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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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

2025 ANNUAL RESULTS HIGHLIGHTS

Set forth below are the key performance highlights of our Group for the year ended December 31, 2025:

1. Our revenue amounted to approximately RMB600.1 million for the year ended December 31, 2025, representing a significant decrease of 29.1% as compared with our revenue of approximately RMB846.5 million for the year ended December 31, 2024.
2. We recorded a loss before income tax of approximately RMB74.5 million for the year ended December 31, 2025 as compared to a profit before income tax of approximately RMB141.5 million for the year ended December 31, 2024, which was primarily due to (i) the decrease of gross profit⁽¹⁾ by RMB169.1 million or 49.0%; and (ii) the increase of impairment losses on non-current assets by RMB53.7 million.

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

Key Operational Data

	Year ended December 31,		Change
	2025	2024	
Revenue from medical services			
attributable to outpatients (RMB'000)	362,031	481,113	-24.8%
Outpatient visits	207,448	279,396	-25.8%
Revenue from medical services			
attributable to inpatients (RMB'000)	200,159	304,329	-34.2%
Inpatient visits	6,740	9,088	-25.8%

Our Board is pleased to announce the audited consolidated financial results of our Group for the year ended December 31, 2025 together with the comparative figures for the year ended December 31, 2024 as set out below.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended December 31,	
		2025	2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	3	600,099	846,496
Cost of revenue	3	(424,218)	(501,539)
Impairment losses on non-current assets	4	(53,662)	—
Selling expenses		(65,051)	(67,356)
Administrative expenses		(119,675)	(125,375)
Research and development expenses		(3,309)	(4,078)
Net impairment losses on financial assets		(5,846)	(5,802)
Other income		705	1,056
Other losses — net	5	(46)	(1,432)
		<hr/>	<hr/>
Operating (loss)/profit		(71,003)	141,970
Finance income		2,693	5,412
Finance costs		(7,396)	(8,103)
Share of net profit of investments accounted for using the equity method		1,164	2,265
		<hr/>	<hr/>
(Loss)/profit before income tax		(74,542)	141,544
Income tax expense	6	(24,567)	(47,762)
		<hr/>	<hr/>
(Loss)/profit for the year		(99,109)	93,782
		<hr/>	<hr/>
(Loss)/profit for the year is attributable to:			
Owners of the Company		(115,310)	47,378
Non-controlling interests		16,201	46,404
		<hr/> <hr/>	<hr/> <hr/>

		Year ended December 31,	
		2025	2024
	<i>Note</i>	RMB'000	RMB'000
(Loss)/earnings per share for profit attributable to the ordinary equity holders of the Company (expressed in RMB per share)			
Basic and diluted (loss)/earnings per share	7	<u>(0.24)</u>	<u>0.10</u>
Other comprehensive income <i>Items that may be reclassified to profit or loss</i>			
— Exchange differences on translation of foreign operations		<u>81</u>	<u>772</u>
Total comprehensive (loss)/income		<u>(99,028)</u>	<u>94,554</u>
Total comprehensive (loss)/income for the year is attributable to:			
Owners of the Company		(115,229)	48,150
Non-controlling interests		<u>16,201</u>	<u>46,404</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at December 31,	
Note	2025	2024
	RMB'000	RMB'000
ASSETS		
Non-current assets		
Property, plant and equipment	59,746	99,757
Right-of-use assets	100,333	123,581
Intangible assets	208,755	236,650
Investments accounted for using the equity method	15,335	14,090
Deferred tax assets	779	879
Long-term deposits and prepayments	3,514	3,755
	388,462	478,712
Total non-current assets		
Current assets		
Inventories	12,761	15,651
Trade receivables	8 31,038	46,150
Other receivables, deposits and prepayments	16,548	17,786
Amounts due from related parties	13,052	26,313
Term deposits	53,200	—
Cash and cash equivalents	230,260	354,522
	356,859	460,422
Total current assets	356,859	460,422
	745,321	939,134
Total assets	745,321	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	(1,485,347)	(1,492,168)
Accumulated losses	(663,339)	(541,289)
	428,788	553,826
Equity attributable to owners of the Company	428,788	553,826
Non-controlling interests	(74,814)	(44,950)
	353,974	508,876
Total equity	353,974	508,876

