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CORPORA E INFORMA ION

BOARD OF DIRECTORS

Executive Directors

M . S Zhi ia g (蘇志強) M . L We (陸文佐)

CORPORA E INFORMA ION

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Sie 10, 70/F T I e ai a Fia ce Ce e N . 8 Fia ce S ee Ce a

FINANCIAL HIGHLIGH

Six	months	ended	June	30
	1110111113	CHUCU	Julic	JU,

	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(U a di ed)
Re e e	180,679	208,531
H ia aage e e ice	100,988	108,181
Geeah ia e ice	79,568	98,301
Wh eae f ha ace ica d c	123	2,049
Adj ed g fi (1)	96,376	102,616
Adj ed e fi ⁽²⁾⁽³⁾	56,474	52,767
Adj ed g fi a gi	53.3%	49.2%
Adj ed e fi a gi (3)	31.3%	25.3%
Adjusted items		
E e e f ha e-ba ed a a d a d he e-ff		
e ee be efi e e e (2)(i)	2,424	2,923
A iai fide ifiabei agibea e ide ifiedi acı iii (2)(iii)	15,250	15,250
Gai fai a e cha ge e i g f a e cha ge		
fc e ibeb dadf eig e chagegai (2)(11)	16,894	62,029
l e igadfiacig eaede e e (2)(i)	4,751	1,698
Taa fiaie e iagibeaead		
he e e a fdefe edic e a iabilie ca edb		
hei ai e c ida edia gibea e (2)()(4)	617,935	

Six months ended June 30,

	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(U a di ed)
Re e e	180,679	208,531
G fi ⁽¹⁾	80,702	84,443
Ne ()/ fi (2)(4)	(566,992)	94,925
Ba ic ()/ea i g e ha e (i RMB)	(3.874)	0.594

FINANCIAL HIGHLIGH

N e:

- (1) The g fi f he G f he i h e ded J e 30, 2020 (he 'Reporting Period') a ed RMB80.7 ii . Adj ed g fi i cac aed a he g fi f he Re i g Pe i d, e c di g he i ac f he e e e f ha e-ba ed a ad a da i ai fide ifiabe i a gibea e ide ified i acj i ii .
- (2) The G ec ded a e f RMB567.0 ii d ig he Re ig Peid. The adj ed e fi (he 'Adjusted Net Profit"

Facing the restrictions brought about by the pandemic, the Group actively examined potential projects and promoted emerging businesses such as Internet healthcare

I he fi haf f he ea, de he g ida ce fi ea a eg, he G f bii ed he c ehe i e e gh fi i e e ea a d e a i ea h i ica ea i e a d e a i e e ia jec i acc da ce i h he e abi hed e ec i cie iaf i e e jec , i c dig c d c i g e ica d i de ha a i f a i e ia acc i i i a ge e i ide ified agai i ie f he a e e a i g c dii , c ica i g i ha d de a dig f i a e h i a i he re di ic be f c ed b he G , c d c i g i e i e i i f ch h i a , e cha ge a d dic i ab fea ibe i f ce ai jec h i a ed be a aged b he G hich he G d ide c i g e ice, ai ai i g i f c he I e e hea h ca e i d f i e hea h ca e e ice.

The G c d c ed i e i e i e i ga i e ia jec i re a ea cha Tia ji , Jia g , A h i, Zhejia g, Y a , G a gd g a d Ch gu i g. Ba ed he de c ide a i fi e e c i e ia a d a fe e e a ed c ica i i h he he a ie a d a a i f he he he jec e e e a aged a d had g h e ia , f he i e iga i ce ai jec ha bee aba d ed he ea e e ia jec ha e bee e e c ed. I he ec d haf f he ea , he G i ac i e f he e jec , c i e c dia e a i a ie e c e ide if e e ia jec , e he de e e fe e gi g b i e e cha ha ac a e e e e (自費藥房) , edica g (醫生集團) a d e e ha (互聯網醫院) , i e ac j i e h i a edica g i h g egi a i f e ce re dici i e a d g ea de e e e ia c e a e i h he i a i a c ida e a d e a d he G e ce-ha i g h i a e r. Mea hi e, he G i e ha ce e g be ee adii a a d I e e hea hca e a d g ad a ea i e he G e a age e , ca e e a i (收到、管好、上量) .

