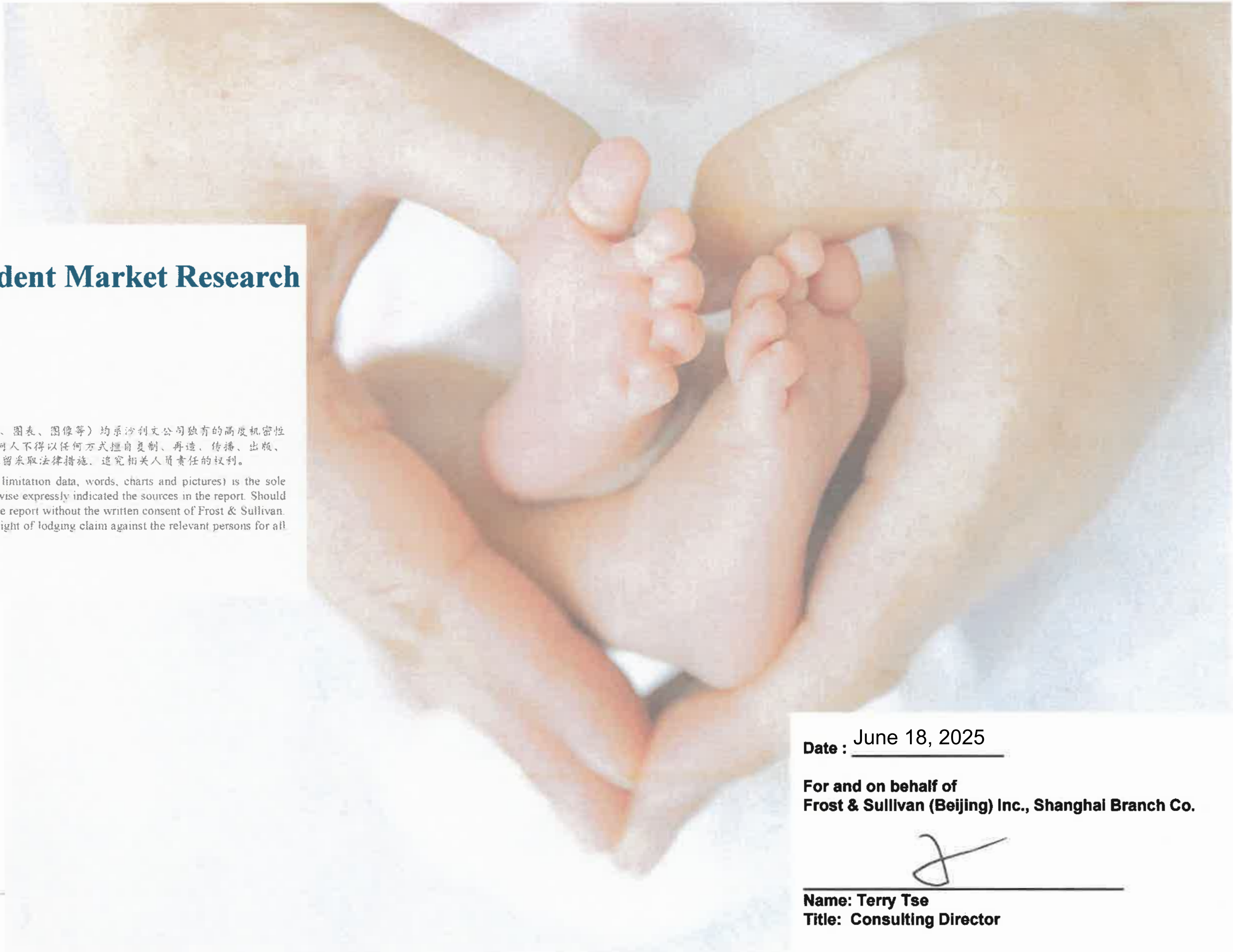
Confidential

Family Care Industry Independent Market Research

To: PRIMECARE INTERNATIONAL 贝康国际

June 2025



1961-2021 沙利文 60周年 60th ANNIVERSARY

Date : June 18, 2025

For and on behalf of
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.

Name: Terry Tse
Title: Consulting Director

Scope

- **The project scope is defined as follows:**

Research Period

- Historical Year: 2019-2023
- Base Year: 2024
- Forecast Year: 2025E-2030E

Geographic Scope

- Globe
- China
- Taiwan China
- South Korea
- Southeast Asia
- United States
- Canada

Target Market

- Overview of Macro Economy
- Overview of Family Care Industry
- Overview of Postpartum Care and Recovery Industry
- Overview of Home Child Care Industry
- Overview of Health Food Industry
- Overview of Elderly Care Service Industry
- Competitive Landscape

Limitations

■ Source of Information

- Interviews with industry experts and competitors will be conducted on a best-effort basis to collect information for in-depth analysis for this report.
- Frost & Sullivan will not be responsible for any information gaps where Interviewees have refused to disclose confidential data or figures.

- The study took 2024 as the base year for analysis and 2025-2030 for forecast. However, some of the figures of 2024 may not have become available from public statistical sources at the time when we conducted research for this report. Frost & Sullivan will use the latest information available or make projections based on historical trends.

Official Statistical sources

Market indicators for modeling

Industry Expert Interview

- Under circumstances where information is not available, Frost & Sullivan in-house analysis will be leveraged using appropriate models and indicators to arrive at an estimate.
- Sources of information and data will be clearly stated in the bottom right hand corner on each slide for reference.

Methodology

Methodologies

- Frost & Sullivan is an independent global consulting firm, which was founded in 1961 in New York. It offers industry research and market strategies and provides growth consulting and corporate training. Its industry coverage includes automotive and transportation, chemicals, materials and food, commercial aviation, consumer products, energy and power systems, environment and building technologies, healthcare, industrial automation and electronics, industrial and machinery, and technology, media and telecom.

- Frost & Sullivan performed both primary and secondary research, and obtained knowledge, statistics, information and industry insights on the industry trends of the target research markets. Primary research involved interviewing industry insiders such as leading market players, suppliers, customers, and recognized third-party industry associations. Secondary research involved reviewing company reports, independent research reports, and data based on Frost & Sullivan's own research database. Frost & Sullivan has independently verified the information, but the accuracy of the conclusions of its review largely relies on the accuracy of the information collected. Frost & Sullivan's research may be affected by the accuracy of assumptions used and the choice of primary and secondary sources.

- Frost & Sullivan's Market Engineering Forecasting Methodology integrates several forecasting techniques with the Market Engineering Measurement-based System. It relies on the expertise of the analyst team in integrating the critical market elements investigated during the research phase of the project. These elements include:
    - ✓ Expert-opinion forecasting methodology
    - ✓ Integration of market drivers and restraints
    - ✓ Integration with the market challenges
    - ✓ Integration of the Market Engineering Measurement trends
    - ✓ Integration of econometric variables

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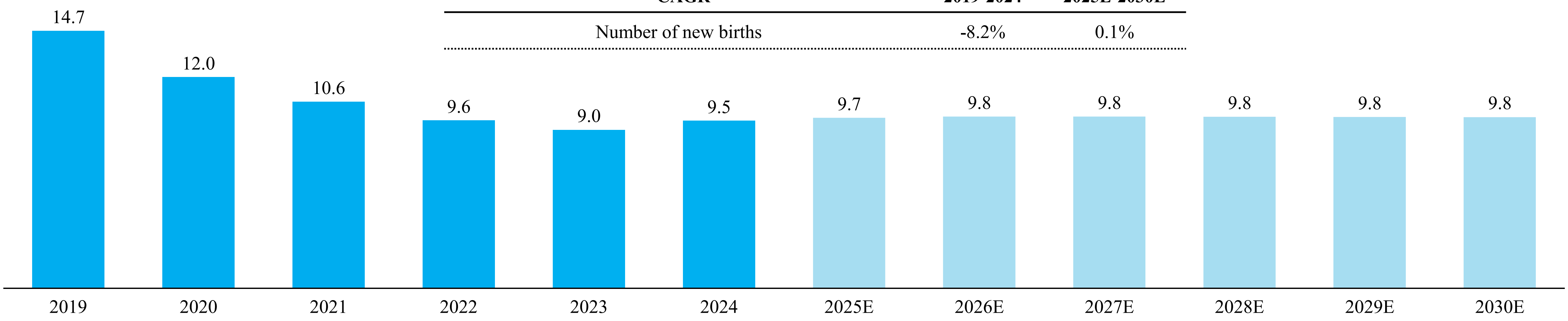
Macroeconomic Overview