		As at December 31,	
		2025	2024
	<i>Note</i>	RMB'000	RMB'000
LIABILITIES			
Non-current liabilities			
Lease liabilities		95,940	127,056
Deferred tax liabilities		17,756	10,923
		<hr/>	<hr/>
Total non-current liabilities		113,696	137,979
		<hr/>	<hr/>
Current liabilities			
Trade payables	9	24,575	29,916
Accruals, other payables and provisions		143,918	174,827
Contract liabilities		35,378	23,272
Current tax liabilities		683	3,403
Lease liabilities		70,300	58,773
Amounts due to related parties		2,797	2,088
		<hr/>	<hr/>
Total current liabilities		277,651	292,279
		<hr/>	<hr/>
Total liabilities		391,347	430,258
		<hr/>	<hr/>
Total equity and liabilities		745,321	939,134
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

New Century Healthcare Holding Co. Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) are principally engaged in provision of pediatrics and obstetrics and gynecology specialty services in the People’s Republic of China (the “**PRC**”). The Group also provides hospital consulting services and online healthcare 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 on January 18, 2017.

The consolidated financial statements are presented in Renminbi (“**RMB**”) and rounded to nearest thousand yuan, unless otherwise stated.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

2.1 Basis of preparation

2.1.1 Compliance with HKFRS and HKCO

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance (“**HKCO**”) Cap. 622.

2.1.2 Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis.

2.1.3 New and amended standards and interpretations adopted by the Group

The Group has applied the following new and amended standards and interpretations for its annual reporting period commencing January 1, 2025:

- Amendments to HKAS 21 — Lack of Exchangeability;

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.1.4 New and amended standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below.

		Effective for annual periods beginning on or after	
•	Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
•	Amendment to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	January 1, 2026
•	Annual Improvements to HKFRS Accounting Standards	Volume 11	January 1, 2026
•	HKFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
•	HKFRS 19 and amendments	Subsidiaries without Public Accountability: Disclosures	January 1, 2028

The Group has already commenced an assessment of the impact of these new or revised standards and amendments, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the directors, except for the expected changes in presentation and disclosure under HKFRS 18 as mentioned below, no material impact on the financial performance and positions of the Group is expected when they become effective.

HKFRS 18 will replace HKAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the consolidated statements of comprehensive income and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the consolidated statement of comprehensive income into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, certain items might potentially impact operating profit, such as foreign exchange differences currently aggregated in the line item 'finance income/(costs)' in below operating profit might need to be disaggregated, with some foreign exchange gains or losses presented in operating profit.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the Group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.
- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
 - management-defined performance measures;
 - a break-down of the nature of expenses for line items presented by function in the operating category of the consolidated statement of comprehensive income — this break-down is only required for certain nature expenses; and
 - for the first annual period of application of HKFRS 18, a reconciliation for each line item in the consolidated statement of comprehensive income between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.
 - From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group expects to apply the new standard from its mandatory effective date on January 1, 2027. Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated upon the adoption of HKFRS 18 in 2027.

3 SEGMENT INFORMATION

In the view of the chief operating decision-maker (the “CODM”), the Group is principally engaged in three distinct segments: (i) pediatric services, (ii) obstetrics and gynecology services, and (iii) others, which are subject to different business risks and economic characteristics.

The Group’s reportable segments are as follows:

	Pediatrics RMB'000	Obstetrics and Gynecology RMB'000	Others RMB'000	Intersegment eliminations RMB'000	Unallocated RMB'000	Total RMB'000
For the year ended December 31, 2025						
Revenue from external customers	507,074	85,568	7,457	—	—	600,099
Inter-segment revenue	—	—	27,637	(27,637)	—	—
Total revenue	507,074	85,568	35,094	(27,637)	—	600,099
Cost of revenue	(331,056)	(83,447)	(15,682)	5,967	—	(424,218)
Impairment losses on non-current assets	(20,571)	(33,091)	—	—	—	(53,662)
Segment results	17,346	(62,223)	4,282	—	—	(40,595)
Unallocated income					4,543	4,543
Unallocated cost					(38,490)	(38,490)
Profit/(loss) before income tax	17,346	(62,223)	4,282	—	(33,947)	(74,542)
Income tax expense					(24,567)	(24,567)
Loss for the year						<u>(99,109)</u>
Others						
Depreciation and amortisation	(34,058)	(11,999)	(816)	—	(802)	(47,675)
As at December 31, 2025						
Assets						
Segment assets	256,372	56,178	17,316	—	—	329,866
Goodwill	111,698	—	—	—	—	111,698
Unallocated assets					303,757	303,757
Total assets	368,070	56,178	17,316	—	303,757	<u>745,321</u>
Total liabilities	225,526	112,548	7,356	—	45,917	<u>391,347</u>

