chief executive officer of our Company in due course after taking into account the overall circumstances of our Group.

MODEL CODE FOR SECURITIES TRANSACTIONS

Our Company has adopted the Model Code as its code of conduct regarding securities transactions by our Directors. Our Company has also set guidelines, at least as strict as the Model Code, on transactions of our Company's securities for relevant employees (as defined in the Listing Rules).

Our Company has made specific inquiries to all Directors about their compliance with the Model Code, and they all confirmed that they complied with the standards specified in the Model Code during the six months ended June 30, 2025. Our Company has made specific inquiries of relevant employees about their compliance with the guidelines on transactions of our Company's securities, without noticing any violation of the guidelines.

STATEMENT OF DISCIPLINARY ACTION

On June 11, 2025, the Stock Exchange issued the statement of disciplinary action (the “**Statement**”) to (i) the Company; (ii) three executive Directors, namely Mr. Jason Zhou, Ms. Xin Hong and Mr. Xu Han; and (iii) three independent non-executive Directors, namely Mr. Jiang Yanfu, Mr. Sun Hongbin and Mr. Guo Qizhi (collectively, the “**Relevant Directors**”).

Pursuant to the Statement, the listing committee of the Stock Exchange alleged that the Company breached Rules 2.13(2), 14.34, 14.38A, 14.40, 14.41, 14A.35, 14A.36, 14A.46 and 14A.69(3) (Notes 3 to 5) of the Listing Rules in respect of its failure to comply with the announcement, circular and/or shareholders’ approval requirements applicable to the financial assistance provided by the Company to its connected person. The Relevant Directors have breached Rule 3.08 of the Listing Rules and their obligations set out in Rule 3.09B(2) (Notes 6 to 8) of the Listing Rules by failing to use their best endeavours to procure the Company’s compliance with its internal controls and the Listing Rules.

As directed by the listing committee under the Statement, among other things, each of the relevant executive Directors shall attend 23 hours of training on regulatory and legal topics and Listing Rule compliance, including at least three hours on each of (i) directors’ duties; (ii) the Corporate Governance Code; and (iii) the Listing Rule requirements for Rule 2.13 and Chapters 14 and 14A. In addition, each of the relevant independent non-executive Directors shall attend 15 hours of training on regulatory and legal topics and Listing Rule compliance, including at least three hours on each of (i) directors’ duties; and (ii) the Corporate Governance Code (the “**Training**”). The Training shall be completed within 90 days from the date of publication of the Statement.

The Company confirms that, in accordance with the direction of the listing committee, (i) the Relevant Directors have completed the Training provided by the training provider approved by the Stock Exchange within the period specified; and (ii) the Company has provided the Stock Exchange with the training provider’s written certification of full compliance after completion of Training.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the six months ended June 30, 2025, neither our Company nor any of its subsidiaries has purchased, sold or redeemed any of our Company’s listed securities.

AUDIT COMMITTEE

Our Audit Committee comprises two independent non-executive Directors, namely, Mr. SUN Hongbin and Mr. JIANG Yanfu, and a non-executive Director, Mr. YANG Yuelin. The chairman of the Audit Committee is Mr. SUN Hongbin.

Our Audit Committee has reviewed the unaudited interim results of our Group for the six months ended June 30, 2025 and was of the opinion that such interim results had been prepared in accordance with the relevant accounting standards and that adequate disclosures have been made in accordance with the requirements of the Listing Rules.

EVENTS AFTER THE REPORTING PERIOD

There is no significant event of our Group during the period from June 30, 2025 to the date of this announcement.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and our Company (www.ncich.com.cn). The interim report for the six months ended June 30, 2025 containing all the information required by the Listing Rules will be dispatched to the Shareholders and made available on the above websites in due course.

DEFINITIONS

“Audit Committee”	the audit committee of the Board;
“Beijing Children’s Hospital” or “BCH”	Beijing Children’s Hospital, Capital Medical University (首都醫科大學附屬北京兒童醫院), a connected person of the Company on the subsidiary level only due to its 35.0% interest in BNC Children’s Hospital;
“BNC Children’s Hospital”	Beijing New Century Children’s Hospital Co., Ltd. (北京新世紀兒童醫院有限公司), a company incorporated in the PRC with limited liability on December 13, 2002, which is a non-wholly-owned subsidiary of the Company;
“Board” or “Board of Directors”	the board of Directors of our Company;

“CG Code”	Corporate Governance Code as set out in Appendix C1 to the Listing Rules;
“China” or “PRC”	the People’s Republic of China; for the purpose of this announcement only, references to “China” or the “PRC” do not include Taiwan, the Macau Special Administrative Region of the PRC and Hong Kong;
“Company”	New Century Healthcare Holding Co. Limited (新世紀醫療控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange;
“Directors”	directors of our Company;
“DRG/DIP Payment”	Diagnosis Related Group (DRG) payment refers to the payment by the diagnosis-related grouping of diseases, where, according to the diagnosis of diseases, treatment modalities and individual characteristics of patients, etc., different diagnosis-related groups are established, each of which a uniform payment standard will be determined for; and Diagnosis-Intervention Packet (DIP) payment refers to the payment by disease point value, which is calculated based on the total annual medical insurance payment, the medical insurance payment ratio and the total point of each medical institution’s cases to form the payment standard;
“Employee Share Scheme”	the restricted share award scheme approved and adopted by the Company on August 28, 2020;
“Group”, “our Group”, “we” or “us”	our Company and its subsidiaries;
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC;
“HKFRS”	Hong Kong Financial Reporting Standards;
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended and supplemented from time to time;

“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules;
“Remuneration Committee”	the remuneration committee of our Board;
“RMB”	Renminbi, the lawful currency of the PRC;
“RSA Scheme”	the restricted share award scheme approved and adopted by the Company on August 29, 2016;
“Shares(s)”	ordinary share(s) of US\$0.0001 each in the issued capital of our Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of our Company, shares forming part of the ordinary equity share capital of our Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“YoY”	year-on-year; and
“%”	percent.

In this announcement, the terms “connected person”, “controlling shareholder” and “subsidiary” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

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

Hong Kong, August 27, 2025

As of the date of this announcement, the Board comprises Mr. Jason ZHOU, Ms. XIN Hong and Mr. XU Han, as executive Directors; Mr. WANG Siye, Ms. LI Suyu, Mr. YANG Yuelin and Mr. XIE Qiang, as non-executive Directors; and Mr. WU Guanxiong, Mr. SUN Hongbin, Mr. JIANG Yanfu and Dr. MA Jing, as independent non-executive Directors.