Number of New Births in China

Number of new births in China

Million people, 2019-2030E



CAGR	2019-2024	2025E-2030E
Number of new births	-8.2%	0.1%

Key finding

- According to the Frost & Sullivan Report, the birth rate in China is projected to stabilize due to a combination of strategic policy initiatives and specific implementation measures aimed at supporting and encouraging childbirth.
- Firstly, the Chinese government has set a clear strategic goal to gradually improve the fertility support policy system and enhance the willingness of families to have children. This is outlined in the 2021 "Decision of the State Council on Optimizing Fertility Policies to Promote Long-term Balanced Population Development", which anticipates the establishment of a comprehensive fertility support policy system by 2025. As these policies take effect, it is expected that the willingness for childbirth will be enhanced.
- In terms of specific implementation, both central and local governments have been actively introducing and reinforcing favorable fertility policies. For instance, the 2024 "Decision of the Central Committee of the Communist Party of China on Further Deepening Reform and Promoting Chinese-style Modernization" aims to create a fertility-friendly society by lowering the costs of childbirth, upbringing, and education, improving maternity leave systems, establishing childbirth subsidies, and enhancing public services for basic fertility and child healthcare. Additionally, the 2023 "Notice on Raising the Standards for Special Additional Deductions for Individual Income Tax" has doubled the special additional deduction standards of individual income tax for childcare and education expenses for children under three years old. Local governments have also introduced various subsidy programs to directly support families with multiple children. For example, the local government in Hangzhou offers a one-time subsidy for second and third children, the local government in Shenzhen plans to provide differentiated progressive childcare subsidies, the local government in Zhengzhou has implemented a childcare subsidy system with significant one-time payments for each child, and the local government in Harbin provides monthly childcare subsidies for families with two or more children until the child reaches three years old.
- These comprehensive and targeted measures are expected to collectively contribute to the stabilization of the birth rate in China by reducing the financial burden on families and creating a more supportive environment for raising children.

Source: National Bureau of Statistics, Frost & Sullivan

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Overview of Family Care Industry

Industry Segmentation

Family Care

- The family care industry encompasses a comprehensive range of health and wellbeing services and food products tailored to meet the needs of members in a family mainly including women, men, children, and the elderly.

Postpartum Care Industry

- Postpartum care refers to the care work for women who have recently given birth and for their babies, mainly involving health monitoring and providing the corresponding diet care, health care, wound care from giving birth, and other nursing services. Market players mainly include postpartum centers and yuesao.

Postpartum Center

Yuesao (月嫂)

Postpartum Recovery

- Postpartum recovery services help women recover from childbirth in both physical and mental aspects, such as pelvic rehabilitation, skin repair, and more to help women regain their health and well-being after giving birth.

Body Management | Pelvic Rehabilitation | Skin Repair | •••

Home Child Care Industry

- Home child care services encompass daily life care, early education,and other child-care related services.

Daily Care and Health Monitoring | Nursery Services | Parenting Guidance | Early Childhood Education | Health Promotion and Preventative Care for Children | •••

Health Food Industry

- The health food products industry encompasses products such as nutrients, vitamins, and minerals that support overall health and wellbeing, like hormonal balance, reproductive health, bone density, and overall vitality. Health food products in this industry are designed to complement dietary intake, providing essential elements that aid in body regulation and cater to the nutritional requirements of individuals at various life stages, without focusing on treating specific diseases or conditions.

Body Regulation | Disease Prevention | Immunity Promotion

Elderly Care Service Industry

- Elderly care refers to providing daily care, rehabilitation, psychological support, and other comprehensive services especially for the elderly. Market players mainly include nursing homes and other service providers.

Independent Elderly Care

Assisted Elderly Care

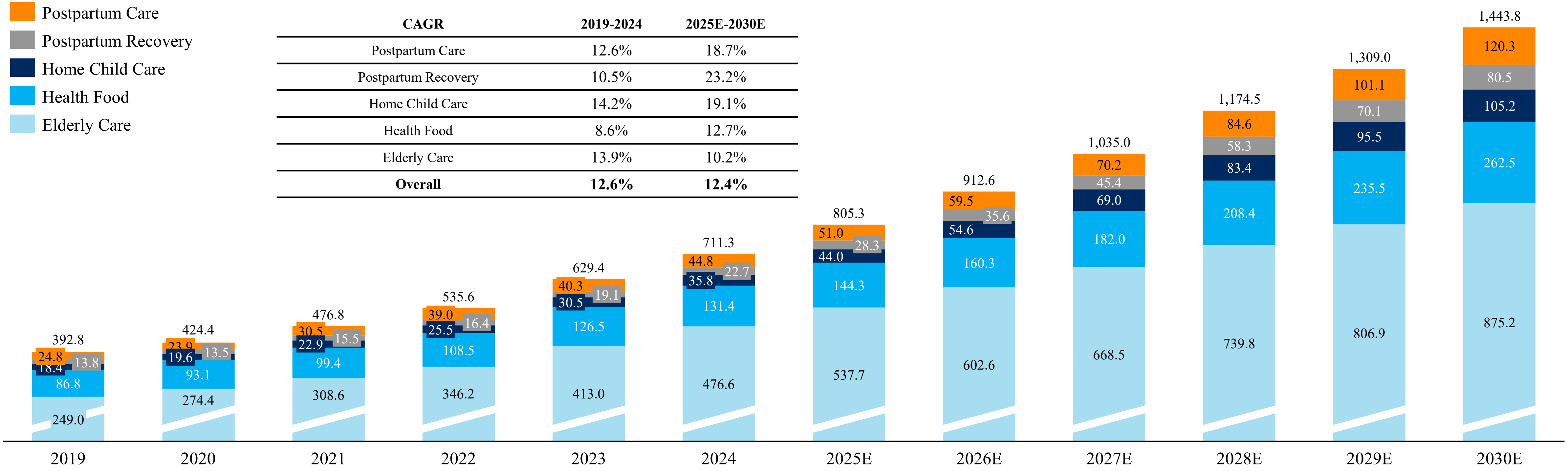
Source: Frost & Sullivan

Overview of Family Care Industry

Market Size of Family Care Industry in China, breakdown by Business Type

Market Size of Family Care Industry in China, by Revenue, breakdown by Business Type

Billion RMB, 2019-2030E



CAGR	2019-2024	2025E-2030E
Postpartum Care	12.6%	18.7%
Postpartum Recovery	10.5%	23.2%
Home Child Care	14.2%	19.1%
Health Food	8.6%	12.7%
Elderly Care	13.9%	10.2%
Overall	**12.6%**	**12.4%**

Key Finding

- China's family care industry has shown consistent growth in recent years, expanding from RMB392.8 billion in 2019 to RMB711.3 billion in 2024, at a CAGR of 12.6%. Forecasts suggest a continuing upward trend, projecting the market size to increase from RMB805.3 billion in 2025 to RMB1,443.8 billion by 2030, at a CAGR of 12.4%.

Source: National Bureau of Statistic, National Health Commission, China Consumers Association, Frost & Sullivan

Customer Persona

- In China, people aged below 40 are the largest demographic group of childbearing age and family care takers. According to the Frost & Sullivan Report, the younger generation usually has a more modern lifestyle and consumption habits and pays more attention to the improvement of life experience brought by the quality of family care services. They also generally have higher health awareness and tend to accept a scientific and professional approach that utilizes innovative technology for family care. Thus, they generally have a higher acceptance of and demand for quality family care services.
- According to the Frost & Sullivan Report, China's affluent families with assets of over RMB6 million are more likely to more frequently consume family care services. This group is characterized by stronger purchasing power and greater demand for family care services such as postpartum care and home child care. They prefer established and notable family care service groups staffed with professionals capable of delivering highly specialized and customized services. They are more willing to pay a higher price for premium, professional, and scientific services. Additionally, they have higher requirements for quality of life and expect a comprehensive approach that addresses the specific needs of their household.