	Pediatrics RMB'000	Obstetrics and Gynecology RMB'000	Others RMB'000	Intersegment eliminations RMB'000	Unallocated RMB'000	Total RMB'000
For the year ended December 31, 2024						
Revenue from external customers	735,843	101,499	9,154	—	—	846,496
Inter-segment revenue	—	—	30,856	(30,856)	—	—
Total revenue	735,843	101,499	40,010	(30,856)	—	846,496
Cost of revenue	(394,740)	(96,108)	(16,792)	6,101	—	(501,539)
Segment results	186,184	(26,095)	10,044	—	—	170,133
Unallocated income					8,136	8,136
Unallocated cost					(36,725)	(36,725)
Profit/(loss) before income tax	186,184	(26,095)	10,044	—	(28,589)	141,544
Income tax expense					(47,762)	(47,762)
Profit for the year						<u>93,782</u>
Others						
Depreciation and amortisation	(37,699)	(12,137)	(787)	—	(1,074)	(51,697)
As at December 31, 2024						
Assets						
Segment assets	322,794	87,895	31,531	—	—	442,220
Goodwill	111,698	12,544	—	—	—	124,242
Unallocated assets					372,672	372,672
Total assets	434,492	100,439	31,531	—	372,672	<u>939,134</u>
Total liabilities	258,893	134,651	8,504	—	28,210	<u>430,258</u>

4 IMPAIRMENT LOSSES ON NON-CURRENT ASSETS

	Year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Impairment losses on property, plant and equipment	31,862	—
Impairment losses on goodwill	12,544	—
Impairment losses on other intangible assets	9,256	—
	<u>53,662</u>	<u>—</u>

5 OTHER LOSSES — NET

	Year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Loss on disposal of property, plant and equipment	(485)	(766)
Gains on disposal of right-of-use assets	383	—
Others	56	(666)
	<u>(46)</u>	<u>(1,432)</u>

6 INCOME TAX EXPENSE

	Year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Current income taxation:		
— PRC corporate income tax	17,634	44,410
Deferred income tax	6,933	3,352
	<u>24,567</u>	<u>47,762</u>

(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 Chinese Mainland 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 from December 2019 with preferential tax rate of 15% through the 2024 tax year as set out in PRC Corporate Income Tax Law. The tax rate of New Century Healthcare Technology (Beijing) Co., Ltd. was adjusted to 25% in 2025.

(c) **Hong Kong profits tax**

Hong Kong profits tax rate is 16.5% for the years ended December 31, 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 during the years ended December 31, 2025 and 2024.

(d) **Withholding tax**

As at December 31, 2025, deferred tax liabilities of RMB11,292,000 (2024: RMB11,707,000) have not been recognised for the withholding tax that would be payable on the unremitted earnings of the PRC subsidiaries. Management expects to reinvest such amount in these subsidiaries in the foreseeable future. Unremitted earnings of these subsidiaries as at December 31, 2025 amounted to RMB112,920,000 (2024: RMB117,070,000).

7 (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 adjusted for bonus elements in ordinary shares issued during the year and excluding shares held for RSA scheme.

	Year ended December 31,	
	2025	2024
(Loss)/profit attributable to owners of the Company (RMB'000)	<u>(115,310)</u>	<u>47,378</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>(0.24)</u></u>	<u><u>0.10</u></u>

The (loss)/earnings per share presented above is calculated by using the weighted average number of ordinary shares during the year ended December 31, 2025.