A e e , he be f bed i he h i a ed, a aged f ded b he G ('Group Hospitals') e ai he a e a ha a a he e d f 2019.

MANAGEMEN DI 🗸 ION AND ANAL I

Facing the impact of the pandemic, the Group continued to strengthen operations to create value

The G ad ed c ehe ie ea e f he G H ia cha ea iig a egic ii ig, eifcigc a de e e , idig a age e , igcade, ig e i i a i i g i a ac i g i d- high-e d a e , hich faci i a ed h e c i ed a id a d hea h de e e f H ia.

I he fi haf f he ea, facig he e e e cic a ce a id he C a i Di ea e 2019 ('COVID-19') a de ic, he G ed a -e e c di a ed de e e de f i efa d he G H ia, adae-addede ice G H iai ai reaecadci i ed he eai fheG adheG H ia eghe heceae e fG H ia 'idi g afe, c e ie a d dig ified edica e ice he e e.l a ic a, i i c de:(1) c i i g i e he gaiai, c ead e c ci fhe head a e fhe G e ghe c ; nhe e icada ce e feach fe i a i e fhe G egheeci; r e igie e ad egeadacyjiii jec ad jeci e e ai (3) c i i g eif ce he a eg f 'ca e e a i (上量)'; (4) c i i g r e ce ha i g be ee he adG H ia ehace eg; (5) c i ig r heif aiai c ci f heG adG H ia eghe hedaaf dai; (6) c i ig r head e ad ci fhe eai ea fG H ia e ghe eade hi; (7) c i i g r c e e f he eai fG H ia e g he he effec f e ha ce e ; (8) c i i g he i egai f edica a dhea hcae big daa, Al, fi a ce a di a ce di e if i ai ; a d (9) ciig rheadadiai ad aagee fheiedca eghececi ih haeh de ade ce i hecaia are. The ea eaigefficiec adef ace f G H ia deciedi hefi haf fhe eade he COVID-19 ade ic, hich aee eced i ei he ec dhaf f2020.

I he fi haf f he ea, i igh f he e a di a COVID-19 a de ic ha ca ed di i ce ai bie adh ge eaig e e h ia, heGad heGH ia *r*ed gehe ad ad ed ai ea e icea e he be f - aie , i - aie ad gica e ai . A affec ed beea bjecie fac , ai bie idica fG. H ia decied igh he c ih he Ce dig Peid f Pei Yea. Dig he Re ig Peid, he G H ia ec ded a i a e 1,048,985 - a ie i i , e e e i g a 20% dec ea e he c a ed i h 1,311,487 aie ii f heC e dig Peid f Pei Yea; a i ae 37,622 i - aie ii , e ee i g a decea e f 17% he caed ih 45,499 i - a ie ii fhe Ce dig Peid f Pei Yea; a i a e 7,681 gica e a i , e e e i g a dec ea e f 11% he c a ed i h 8,641 gica eai f heC e digPeid fPei Yea. TheG ha achie ed e a rabe e i c i igheiegaed eai ad aage e fhe G H ia, hich ha aida idf dai f hec i igaidadheah gh feach GH iai hefe. A hec e COVID-19 ade ic i ai i he PRC c i e b i bec ig abe, he eaigb ie ef a ce f he G H ia igada eceig. Iie ecedha hebie (icdighe ef-aie ii, i-aie ii a d gica e a i f G H i a) f he G i 2020 i be affec ed b COVID-19, b he i ac i e a c ab e.