Source: Frost & Sullivan

Overview of Family Care Industry

Key Growth Drivers

The increasing popularity of self-pampering products and services among women

- This trend marks a significant shift in women's spending patterns towards personal growth and mental fulfillment. Nowadays, women are more attuned to their inner needs and are willing to invest in products and services that bring them joy and satisfaction. With an increasing awareness of health and quality of life, women are prioritizing their physical and emotional well-being. They are willing to invest more time and money on themselves, including purchasing healthy foods and engaging professional wellness services. Additionally, as they juggle diverse roles as individuals, professionals, wives, mothers, and daughters, they face considerable pressure and require emotional support. Consequently, women have been placing greater emphasis on the value of self-pampering products and services, and are more willing to hire professional teams to care for themselves or their family members.

Evolving family structure

- In China, where the one-child policy was in place for nearly three decades, family demographics have shifted in recent years to a "4-2-1" (four grandparents, two parents, and one child) family structure, marking an increase in the dependency ratio. In China, most households have both parents working full time. The two parents need to raise their children, and also take care of the four elderly parents. The transformed family demographics will encourage more families in China to seek additional support from professional family care service providers.

Delayed age of childbearing

- It has become more prevalent in China for couples to postpone starting a family due to various factors such as pursuit of higher education, career advancement, and other personal ambitions. According to the "China Population Census Yearbook" published by the National Bureau of Statistics, from 2010 to 2020, the average age for first marriages in China increased from 24.89 to 28.67 years. In 2010, the highest fertility rates were observed among individuals aged 20 to 29. However, by 2020, the age range with the highest fertility rates had shifted to 25 to 34. This delay in the age of childbearing reduces the capacity of grandparents to provide childcare support, leading to a growing demand for home child care services; parents in the latter age group are also more likely to afford high-quality family care services.

Favorable government policies including the "three-child policy" to boost birth rate

- After the implementation of the two-child policy in 2011, the number of new births and the birth rate experienced a temporary increase. After the issuance of a series of policies in China to promote population growth including the "three-child policy", the proportion of two-child and three-child newborns has steadily increased, from 10.42‰ in 2010 to 16.06‰ in 2020. The fertility rate for third children in China also increased from 2.18‰ in 2010 to 4.15‰ in 2020. Compared to families with only one child, parents with two or three children generally need more support and therefore have higher demand for family care services.

Source: Frost & Sullivan

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Overview of Postpartum Care and Recovery Industry

Definition and Classification

Definition

- Postpartum care refers to the care work for women who have recently given birth and for their babies, mainly involving health monitoring and providing the corresponding diet care, health care, wound care from giving birth, and other nursing services. In terms of service providers, postpartum care can be divided to postpartum car center and yuesao.
- Postpartum recovery services help women recover from childbirth in both physical and mental aspects, such as pelvic rehabilitation, skin repair, and more to help women regain their health and well-being after giving birth.
- Postpartum centers and yuesao both provide postpartum care and support to new mothers and their newborns during the critical postpartum period right after birth. Their services target the same group of population. While there is competition between postpartum centers and yuesao to a certain degree, due to the difference in professionality, expertise, price range, service positioning, service matrix, and service time, postpartum center groups and yuesao are targeting different customer groups. Compared with yuesao, postpartum centers are generally more favored by middle-class and high-income families who have the willingness and ability to purchase postpartum care service with higher prices and seeking for scientific manner, diversified product matrix, well-staffed nursing specialists, and consistent service quality. The distinct characteristics of the targeted customer groups of the services of postpartum centers and yuesao have limited the degree of competition between the two types of service providers.

Classification of Service Providers of Postpartum Care

	Postpartum Center	Yuesao
Professionality	• ***Higer Professionality:*** Postpartum care centers are usually equipped with professional practitioners with diversified skills and a more comfortable and spacious living places for customers to recuperate, and thus are more able to provide a professional and standardized services.	• ***Lower Professionality:*** Yuesao usually rely more on the accumulation of past personal nursing experience, but lack systematic or scientific maternity care knowledge and training. In addition, yuesao usually provide door to door service, and lack of support from professional devices.
Service Delivery	• ***Specialized venues:*** Postpartum centers feature a mixed provision of services and premises, offering postpartum care services and other related services at premises such as houses, hotels, hospitals, commercial buildings and apartments	• ***Home-based services:*** Yuesao typically provide postpartum care services while residing in the employer's home.
Service Scope	• ***Diversified Product Matrix:*** Postpartum centers usually can provide a full range of services for both mothers and babies, including postpartum care and recovery services.	• ***Simplified Service Offering:*** Due to the limited expertise, yuesao are usually only able to provide basic maternity care and daily living services, with limited scope and uneven quality of services.
Service Personnel	• ***Well-Staffed for consistent service:*** Postpartum centers are generally equipped with a number of nurses, dietitians, psychological counselors, physical therapists, early education enlightenment teachers, and security personnel, and have a number of employees who work in shifts to ensure consistent 24-hour health monitoring and service guarantee for mothers and babies.	• ***Limited service time:*** The need for rest time limits a single yuesao's ability to provide 24-hour service.
Consumption Price	• ***Higher service charge and service quality:*** Due to the one-stop service package with a more complete and diversified service matrix, the average service charge per customer of postpartum centers is generally higher.	• ***Lower Consumption Price:*** Since yuesao offer a relatively limited service, its average service charge per customer is usually lower than postpartum centers.

Source: Frost & Sullivan

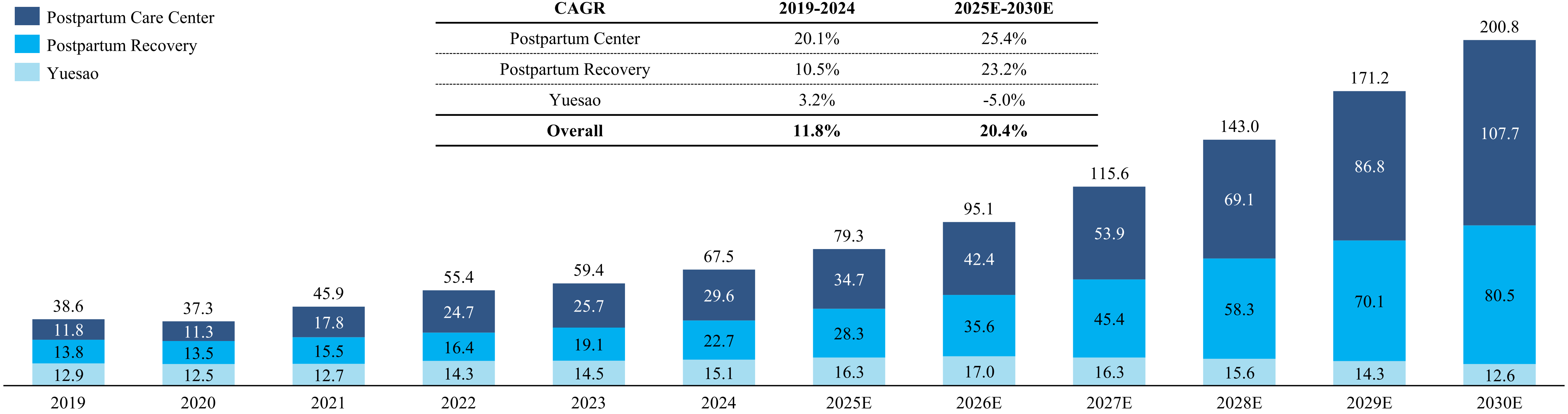
Overview of Postpartum Care and Recovery Industry

Market Size of Postpartum Care and Postpartum Recovery Industry in China

Market Size of Postpartum Care and Recovery Industry in China, by Revenue, breakdown by Service Providers

RMB Billion, 2019-2030E

CAGR	2019-2024	2025E-2030E
Postpartum Center	20.1%	25.4%
Postpartum Recovery	10.5%	23.2%
Yuesao	3.2%	-5.0%
Overall	**11.8%**	**20.4%**



Key Finding

- From 2019 to 2024, with the rising acceptance of postpartum care and recovery and the expansion of chain postpartum institutions, China's postpartum care and recovery industry has been expanding, and its market size has increased from approximately RMB38.6 billion in 2019 to RMB67.5 billion in 2024, with a CAGR of 11.8%. In 2020, affected by the outbreak of COVID-19, some small and medium-sized postpartum centers suspended operations, and the market size of the postpartum care industry was slightly reduced, while market concentration slightly increased after the exit of those players.
- In terms of the postpartum care services segment of the industry, the penetration rate in mainland China significantly increased from 7.5% in 2019 to 17.0% in 2024, among which the penetration rate of postpartum centers increased from 1.3% in 2019 to 6.0% in 2024; however, such penetration rates remained considerably lower than those in other mature Asian markets. For example, the penetration rate of postpartum care services in South Korea and Taiwan, China was above 60% in 2024, indicating ample room for growth in mainland China. The market size of postpartum recovery services is also expected to grow significantly in mainland China, at a CAGR of 23.2% from 2025 to 2030.