- (i) On July 25, 2017, the Company granted 9,000,000 ordinary shares (the “**Restricted Shares**”) to certain employees pursuant to a restricted share award scheme (“**RSA scheme**”). The Restricted Shares were held by two trustees which are under control by the board the directors of the Company. As at December 31, 2025, except for 4,767,000 shares that were forfeited, all the other shares were vested and exercised. Those forfeited shares were excluded from the calculation of basic earnings per share.

As at December 31, 2025, the Company held 2,073,500 (2024: 2,073,500) shares of the Company to set up an employee stock incentive plan. These shares were not included in the calculation of basic earnings per share as they are not outstanding.

(b) Diluted

Diluted (loss)/earnings per share were the same as basic (loss)/earnings per share as the Group had no potential dilutive shares during the years ended December 31, 2025 and 2024.

8 TRADE RECEIVABLES

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Current assets		
Trade receivables from contracts with customers	31,996	47,683
Less: allowance for impairment of trade receivables	(958)	(1,533)
	<hr/>	<hr/>
Trade receivables — net	31,038	46,150
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As at December 31, 2025 and 2024, the aging analysis of the trade receivables based on demand note date was as follows:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Up to 3 months	26,588	43,882
4–6 months	2,184	400
7 months–1 year	1,606	2,303
Over 1 year	1,618	1,098
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	31,996	47,683
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9 TRADE PAYABLES

The ageing analysis, based on demand note date, of the trade payables is as follows:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Up to 3 months	20,573	22,568
4–6 months	2,611	5,602
7 months–1 year	372	458
Over 1 year	1,019	1,288
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	24,575	29,916
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10 DIVIDENDS

	Year ended December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Dividends paid during the year of HKD0.0221 (2024: HKD0.0378) per fully paid ordinary share (i)	<u>9,809</u>	<u>16,608</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) (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 consolidated statement of financial position of the Group, dividends of HKD10,678,000 (approximate RMB9,809,000) (2024: HKD18,264,000, approximate RMB16,608,000) after elimination was recorded in the consolidated statement of changes in equity of the Group, accordingly. For the years ended December 31, 2025 and 2024, the final dividend was fully paid by the Company.		
(ii) The board of directors of the Company does not resolve to declare a dividend for the year ended December 31, 2025.		
(iii) For the year ended December 31, 2025, a dividend of RMB46,065,000 (2024: RMB20,829,000) was 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 AND OUTLOOK

Business Overview for the year ended December 31, 2025

Our Group's business recorded a revenue of RMB600.1 million, representing a 29.1% YoY decrease when compared to the last year. Our revenue from medical services was RMB592.6 million, representing a 29.2% YoY decrease, among which, the revenue from pediatric services recorded a 31.1% YoY decrease to RMB507.1 million, accounting for 85.6% of the total revenue from medical services. Our revenue from pediatric outpatient services recorded a 26.3% YoY decrease to RMB316.3 million. The number of pediatric services outpatient visits was 177,032, representing a 25.6% YoY decrease. Our revenue from pediatric inpatient services recorded a 37.0% YoY decrease to RMB160.3 million. The number of pediatric services inpatient visits was 5,386, representing a 27.6% YoY decrease.

In 2025, our revenue from obstetric and gynecologic business recorded a 15.8% YoY decrease to RMB85.5 million. Our revenue from obstetric and gynecologic outpatient services recorded a 11.8% YoY decrease to RMB45.7 million; the number of obstetric and gynecologic services outpatient visits was 30,416, representing a 26.5% YoY decrease. Our revenue from obstetric and gynecologic inpatient services was RMB39.8 million, representing a 19.9% YoY decrease. The number of obstetric and gynecologic services inpatient visits reached 1,354, representing a 17.9% 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 2025 decreased significantly compared to that for 2024, primarily due to a substantial decline in demand for pediatric 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 2025 has markedly declined compared to the 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 customers' willingness to renew membership and purchase commercial insurance. In response to this unexpected situation in 2025, the Group has implemented tiered membership cards and long-term loyalty programs across multiple hospitals.

The loss attributable to the owners of our Company amounted to RMB115.3 million for the year ended December 31, 2025, while the profit attributable to the owners of our Company was RMB47.4 million for 2024. This was mainly attributable to (i) the decline in business demand for the year ended December 31, 2025; and (ii) the increase in impairment losses on certain goodwill, intangible assets other than goodwill and property, plant and equipment for the year ended December 31, 2025 as compared with 2024.