MANAGEMEN DI O ION AND ANAL I

L rigf ad, heG icie i e e ad e hede e aeg f'cce f actii, e aage e, caee ai (收到、管好、上量), ad acie ei egai fid e ce. The icia ea e bead edic de:

- (1) C i i g e g he c a eade hi a d he e ab i h e f e , a e he i eg a i f cce f ac i i , e a age e , ca e e a i (收到、管好、上量) aeg f he G a d he i i f c i i i f afe, c e ie a d dig ified edica e ice he b ic, a d i e f a efficie i e e a i f i;
- (2) C i ig ii e e ce f diffee a ie, i c di gi e a a de e a e ce, a de ce f c i g ha eh de a de i i g ha eh de , e a d he ce f jec a ai abe he G a d acr he e ia re jec c i , i de acceea e he g e high ai aci i i jec ;
- (3) U de he ified a i g f he G , c i e ha ce e he ec i e a d a ai a e he e ai ea f he h i a , i de i ce i i e he ead h i a aff i e f i ai , a d achie e he e e e i he G 'a eg f'e a age e (管好);
- (4) U de he ified e i e e a d a i g f he G , e g he he i r a age e a d c f he G H i a , he e i i a d e a a i f hei ai edica ea e a d e ice, a d i d ce ai i g e ce i a i e a d e a e i de e ha ce he ai i g a d e e e f i aff, h e i g he hea h a d ai ab e de e e f he G H i a;
- (5) C i adace e hee abih e fee edie ificai de fheG , b e i g heG H i a 'a e e abih 'l e e h i a "i de e ha ce he e g e ce a g d c , achie e high efficie c icai a g d c a d a ie , a d c ib e he efficie c ech g a d ec , i de i a e e a dee i eg a i f digi a ec a d edica de e e;
- (6) C i iiai he egfecea gG H iaadi igeade hiade ce haig fegia edicacee, adacie ceedig ih hecece efde ai jec dighere acade ic bjec fei; ad
- (7) Regaighe a age e fhe C a a degheigi ir a age e, e ha cig effecie c eci ih he ca ia a re a dicea ighe b a difece fhe G i he ca ia a re, i de a ag df da ifhe fia cig de e fhe G.

MANAGEMEN DI 🖰 ION AND ANAL I

FINANCIAL REVIEW

Results of Operations

DigheRe igPeid, ee e a RMB180.7 ii , e ee igadeceae fa i ae 13.4% he c a ed i h RMB208.5 i i f he C e dig Pe i d f P e i Yea, hich a ai a ib abe a decea e i a age e e ice fee de i ed f Sha ghai Ya g i H i a * (上海楊思醫院) ('Yangsi Hospital') a d Zhejia g Ji h a G a gf O c gica H i a*(浙江金華廣福腫瘤醫院) ('Jinhua Hospital') adadeceae i hea fee ef he ii fgeeah iae ice b JiadeH iaf Tadi i a Chi e e Medici e C ., L d.* (建德中醫院有限公司) (* Jiande Hospital j) i di id a a ie .

O ee ef heh ia aage e e ice eg e ic ded ee ef he ii fh ia a age e e ice Ya g i H i a, Ci i U i H i a * (慈溪協和醫院) ('Cixi Hospital') a d Ji h a H i a. DigheRe igPeid, heee ef hi ege a RMB101.0 ii, eeeigadeceaef6.6% he c a ed i h RMB108.2 i i f he C e dig Pe i d f Pe i Yea. The decea e i e e e a ai a ib ab e he i ac f COVID-19 a de ic, hich ca ed a dec ea e i he a age e e ice fee ec g i ed f i di g e i ce Ya g i H i a a d Ji h a H i a.

DigheRe igPeid, ee ef hegeeah iae ice eg e deceaedba iae 19.1% RMB79.6 ii f RMB98.3 ii i heC e dig Peid fPei Yea.Ree ef hi eg e f he Re i g Pe i d dec ea ed ai d e a dec ea e i he a f e e f he i i fgeeah ia e ice b JiadeH ia i di idaaie, hich a hee fhedeceaei he be f - aie a di - aie i i f Jia de H i a f he Re i g Pe i d a affec ed b he COVID-19 a de ic.

MANAGEMEN DI O ION AND ANAL I

O adj ed g fi a RMB96.4 i i f he Re i g Pe i d, e c di g he i ac f e e e f ha e-ba ed a a d a d a i a i f ide ifiab e i a gib e a e ide ified i ac i i i , e e e i g a dec ea e f a i a e 6.1% he c a ed i h RMB102.6 i i f he C e di g Pe i d f Pe i Yea. Thi a ai a ib ab e he i ac f COVID-19 a de ic, hich ca ed a dec ea e i he a age e e ice fee ec g i ed f idi g e ice Ya g i H i a a d J i h a H i a.