Source: National Bureau of Statistic, Frost & Sullivan

Overview of Postpartum Care and Recovery Industry

Development History of Postpartum Care

	Initial Stage (1999-2005)	Exploratory Stage (2006-2015)	Rapid Developed Period (2016-Nowadays)
Industry Development	• In China, since ancient times, there has been a traditional custom of women needing *postpartum confinement(“坐月子”)* after childbirth, but mainly in the form of home recuperation. It was not until 1999, when the first postpartum center to provide centralized service places was established, indicating the beginning of China’s modern postpartum center industry. • In the early stage of the development of the industry, postpartum centers generally only provide basic daily maternal and child care, and was only distributed in a few first-tier cities in China.	• At this stage, the number of industry participants increased, the postpartum center institutions also began to gradually expand and penetrate into more first- and second-tier cities, and a number of chain postpartum center brands continued to expand. • During this period, the services provided by postpartum centers are still mainly postpartum care, and postpartum recovery and other derivative services are not involved, and the services provided by each institutions in the market are relatively homogeneous.	• In recent years, With the continuous development of science and the popularization of health knowledge, Chinese residents' consumption awareness of more scientific and professional postpartum repair services has been increased, promoting the rapid expansion of the market size in the first- and second-tier cities and even more low-tier cities. • The service scope provided by postpartum center institutions has expanded to be more diversified. And the market leading position of the top players has become increasingly prominent, which have gradually formed their own differentiated competitive advantages.

- Postpartum confinement (坐月子) is a custom originating in China since ancient times whereby women have a period of confinement and recuperation after childbirth. Women used to mainly undergo postpartum confinement at home, and some of them would hire *yuesao* (postpartum doulas) to provide postpartum care services. Today, it is still a common practice and postpartum centers and *yuesao* are the two types of postpartum care service providers.
- The first postpartum center was established in Taiwan, China in 1999. In China, while yuesao still occupy the majority of the market share, the number of postpartum centers gradually increased since the 2000s, and a number of chain postpartum center brands began to expand. In recent years, there has been a rapid expansion of the market size for postpartum centers in the first- and second-tier cities and even more low-tier cities. The service scope of postpartum centers has become more diversified, the services have become more professionalized, and the market position of the top players has become increasingly prominent. Nowadays, many postpartum centers have become centralized service venues for postpartum care and recovery services.

Source: Frost & Sullivan

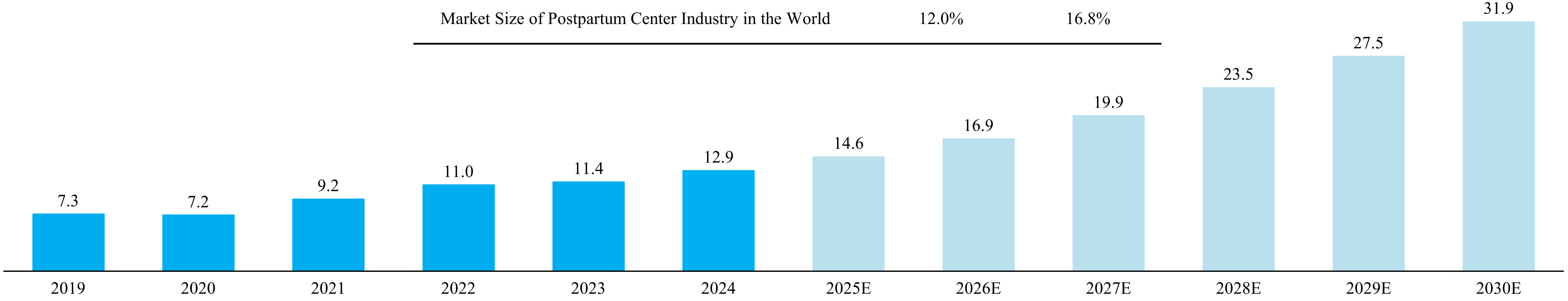
Overview of Postpartum Care and Recovery Industry

Market Size of Postpartum Center Industry in the Word and Selected Countries and Regions

Market Size of Postpartum Center Industry in the World, by Revenue

USD Billion, 2019-2030E

CAGR	2019-2024	2025E-2030E
Market Size of Postpartum Center Industry in the World	12.0%	16.8%



Key Finding

- In recent years, postpartum care services have become increasingly popular in more countries and regions, and the global postpartum center market has continued to grow. For instance, in the United States there has emerged in recent years a greater number of premium postpartum centers set up in high-end hotels which coincides with a continuous improvement of consumer awareness of postpartum care services. In addition, in some economically advanced countries in Southeast Asia, such as Singapore, more women are inclined to choose postpartum centers rather than yuesao to help them get through their critical postpartum stages, which promotes rapid development of the local postpartum center market. As such, the global postpartum center market has grown steadily, reaching a total market size of approximately USD12.9 billion in 2024. It is expected that the global market size of postpartum center industry will continue to grow in the future, representing a CAGR of 16.8% from 2025 to 2030 and reach to USD31.9 billion in 2030.
- United States: the consumer group of postpartum care and recovery services is mainly composed of Chinese families who are residing in and giving birth in the United States, but it has also gained popularity among other consumer groups. In the past, postpartum centers in the United States typically catered to the needs of overseas Chinese families. However, as awareness of the importance of postpartum care grows in the United States, there has been an increasing demand for these services. A number of premium postpartum centers have emerged, often located in high-end hotels, operating under an asset-light model to provide customers with a luxurious and comfortable environment while facilitating rapid expansion. The market size of postpartum care and recovery industry in the United States has exceed approximately US$4 billion in 2024, and it is expected that in the future, with the continuous improvement of postpartum care awareness in the United States, the consumer group of postpartum centers will continue to grow and further drive the continuous expansion of the market size.
- Hong Kong, China: Similar to mainland China, Hong Kong also preserved the traditional culture of postpartum confinement, and thus it is relatively common for consumers in Hong Kong to consume postpartum care and recovery services. Compared with other postpartum care services, the better environment and more professional services provided by postpartum centers have attracted more consumers in Hong Kong in recent years, further promoting the expansion of the market size. In 2024, the market size of the postpartum care and recovery industry in Hong Kong exceeded US$90 million, and is expected to continuously grow in the future.

Source: Frost & Sullivan

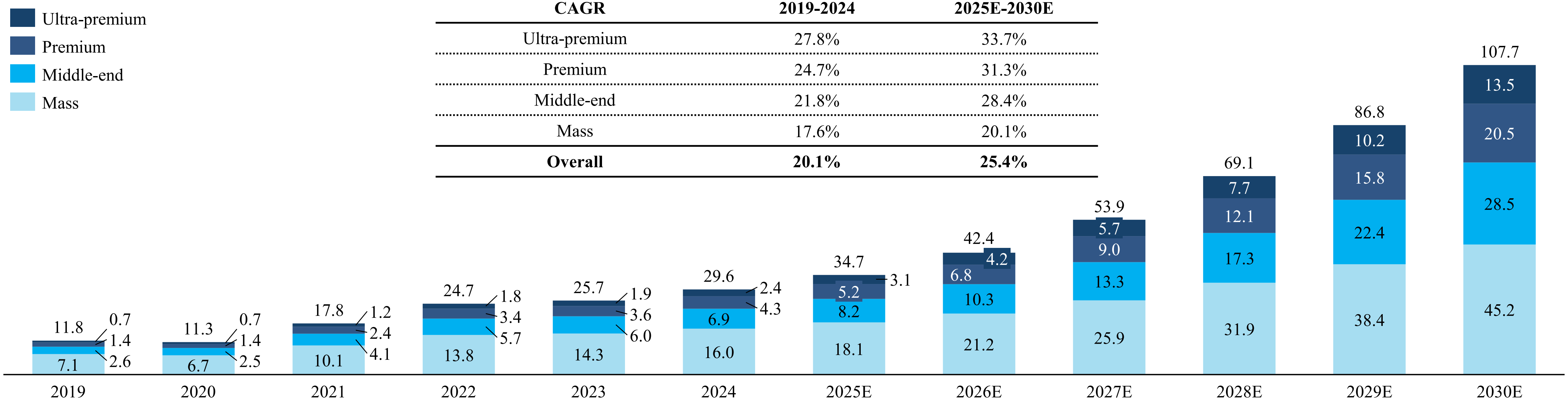
Overview of Postpartum Care and Recovery Industry