Industry Outlook and the Group's Strategies

The comprehensive development of healthcare 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 2026:

- 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:

	Year ended December 31,			
	2025		2024	
	<i>(in thousands of RMB, except percentages)</i>			
Medical services	592,642	98.8%	837,342	98.9%
Others ⁽¹⁾	7,457	1.2%	9,154	1.1%
Total	<u>600,099</u>	<u>100.0%</u>	<u>846,496</u>	<u>100.0%</u>

- (1) Others 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:

	Year ended December 31,	
	2025	2024
	<i>(in thousands of RMB, except percentages)</i>	
Revenue	592,642	837,342
Cost of revenue	414,503	490,848
Gross profit	178,139	346,494
Gross profit margin ⁽¹⁾	30.1%	41.4%

(1) 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:

	Year ended December 31,			
	2025		2024	
	<i>(in thousands of RMB, except percentages)</i>			
Pediatric services	507,074	84.5%	735,843	86.9%
Obstetric and gynecologic services	85,568	14.3%	101,499	12.0%
Total	<u>592,642</u>	<u>98.8%</u>	<u>837,342</u>	<u>98.9%</u>

Our medical services can also be classified by service 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:

	Year ended December 31,	
	2025	2024
Our Group		
Inpatient services		
Inpatient visits	6,740	9,088
Average inpatient spending per visit (<i>RMB</i>)	29,697	33,487
Outpatient services		
Outpatient visits	207,448	279,396
Average outpatient spending per visit (<i>RMB</i>)	1,745	1,722
Revenue from medical services attributable to inpatients (<i>RMB'000</i>)	200,159	304,329
Revenue from medical services attributable to outpatients (<i>RMB'000</i>)	362,031	481,113
Revenue recognized for membership card sales (<i>RMB'000</i>)	30,452	51,900
Pediatric Services		
Inpatient services		
Inpatient visits	5,386	7,438
Average inpatient spending per visit (<i>RMB</i>)	29,766	34,228

	Year ended December 31,	
	2025	2024
Outpatient services		
Outpatient visits	177,032	237,986
Average outpatient spending per visit (<i>RMB</i>)	1,787	1,804
Revenue from pediatric services attributable to inpatients (<i>RMB'000</i>)	160,318	254,586
Revenue from pediatric services attributable to outpatients (<i>RMB'000</i>)	316,304	429,357
Revenue recognized for membership card sales (<i>RMB'000</i>)	30,452	51,900
Obstetric and gynecologic services		
Inpatient services		
Inpatient visits	1,354	1,650
Average inpatient spending per visit (<i>RMB</i>)	29,425	30,147
Outpatient services		
Outpatient visits	30,416	41,410
Average outpatient spending per visit (<i>RMB</i>)	1,503	1,250
Revenue from obstetric and gynecologic services attributable to inpatients (<i>RMB'000</i>)	39,841	49,743
Revenue from obstetric and gynecologic services attributable to outpatients (<i>RMB'000</i>)	45,727	51,756

Revenue from provision of our medical services amounted to RMB592.6 million in 2025, representing a 29.2% YoY decrease and accounting for 98.8% of our Group's total revenue. This decrease was primarily due to (i) a 24.8% decrease and 34.2% decrease in revenue from medical services attributable to the outpatients and inpatients respectively; and (ii) a 41.3% YoY decrease in revenue recognized for membership card sales.

In 2025, there were 5,386 pediatric services inpatient visits, representing a YoY decrease of 27.6%. There were also 177,032 pediatric services outpatient visits, representing a YoY decrease of 25.6%. For our obstetric and gynecologic services, there were 1,354 inpatient visits, representing a YoY decrease of 17.9%, and 30,416 outpatient visits, representing a YoY decrease of 26.5%.

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 in 2025 reached RMB414.5 million, representing a YoY decrease of 15.5%. This reduction was primarily due to the decrease in pharmaceutical and consumables costs and employee benefits expenses, following a drop in demand for medical services in 2025.