We ec ded adj ed ad ii a i e e e e f RMB27.5 ii f he Re i g Peid, e c di g he i ac f he e-ff e e e be e fi e e e, e e e i g a dec ea e f 14.1% he c a ed ih RMB32.0 ii f he C e di g Peid f Pei Yea, hich a i a i d e a dec ea e i fe i a e ice fee f he Re i g Peid he c a ed ih he C e di g Peid f Pei Yea.

We ec ded adj ed e a i g fi f RMB68.3 i i f he Re i g Pe i d, a dec ea e f a i a e RMB4.4 i i f RMB72.7 i i f he C e di g Pe i d f Pe i Yea. Thi i ai d e he i ac f COVID-19 a de ic, hich ca ed a dec ea e i he a age e e ice fee ec g i ed f idi g e ice Ya g i H i a a d Ji h a H i a.

We ec ded adj ed fiaceic e(e) fRMB3.6 ii f he Re ig Peid, ec dig he i ac f f eig e cha ge gai ai eaig ca had ca he iae, ad fiaciae e e he fiacia iabii a a ied c, e e e ig a iceae fRMB6.5 ii he c aed ih he fiacee e e (e) (e c dig he effec ff eig e cha ge gai ai eaig ca had ca he iae, ad he fiacia ice he fiacia iabii a a ied c fRMB1.0 ii) fRMB2.9 ii f he C e dig Peid fPei Yea. The iceaei fiaceic e(e) a i ai de aiceae fRMB6.7 ii i e e ic ef a a eaed a, de adde i, e de iadde ihed a ca he c aed ih he C e dig Peid fPei Yea.

F he Re ig Peid, e ha e ec ded a adj ed e fi f RMB56.5 ii, e e e ig a icea e fa ia e 9.1% he c a ed he adj ed e fi f RMB51.8 ii f he C e dig Peid f Pei Yea (e c dig he effec f fiaciaic e he fiacia iabiia a ied c f RMB1.0 ii f he c e dig eid a ea). With a rigi acc he iac f he adj ed ie, chicea e a aid e he decea e iicea e e e f RMB2.7 ii he c a ed it he C e dig Peid f Pei Yea (hich iaid e he decea e ihe e a ig fifhe G), a dhe fiace ice (e) fhe Re ig Peid ha icea ed b RMB6.5 iiaca ed he fiace e e (e) fhe C e dig Peid f Pei Yea.

MANAGEMEN DI 🗸 ION AND ANAL I

Liquidity and Capital Resources

A a J e 30, 2020, a e i a RMB1,249.4 ii (a a Dece be 31, 2019: RMB1,817.8 ii). A a J e 30, 2020, e had c e a e f RMB1,339.1 ii (a a Dece be 31, 2019: RMB1,277.5 ii) adc e iabilie fRMB925.9 ii (a a Dece be 31, 2019: RMB492.9 ii). A a J e 30, 2020, c e ai a 1.45, he c a ed i h 2.59 a a Dece be 31, 2019.

O c e a e iceaedb a i ae RMB61.6 ii f a i ae RMB1,277.5 ii a a Dece be 31, 2019 RMB1,339.1 ii a a J e 30, 2020, i ai d e a i c ea e i ecei ab e f eaed a ie a d fi a cia a e a fai a e h gh fi acc i g.O c e iabii ie i c ea ed b RMB433.0 ii f RMB492.9 ii a a Dece be 31, 2019 RMB925.9 ii a a J e 30, 2020, i a i de he i fc e ibeb d ha i a e i hi e ea.

O ia e fcahi heRe igPeid eef rigcaia, e de i ad a e f fiacia a e a fai a e h gh fi acc i g. We fi a ced i idi e i e e ai i h ca h f ge e a ed f e a i g ac i i e . A a J e 30, 2020, e had ba r b i g f RMB215.0 i i (a a Dece be 31, 2019: RMB214.4 ii), a d e had ca h a d ca h e i a e f RMB922.5 ii (a a Dece be 31, 2019: RMB836.6 ii).