Market Size of Postpartum Center Industry in China

Market Size of Postpartum Center Industry in China, by Revenue, breakdown by Brand Segment

RMB Billion, 2019-2030E

CAGR	2019-2024	2025E-2030E
Ultra-premium	27.8%	33.7%
Premium	24.7%	31.3%
Middle-end	21.8%	28.4%
Mass	17.6%	20.1%
Overall	**20.1%**	**25.4%**



Key Finding

- For postpartum centers in China, there are two business models, namely asset-heavy and asset-light models. Asset-heavy operators primarily utilize self-owned or leased premises which require substantial investment in construction or comprehensive renovation from the outset. In comparison, asset-light operators primarily utilize premises that are close to immediate occupancy which only require minimal investment for upgrade and customization. Among postpartum care and recovery groups that mainly engaged in the postpartum center and recovery business, over 70% of them have adopted an asset-light model. Hence, the adoption of asset-light model is in line with the industry norm in China's postpartum care and recovery industry.
- Between 2019 and 2024, market size of China's postpartum center industry ushered in rapid development, at a CAGR of 20.1%. In particular, the higher-end market segment experienced and is expected to continue experiencing a higher growth rate than the mass market segment. In particular, the ultra-premium and premium segments are expected to be the fastest growing, whose market size is expected to grow at a CAGR of 33.7% and 31.3%, respectively, from 2025 to 2030.

**Note: Ultra-premium, premium, middle-end, and mass market segments refer to centers with an average price of over RMB150,000, RMB100,000-150,000, RMB60,000-100,000, and below RMB60,000, respectively.*

Source: National Bureau of Statistic, Frost & Sullivan

Overview of Postpartum Care and Recovery Industry

Entry Barriers of Postpartum Center Industry

Professional staff and systematic SOP system

- Industry-leading companies in the industry generally not only have a professional and stable staff team with specialized knowledge and skills to provide professional care and recovery services, they also have a well-established training process, and well-developed standard operating procedures allowing delivery of standardized high-quality services based on their accumulated experience over the years; while new entrants to the industry need to spend significant resources to improve their work processes, and recruit or train their professionals.

Brand recognition and awareness

- Due to the high opportunity cost, high price, and long decision-making period, customers intend to select reputable postpartum centers. Many customers rely on past experience of their acquittance and KOLs as a part of the decision-making process when selecting postpartum centers. Word-of-mouth referral is critical for postpartum centers operators.
  - It is difficult for new entrants to establish brand recognition and accumulate reputation in a short period of time.

Entry Barriers

Industry knowledge, resources, and experience

- Experienced postpartum center operators possess accumulated industry knowhow and also benefit from the established relationships with suppliers and business partners. Established postpartum centers also generally have a larger customer database, which they can leverage to gain valuable insights into consumers' needs and preferences. This deepens their understanding of consumer trends and demands.

Stringent government supervision

- In the long run, the development of the postpartum care industry in China is expected to benefit from changes in birth policy and the strengthening of government supervision. Since 2013, the Chinese government has successively introduced relevant supervision and normative policies, such as General Requirements for Maternal and Child Health Care Service Premises《母婴保健服务场所通用要求》and Guidelines on Promoting the Development of Care Services for Infants and Young Children under 3 years of Age《关于促进3岁以下婴幼儿照护服务发展的指导意见》, to encourage the healthy development of the industry. With the continuous improvement of the unified regulatory standards of the industry, the standardization of institutional operations and relevant practitioners has been strengthened, and the market entry barriers have been raised. In this context, institutions that have difficulties coping with regulatory requirements and market supervision will be gradually eliminated; and the market share of leading postpartum enterprises with complete qualifications and standardized operations is expected to increase.

Source: Frost & Sullivan

Overview of Postpartum Care and Recovery Industry

Market Drivers of Postpartum Center Industry

Increasing Consumption Willingness

- Nowadays, women's increasing willingness to invest more money and attention in maintaining and enhancing their well-being and physical appearance has spurred the growth in demand for postpartum care and recovery services. Beyond traditional considerations of facial beauty, there is a growing emphasis on physical aesthetics and health.
- In this context, postpartum centers offer diversified and professional services that cater to both health recovery and postpartum body shaping, promoting the increasing interest in consumers to choose postpartum center services instead of yuesao services. In addition, the supply of yuesao and other household service personnel is insufficient to meet the market demand in China. The emergence of postpartum centers has effectively filled this gap in market demand.

Growing Disposable Income and Consumption Level

- The disposable income of Chinese residents has maintained a growing trend in recent years. In particular, the number of affluent families with net assets of RMB6 million, high-net-worth families with net assets of RMB10 million, ultra-high-net-worth families with net assets of RMB100 million, and international ultra-high-net-worth families with net assets of USD30 million overall has been on a rising trend from 2019 to 2024. These groups constitute the primary target demographic for our ultra-premium and premium postpartum center service. Additionally, the overall consumption price level for high-net-worth individuals in China increased by 5.4% in 2023, surpassing the national consumer price index, which increased by 0.2% in 2023 according to the National Bureau of Statistics. This indicates that high-net-worth families continued to maintain strong consumption capabilities and enthusiasm.

Expanding Market Segment

- In first- and second-tier cities, consumers' demand for services is more specialized and diversified, and the high-end postpartum institutions equipped with professional talents, a scientific and systematic approach of care and recovery services, and advanced facilities can meet such potential needs of consumers on professional postpartum care service.
- In addition, among China's high net worth individuals, those with more assets have a stronger intention to have more than one child. Therefore, driven by consumers' higher demand for quality service, the more premium market segments are expected to grow at a higher rate than the overall postpartum center industry

Source: Frost & Sullivan

Overview of Postpartum Care and Recovery Industry

Market Trends of Postpartum Center Industry

Professionalism-oriented branding and staffing

Well-known and High-end Postpartum Center are Becoming more Popular

- To meet increasingly sophisticated consumer demand, more and more postpartum centers have begun to establish their own staff training system, focusing on training and improving the basic capabilities of employees, professional skills, and service awareness. The establishment of an effective staff training system forms the basis of the professional service of postpartum centers, enhances the market reputation, and attracts more customers to accept the services of postpartum centers. Therefore, market players with better and more professional service can often form better brand recognition and reputation among consumers, and thus obtain more revenue and market share.

Diversified Service Offering

Diversified Value-added Services Help to Form Better Brand Reputation

- Amid the rapid development of the postpartum care and recovery industry, the value-added services that market players can provide are expected to become an important factor affecting consumers' choice of postpartum centers.
- Therefore, more and more postpartum center operators are increasingly focused on providing a more diversified service matrix and cultivating their own differentiated competitive advantages.

Digitalization

Digitalizing Management and Service Process of Postpartum Center

- The development of the postpartum care and recovery industry is expected to be characterized by the introduction of new technologies, as market players continue to invest in technological innovation and digitalization. For instance, through the application of internet platforms and intelligent management systems, market players can improve service efficiency and quality, and meet customer needs more accurately and efficiently.

Market Consolidation

Increasing Industry Concentration

- As China's postpartum care and recovery industry continues to develop and become more mature, larger market players are expected to start emerging, as smaller operators are less able to benefit from economies of scale brought by their competitors' market position and relationships with suppliers and partners. In addition, larger market players are also generally more capable of complying with relevant laws and regulations, accumulating brand awareness, and providing professional services.

Overseas Market Expansion

Industry Leading Enterprises Accelerating Overseas Expansion

- With the rise of global women's awareness, more and more attention is paid to health care services for woman such as postpartum care, and the model of the postpartum center will be more popular in overseas markets outside of China. Under such a development background, it is expected that there will be growing opportunities for the leading market players in the industry to expand into overseas markets by establishing overseas branches or acquiring local players.