Gross Profit and Gross Profit Margin

Our gross profit in 2025 amounted to RMB175.9 million, representing a YoY decrease of 49.0%. This was primarily due to the lower demand for pediatric, and obstetric and gynecologic medicine services. Our gross profit margin decreased from 40.8% in 2024 to 29.3% in 2025.

Selling Expenses

Our selling expenses in 2025 amounted to RMB65.1 million, representing a YoY decrease of 3.4%. This reduction was primarily due to the decrease in employee benefits expenses.

Administrative Expenses

Our administrative expenses in 2025 amounted to RMB119.7 million, representing a YoY decrease of 4.5% from RMB125.4 million in 2024. Such decrease was primarily due to the measures continuously carried out by us to reduce expenses and improve the operation efficiency in 2025.

Research and Development Expenses

The expenses for research and development of our Group were RMB3.3 million in 2025 as compared with RMB4.1 million in 2024, representing a YoY decrease of 19.5%. Such decrease was mainly due to the reduction of research and development activities during the year.

Impairment Losses of Non-current Assets

Our Group recorded the impairment losses on non-current assets in the amount of RMB53.7 million in 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 RMB32.5 million in respect of goodwill, intangible assets other than goodwill, and property, plant and equipment 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 during 2025.

Impairment Losses on Financial Assets

During 2025, the Group recorded impairment losses on financial assets amounting to RMB5.8 million, which was primarily due to the impairment losses on the amounts due from related parties.

Finance Income and Costs

Our finance income decreased from RMB5.4 million in 2024 to RMB2.7 million in 2025, which was mainly the result of the decrease in interest income and the fluctuation of foreign exchange gains.

Our finance costs in 2025 amounted to RMB7.4 million, mainly consisting of RMB6.5 million related to lease payment.

Income Tax Expense

Our income tax expense decreased to RMB24.6 million in 2025 from RMB47.8 million in 2024, which was mainly due to (i) the decrease of profit before tax from a subsidiary of the Group; and (ii) the write-down of deferred tax assets by RMB9.4 million from a wholly-owned subsidiary in 2025.

Loss for the year ended December 31, 2025

Our loss attributable to the owners of our Company for the year ended December 31, 2025 amounted to RMB115.3 million, as compared to a profit attributable to the owners of our Company of RMB47.4 million for the year ended December 31, 2024.

FINANCIAL POSITION

Inventories

Our inventories decreased by 18.5% from RMB15.7 million as of December 31, 2024 to RMB12.8 million as of December 31, 2025 primarily due to the decrease of requisite medical inventories as a result of the decline of the Group's medical business in 2025.

Trade Receivables

Our trade receivables decreased by 32.9% from RMB46.2 million as of December 31, 2024 to RMB31.0 million as of December 31, 2025, primarily because a YoY decrease in medical business.

Trade Payables

Our trade payables decreased by 17.7% from RMB29.9 million as of December 31, 2024 to RMB24.6 million as of December 31, 2025, primarily due to the reduction in the usage of pharmaceuticals and medical consumables and decreased purchases near December 31, 2025 compared to the same period in 2024.

LIQUIDITY AND CAPITAL RESOURCES

Treasury Policy

Our Group continues to manage its financial position carefully and maintains conservative policies in cash and financial management. Our Group's liquidity and financing requirements are regularly reviewed. Our Board closely monitors our Group's liquidity position to ensure that our Group can meet its funding requirements for business development from time to time.

Term deposits

Term deposits represents fixed-term deposits with maturity of one year.

Cash and Cash Equivalents

As of December 31, 2025, we had cash and cash equivalents of RMB230.3 million (2024: RMB354.5 million). We did not have any interest-bearing borrowings as of December 31, 2025 (2024: nil).

Significant Investments, Acquisitions and Disposals

We did not have any significant investments, material acquisitions or material disposals in the year ended December 31, 2025.

Capital Expenditures

Our capital expenditures primarily include expenditures on (i) property, plant and equipment which are medical equipment, furniture and office equipment and motor vehicles; and (ii) intangible assets such as computer software relating to our operations. The amount of our capital expenditures in 2025 was RMB9.6 million (2024: RMB21.8 million), and the decrease was mainly due to our procurement of certain large-scale property, plant and equipment for business development in 2024, following a decrease in such purchase in 2025.