Source: Frost & Sullivan

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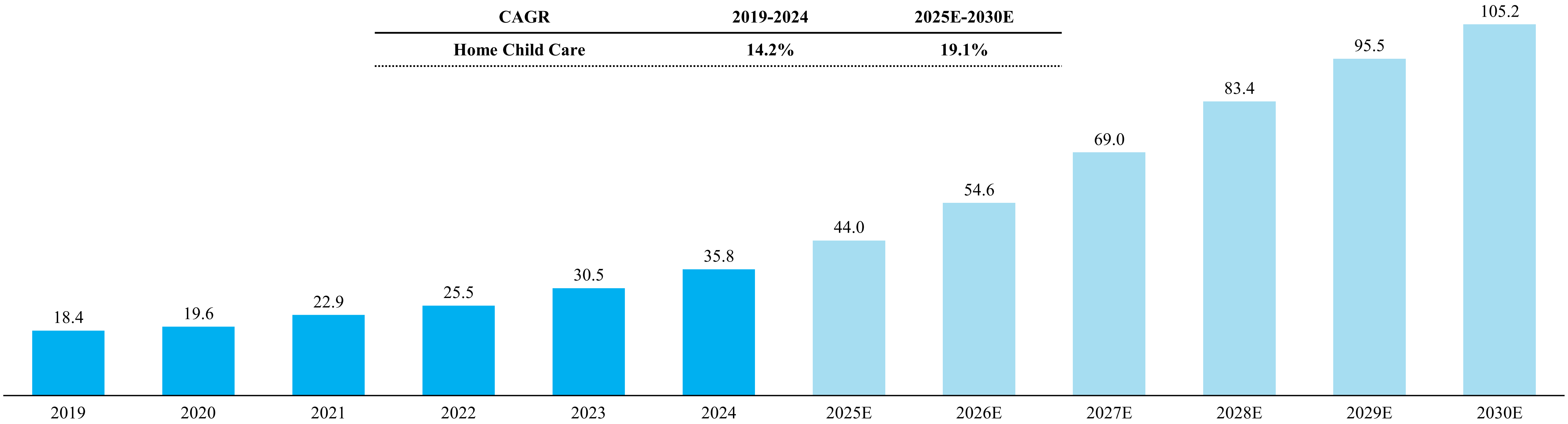
Overview of Home Child Care Industry in China

Market Size of Home Child Care Industry in China by Revenue

Market Size of Home Child Care Industry in China, by Revenue

Billion RMB, 2019-2030E

CAGR	2019-2024	2025E-2030E
Home Child Care	**14.2%**	**19.1%**



Key Finding

- According to the Frost & Sullivan Report, the home child care market in China has demonstrated significant growth from RMB18.4 billion in 2019 to RMB35.8 billion in 2024, at a CAGR of 14.2%. Projections foresee continued upward momentum, with an anticipated escalation to RMB105.2 billion by 2030, driven by an estimated CAGR of 19.1% from 2025 to 2030. The market's current penetration rate remains relatively low, standing at approximately 1.5%, indicating significant untapped potential.
- According to the Frost & Sullivan Report, the home child care industry in China currently exhibits a highly fragmented nature with distinctive regional characteristics. However, as there is a growing emphasis on higher quality services based on professional training and workflow, it is expected to support the emergence of top market players with more prominent market positions and scale.

Source: Frost & Sullivan

Overview of Home Child Care Industry in China

Market Driver and Future Trend of Home Child Care Industry

Enhancing women's self-pampering with professional services

- The rise of professional child care services is enabling women to delegate certain child-rearing responsibilities to experts, allowing them to reclaim time and energy for self-pampering and self-development. With the support of professional child care services, women can prioritize personal development, pursue hobbies, enhance their career skills, or simply enjoy quiet moments by themselves. These opportunities not only enhance women's quality of life but also contribute to their overall well-being and happiness. As women experience the professional family care and have the chance to acknowledge their self-needs, there is a transition in their mindset which encourage them to embrace more professional help from family care providers. They will be more willing to invest in such services and products and view the expenditures as essential components of their journey towards self-improvement and self-care.

Increasing recognition of a scientific and professionalized approach

- According to UNICEF, early childhood development (ECD) encompasses the holistic growth of children, with 0 to 3 years being deemed as the crucial "window of opportunity" for comprehensive physical, cognitive, emotional, social, and linguistic development. According to the Frost & Sullivan Report, this has led to an escalating demand for professional home child care providers who play an important role in offering specialized care and fostering children's intellectual growth. Amid the rise in consumer demand, novel approaches in child care continue to emerge. The skills expected from today's child care specialists include infant and toddler development, proficiency in basic medical knowledge, and the ability to provide scientific feeding and routine care. This increasing adoption of a scientific childcare approach is driving a more professionalized and superior level of service.
- The transformation in consumer consciousness has also further propelled the standardization and evolution of the industry. For example, there is a growing emphasis on structured and comprehensive training programs for home childcare professionals, as well as certification processes that ensure that service providers possess requisite skills, expertise, and updated knowledge essential for delivering high-quality care. The industry is also moving toward establishing standardized processes for service delivery. This involves developing clear, systematic workflows that outline procedures for various aspects of home childcare, including health, nutrition, safety, and early childhood education.

Policy support and development of national standards

- High emphasis and support from the government toward the expansion of family services are evident through a series of policies. The Chinese Ministry of Human Resources and Social Security has implemented measures to regulate and bolster the childcare sector. The "National Occupational Standards for Childcare Providers" were introduced to serve as a guiding framework for the professional growth of childcare providers, and sets out requirements on the profession's responsibilities, requisite skills, and training criteria. These policy drivers have provided robust backing for the home child care industry, facilitating rapid growth, continual enhancement in service quality, and an expanding market size. At the same time, the formulation of national standards is expected to raise consumers' expectations of the service quality of childcare professionals.

Source: Frost & Sullivan

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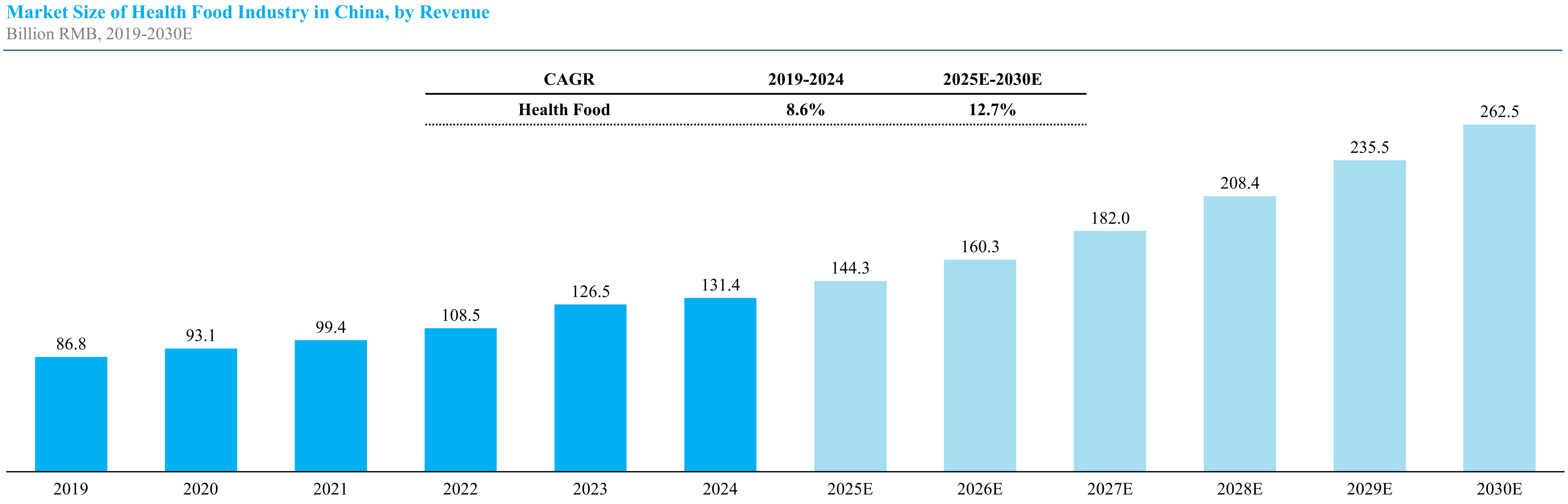
Overview of Health Food Industry in China

Market Size of Health Food Industry in China by Revenue



Key Finding

- According to the Frost & Sullivan Report, the market size of the health food products industry in China grew from RMB86.8 billion in 2019 to RMB131.4 billion in 2024, at a CAGR of 8.6%. It is expected that such market size will grow to RMB262.5 billion in 2030, at a CAGR of 12.7% between 2025 and 2030. According to the Frost & Sullivan Report, the sustained growth in the health food products industry is primarily driven by an increasing focus among modern people to adopt healthier lifestyles and embracing self-pampering consumption. As their health and self-pampering consciousness continues to grow, people are increasingly aware that prioritizing personal health is not just a short-term need during specific periods but a long-term investment across their entire lifetime. From puberty to menopause and through various stages of life, people experience different physiological and psychological changes, each requiring specific nutritional needs.

Source: National Bureau of Statistic, Frost & Sullivan

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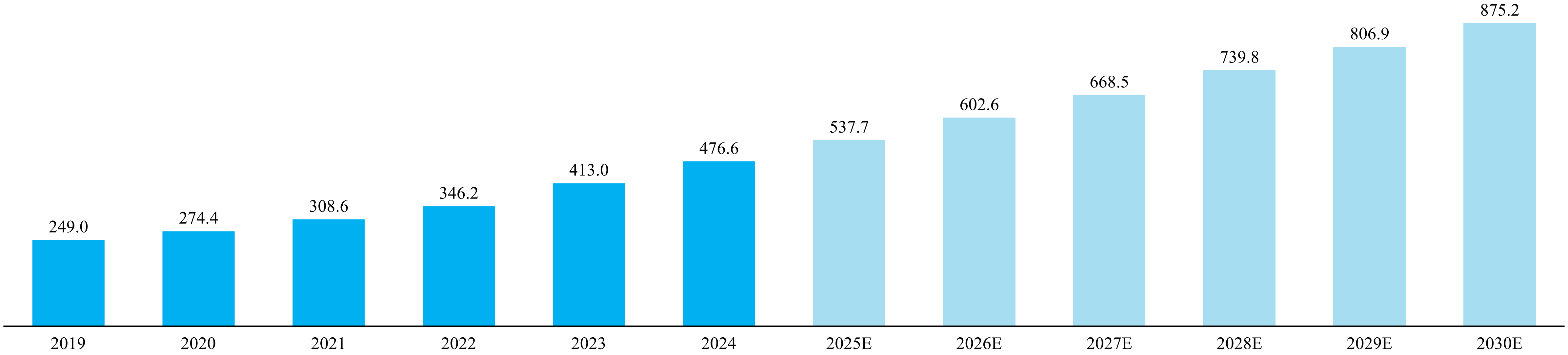
Overview of Elderly Care Industry

Market Size of Elderly Care Industry in China

Market Size of Elderly Care Industry in China, by Revenue

Billion RMB, 2019-2030E

CAGR	2019-2024	2025E-2030E
Elderly Care	13.9%	10.2%



Key Finding

- Elderly care refers to providing daily care, rehabilitation, psychological support, and other comprehensive services especially for the elderly. Market players mainly include nursing homes and other service providers.
- China is becoming an aging society with an increasing elderly population (aged over 60) of 310 million in 2024, accounting for approximately 22.0% of the total population in that year. Therefore, the demand for elderly services in China has been on the rise, and the size of the elderly care service industry has grown from RMB249.0 billion in 2019 to RMB476.6 billion in 2024, at a CAGR of 13.9%, and is expected to reach RMB875.2 billion in 2030, at a CAGR of 10.2%.
- Although China has standards for self-care (自理), device-aided (介助), and nursing-cared (介護) models, these standards are rarely used in the practical operation of elderly care institutions. The elderly care industry in China generally lacks mature and experienced operation teams for elderly care service. Against this background, Saint Bella is the first and only Chinese player to enter into a memorandum of understanding with a Japanese local leader in elderly care service.

Source: National Bureau of Statistic, National Health Commission, China Consumers Association, Frost & Sullivan

Overview of Elderly Care Industry

Growth Drivers and Future Trends of Elderly Care Industry in China

Large and Growing Elderly Population

- China's large and growing elderly population provides a huge user base for the elderly care industry. In 2023, China's elderly dependency ratio was 22.5%, and this ratio is expected to continue to rise, which means that the average number of elderly people supported by per unit of working-age population is increasing. Meanwhile, the problem of empty-nest elderly, namely elderly people living alone away from their family, has become prominent in China with a large number of young and middle-aged population leaving their hometown for study and work.
- According to the Ministry of Civil Affairs, in 2022, empty-nest elderly accounted for more than 50% of China's elderly population, and in some cities and rural areas, the proportion of empty-nesters even exceeded 70%. The increasing prominence of this phenomenon will encourage more families to choose elderly care services providers which can provide a safe environment and professional caring service, and thus driving the growth of China's elderly care service market.

Favorable Policy Support

- In recent years, the Chinese government has issued a number of favorable policies to support the development of the elderly care service industry. For example, policies have been promulgated to propose to fully open up and develop the elderly care service market, and support non-governmental sectors to set up elderly care service institutions, and encourage the development of smart elderly care.
- In addition, there are also a number of policies to encourage the use of public-private partnerships (PPP) and provide preferential treatment for enterprises in terms of land, taxes, and fees, to encourage social capital to enter the elderly care service industry, and to promote the increase and scale expansion of industry participants.

Source: National Bureau of Statistics, Frost & Sullivan

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Competitive Landscape

Ranking of Top Five Postpartum Care and Recovery Groups in China

Ranking of Top Five Postpartum Care and Recovery Groups in China

In terms of Revenue from Postpartum Centers (2024)

Ranking	Company	Revenue[1] Million RMB, 2024	Market Share %, 2024	CAGR of Revenue[1] %, 2022-2024	No. of Directly-operated Center[2] Unit, 2024	No. of Covered Cities[3] Unit, 2024
1	**Our Group**	RMB628 million	1.2%	26.4%	57	20
2	**Company A**	RMB418 million	0.8%	-15.2%	18	9
3	**Company B**	RMB366 million	0.7%	17.7%	20	4
4	**Company C**	RMB274 million	0.5%	19.0%	4	2
5	**Company D**	RMB261 million	0.5%	11.5%	7	4

- Company A is a Hong Kong listed company established in 2007 which mainly operates premium postpartum centers and offers postpartum recovery service to consumers.
- Company B is a private company established in 2008 which provides postpartum care and recovery services to consumers, primarily for the mass market in China.
- Company C is a private company established in 2010 which mainly provides postpartum care and recovery services through standalone villa-style postpartum centers in China.
- Company D is a private company established in 2008 which mainly provides postpartum care and recovery in China services, mainly through hotel-style postpartum centers in China.
- Company E is a private company established in 1996, mainly providing postpartum care and recovery service through postpartum centers in South Korea and China.
- Company F is a private company established in 2008, operating postpartum centers in China and Malaysia.
- Company G is a private company established in 2020 which focuses on operating ultra-premium, asset-light postpartum centers, and operates only in first-tier cities in China.
- Company H is a private company established in 2022 which mainly engages in providing intelligent maternal and child care solutions, and operates ultra-premium postpartum centers in China.
- Company I is a private company established in 2019 which mainly provides postpartum care services in the form of standalone villa-style postpartum centers in China.
- Company J is a private company established in 2008 which mainly engages in operating ultra-premium postpartum centers in the form of hotel-style postpartum centers in China.
- Company K is a private company established in 2007 which provides postpartum care and recovery services to consumers, primarily for the premium market in China.

**Note: (1) Revenue generated from postpartum care and recovery services; (2) Number of directly-operated postpartum centers in China as of December 31, 2024; (3) Refers to the number of cities covered by directly-operated postpartum centers in China as of December 31, 2024.*

Source: Frost & Sullivan

Competitive Landscape

Ranking of Top Five Postpartum Care and Recovery Groups in Asia

Ranking of Top Five Postpartum Care and Recovery Groups in Asia
In terms of Revenue from postpartum centers (2024)

Ranking	Company	Revenue[1] RMB million, 2024
1	**Our Group**	RMB628 million
2	**Company A**	RMB418 million
3	**Company E**	RMB403 million
4	**Company B**	RMB366 million
5	**Company F**	RMB279 million

**Note: (1) Revenue generated from postpartum care and recovery services.*

Source: Frost & Sullivan

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Competitive Landscape

Ranking of Top Five Postpartum Care and Recovery Groups in China

Ranking of Top Five Postpartum Care and Recovery Groups in China
In terms of Revenue from Ultra-premium Postpartum Centers (2024)

Ranking	Company	Revenue(1) Million RMB, 2024	No. of Directly-operated Ultra-premium Center(2) Unit, as of December 31, 2024	No. of Covered Cities(3) Unit, as of December 31, 2024
1	**Our Group**	RMB374 million	28	12
2	**Company G**	RMB89 million	12	4
3	**Company H**	RMB82 million	11	8
4	**Company I**	RMB69 million	6	6
5	**Company J**	RMB16 million	2	1

**Note: (1) Revenue generated from postpartum care and recovery services derived from ultra-premium postpartum centers;*
(2) Number of directly-operated ultra-premium postpartum centers in China as of December 31, 2024;
(3) Refers to the number of cities covered by directly-operated postpartum centers in China as of December 31, 2024.