INDEBTEDNESS

Borrowings

As of December 31, 2025, we did not have any borrowings (2024: nil).

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. On December 31, 2025, our assets and liabilities are primarily denominated in RMB, except for certain cash and cash equivalents denominated in USD or 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 December 31, 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 December 31, 2025, none of our assets had been pledged.

Contractual Obligations

As of December 31, 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 excluding prepayments, amounts due from related parties, term deposits, cash and cash equivalents, trade payables, other payables excluding non-financial liabilities and amounts due to related parties. Our management manages such exposure to ensure appropriate measures are implemented in a timely and effective manner.

Gearing Ratio

As of December 31, 2025, our gearing ratio, calculated as total borrowings divided by total equity, is not applicable (2024: Not applicable).

EMPLOYEE AND REMUNERATION POLICY

On December 31, 2025, our Group had 1,186 employees (2024: 1,255 employees). Total staff remuneration expenses including Directors' remuneration in 2025 amounted to RMB309.0 million (2024: RMB345.4 million). 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 insurances and housing provident contributions made by our Group, performance-based compensation and discretionary bonus. Our Group has adopted the RSA Scheme and the Employee Share Scheme to attract, retain and motivate 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.

FINAL DIVIDEND

Our Board did not recommend the payment of a final dividend for the year ended December 31, 2025 (2024: HK\$0.0221 per Share).

OTHER INFORMATION

Annual General Meeting

The AGM of our Company will be held on Friday, May 22, 2026. A notice convening the AGM will be published on our Company's website and the Stock Exchange's website and dispatched to the Shareholders who requested printed copy in accordance with the requirements of the Listing Rules in due course.

Closure of Register of Members

For determining the entitlement to attend and vote at the AGM, the register of members of our Company will be closed from Tuesday, May 19, 2026 to Friday, May 22, 2026, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, non-registered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with our Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, May 18, 2026.

CORPORATE GOVERNANCE PRACTICE

Our Board of Directors 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 year ended December 31, 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. Zhou is both our chairman and chief executive officer of our Company, and is responsible for the overall management of our Group and directing the strategic development and business plans of our Group. We believe that Mr. Zhou 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, the 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 of the then overall circumstances of our Group.

Further information of the corporate governance practice of our Company will be set out in the corporate governance report in the annual report of our Company for the year ended December 31, 2025.

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 year ended December 31, 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.

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

As of December 31, 2025, for the purpose of the Employee Share Scheme, 2,073,500 Shares have been purchased from the market by the trustee appointed by our Company for the administration of the Employee Share Scheme to hold on trust for the benefit of the selected participants pursuant to the rules governing the Employee Share Scheme and the provisions of the trust deed in relation to the Employee Share Scheme.

Save as disclosed in this announcement, during the year ended December 31, 2025, neither our Company nor any of its subsidiaries had purchased, sold or redeemed any of our Company's listed securities.

AUDIT COMMITTEE

The 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.

The Audit Committee has reviewed the annual results of our Group for the year ended December 31, 2025 and has recommended for our Board's approval thereof.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of our Group’s consolidated statement of comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended December 31, 2025 as set out in the preliminary announcement have been agreed by our Group’s auditor, PricewaterhouseCoopers, to the amounts set out in our Group’s audited consolidated financial statements for the year ended December 31, 2025. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

SUBSEQUENT EVENTS

Save as disclosed above, as of the date of this annual results announcement, the Group had no other significant events after the reporting period that needs to be disclosed.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

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

DEFINITIONS

“AGM”	annual general meeting of our Company;
“Audit Committee”	the audit committee of our Board;
“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 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 on July 31, 2015, 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 our Company on August 28, 2020;
“Group”, “our Group”, “we” or “us”	our Company and its subsidiaries;
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKFRS”	Hong Kong Financial Reporting Standards;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“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;
“Mr. Zhou”	Mr. Jason ZHOU, chairman of our Board, chief executive officer, executive Director and controlling Shareholder;
“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 our 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 “associate”, “connected person”, “connected transaction”, “controlling shareholder”, “subsidiary” and “substantial shareholder” 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, March 27, 2026

As of the date of this announcement, the Board of Directors 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.