Source: Frost & Sullivan

Competitive Landscape

Ranking of Top Five Scaled Postpartum Care and Recovery Groups in China

Ranking of Top Five Scaled[1] Postpartum Care and Recovery Groups in China

In terms of CAGR of Revenue (2022-2024)

Ranking	Company	CAGR of Revenue[1] %, 2022-2024
1	Our Group	26.4%
2	Company C	19.0%
3	Company B	17.7%
4	Company K	16.8%
5	Company D	11.5%

**Note: (1) Revenue generated from postpartum care and recovery services.*

Source: Frost & Sullivan

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Appendix

	Statement
1	The Company is a leading postpartum care and recovery group in China, and also offers home care services and food products covering women's needs. The Company aims to become a leading comprehensive family care group in Asia with an evolving brand portfolio, through enhancing its presence in the existing business segments and operating markets, launching new offerings to tap into new segments such as elderly care services, as well as expanding its service network to promising markets in addition to its established presence in mainland China, Hong Kong, Singapore, and the United States. According to the Frost & Sullivan Report, the Company is the largest postpartum care and recovery group both in Asia and in China in terms of revenue from postpartum centers in 2024, the fastest-growing scaled postpartum care and recovery group in China in terms of revenue growth rate from 2022 to 2024, and the first postpartum center operator based in mainland China to expand outside of mainland China. In 2024, the Company had a market share of approximately 1.2% in terms of revenue from postpartum centers in China.
2	According to the Frost & Sullivan Report, the family care industry in China is relatively scattered, and the market is mainly composed of a number of small and medium-sized enterprises. Most enterprises only operate in a single segment of the industry, and only a few leading groups have expanded across multiple business areas. According to the Frost & Sullivan Report, among the leading market players in the family care industry, our Group has the most comprehensive business matrix, and has a leading postpartum care and recovery operation in China. A "comprehensive family care group" refers to an enterprise that operates and generates revenue from at least two business segments in the family care industry. According to the Frost & Sullivan Report, by offering services across multiple segments, a market player is capable of catering to a broader spectrum of family care needs compared to its peers who may focus on only one segment. By providing a wider range of services and products, a comprehensive family care service provider has the ability to offer holistic family care services that benefit customers and address their different needs.
3	According to the Frost & Sullivan Report, the Company is the largest postpartum care and recovery group both in China and in Asia in terms of revenue from postpartum centers in 2024, the fastest-growing scaled postpartum and recovery group in China in terms of revenue growth rate from 2022 to 2024, and the first postpartum center operator based in mainland China to expand outside of mainland China. In 2024, the Company had a market share of approximately 1.2% in terms of revenue from postpartum centers in China.
4	According to the Frost & Sullivan Report, the total addressable market of family care in China has grown rapidly, among which, the markets of postpartum care and recovery services and home child care services reached RMB67.5 billion and RMB35.8 billion, respectively, in 2024, despite having a significantly lower penetration rate compared with mature markets like South Korea and Taiwan, China. The markets of postpartum care and recovery services and home child care services are expected to reach RMB200.8 billion and RMB105.2 billion by 2030, representing a CAGR of 20.4% and 19.1%, respectively, from 2025 to 2030.
5	According to the Frost & Sullivan Report, there is an increasing popularity of self-pampering products and services and this trend marks a significant shift in women's spending pattern toward personal growth and mental fulfillment.
6	According to the Frost & Sullivan Report, the Company had the largest network of premium postpartum centers in China in 2024, with leading market share in multiple cities in terms of revenue, such as Hangzhou and Shanghai.
7	According to the Frost & Sullivan Report, the Company provides premium, professionalized services supported by the largest team of nursing specialists with the relevant professional qualifications in directly-operated postpartum centers among its competitors as of 2024.
8	According to the Frost & Sullivan Report, the Company is one of the leading nationwide home child care service providers in China in terms of revenue.
9	According to the Frost & Sullivan Report, the Company is the first family care service provider in China that also offers a sizable portfolio of women's health food products.
10	According to the Frost & Sullivan Report, the penetration rate of postpartum centers and home child care services in China increased from 1.3% and 0.6% in 2019 to 6.0% and 1.5% in 2024, respectively, and their respective market size grew at a CAGR of 20.1% and 14.2% from 2019 to 2024 to reach RMB29.6 billion and RMB35.8 billion. Such penetration rates remained considerably lower than those in mature Asian markets such as South Korea and Taiwan, China. According to the Frost & Sullivan Report, the penetration rates of postpartum centers in South Korea and Taiwan, China were above 60% in 2024, indicating ample room for growth in China.

Source: Frost & Sullivan

Appendix

	Statement
11	According to the Frost & Sullivan Report, the market size of the family care industry in China (excluding elderly care) was approximately five times that of postpartum care in 2024, representing huge market potential for us to tap into.
12	In 2023, Saint Bella became the most-searched brand of postpartum centers on Xiaohongshu, according to the Frost & Sullivan Report.
13	According to the Frost & Sullivan Report, the Company had the largest team of professional nursing specialists at directly-operated postpartum centers among its competitors as of 2024.
14	During the Track Record Period, the Company achieved a turnover rate of nursing specialists of approximately 32.7% in 2023, which was lower than the industry average of approximately 40–50%, according to the Frost & Sullivan Report.
15	According to the Frost & Sullivan Report, the Company is a pioneer in offering a comprehensive and personalized postpartum care program at its postpartum centers.
16	According to the Frost & Sullivan Report, the market size of the global postpartum centers industry has also exhibited significant growth globally, from US$7.3 billion in 2019 to US$12.9 billion in 2024, at a CAGR of 12.0%, and such market size is expected to grow from US$14.6 billion in 2025 to US$31.9 billion in 2030, at a CAGR of 16.8%, but this market potential has been largely untapped.
17	According to the Frost & Sullivan Report, the Company had a market share of 16.0% and 5.7% in the postpartum center market in Hangzhou and Shanghai, respectively, in 2024 in terms of revenue.
18	According to the Frost & Sullivan Report, GuangHeTang is one of the industry leaders in China's women's health food products industry with a history of more than 20 years in the area of nourishment, health, and wellness.
19	According to the Frost & Sullivan Report, GuangHeTang pioneered a unique product portfolio which addresses women's nourishment needs in different life stages.
20	According to the Frost & Sullivan Report, the Company is positioned as a premium service provider, and its service packages typically have a price premium over those offered by its competitors in terms of average price per day of stay.
21	According to the Frost & Sullivan Report, as the modern postpartum center industry is in a stage of rapid development and is not fully mature, there are still a large number of regional and small-scale postpartum centers in the industry, making the current market in Asia fairly dispersed, and it is expected that the future industry competition will intensify. Similarly, according to the Frost & Sullivan Report, the home child care industry in China currently exhibits a highly decentralized nature with distinctive regional characteristics.
22	According to the Frost & Sullivan Report, the growth of China's family care industry in which we operate is driven by, among other things, the improving consumption consciousness of consumers, the evolving family structure, the delayed age of childbearing, and policy support.

Source: Frost & Sullivan

Appendix

	Statement
23	According to the Frost & Sullivan Report, the number of new births in China has significantly decreased in recent years, from 14.7 million in 2019 to 9.5 million in 2024 due to factors such as the delay in first marriages for women of childbearing age, the rising costs of childbearing, and housing affordability pressure.
24	The Company is well positioned to compete successfully against this background, as it have the largest team of nursing specialists with the relevant professional qualifications among our competitors as of 2024, and it have set the service benchmark and compiled standard operating procedures (SOPs) for mother and baby care, which are also beneficial to the scalability of its business.

Source: Frost & Sullivan

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