Bank borrowings

As at	A a
June 30,	Dece be 31,
2020	2019
RMB'000	RMB'000
145,580	114,744
50,518	62,286
18,944	37,372
215,042	214,402

Wi hi 1 ea Be ee 1 a d 2 ea Be ee 2 a d 5 ea

A a J e 30, 2020, he e geaig ai, cac aed baed heb ig baa ce diided b he a ea i, f he C a i 17.2%. O Diec beie ed ha, af e arigi acc he fia cia e ce a ai ab e, hich i c de i e a ge e a ed f d a d he e ceed f he Li i g, e had fficie ri g ca i a ee eed.AaJ e 30, 2020, he G did ha ea he a e ia c i ge iabii ie g a a ee.

EVENTS AFTER THE REPORTING PERIOD

The ei a eia b e e e e de are b he C a b he G af e J e 30, 2020 a d he da e f hi i e i e

USE OF PROCEEDS FROM THE LISTING AND OTHER FUND RAISING ACTIVITIES

Use of proceeds from listing

The hae f he C a eeied he Mai Bad f he S cr E chage Mach 16, 2017 (he 'Listing Date'). The e ceed eceied b he C a f he g baffeigad eecie f he e-a e i adafe ded cig de iigc ii adaeaedee e a HK\$465.6 ii . The e ceed eceied f he g baffeighabee i be edihe aec ie ih haeiedihe eci headed 'F e Paad U e f P ceed f he P ec . A iieda aede iediice ed bari H g K gad i be ediaae haic ie ih haei edihe P ec adacc dig he eed f he C af ie ie. Aaai f he iiai f he e ceed f he Liig Dae J e 30, 2020 ie be:

	Percentage to the total amount	Net Proceeds HK\$ million	Amount	Unutilized Amount HK\$ million	Expected time period
Saegicaciii fh ia i Chia Fheie e i heh ia e aagef ie ie (ece f -f - fih ia)	50%	232.80	232.80	-	-
P cha e f edica a d he e i e	11%	51.22	44.69	6.53	The baa cei e ec ed bef ii ed b he e d f 2021
U g adi g a d i e e f edica facii ie E ee ai i g g a a he h i a e a age f i e i e, eff ec i a e a d acade ic e ea ch a c i i ie	7%	32.59	32.59	-	•
H a e ce e e	6%	27.94	27.94	-	-
E ig edica feiaad eeibie aagee	5%	23.28	20.36	2.92	The ba a ce i e ec ed be f ii ed b he e d f 2021
C d cigacade ice ea chaciile a d de e ige ee alig ga ih afc a age e aliga d fe i a alig	4%	18.62	12.35	6.27	The baa cei e ec ed be f ii ed b he e d f 2021
Ugadiga di ig if ai ech g e	7%	32.59	27.22	5.37	The baa cei e ec ed bef ii ed b he e d f 2021
P idef di gf ri gcaia, e a a d e ea ed e e a d he ge e a c a e e	10%	46.56	46.56		-
	100%	465.60	444.51	21.09	

MANAGEMEN DI 🗸 ION AND ANAL I

CONVERTIBLE BONDS

Vanguard Convertible Bonds

I ie fhe G ' baia eed f d f e actii , he C a ad Vagad GLi i ed ('Vanguard Glory'), a ha eh de h di g 70.19% f he C a 'i ed ha e ca i a, e e ed i a b c i i ag ee e Ja a 25, 2018, a hich, Ma ch 5, 2018, he C a i ed a d VagadG bcibedfc e ibeb di he iciaa fHK\$468 ii ('Vanguard Convertible Bonds') i ha i i ia ce i ice f HK\$18.00 e ce i ha e. The Vagad Ce ib e Bd i a e h ee ea hei i a ce a be c e ed i 26,000,000 dia ha e f he C a (a ighec e i igh aeeeciedif ad bjec adj e). U a i, heC a i edee a a dig Vagad C e ib e B d a i i ciaa .

The are ice f he C a 'hae Ja a 25, 2018, bei g he dae hich he e f hei a ce Va ib Ci i H gai 8017I 51 e ib e b d Medic reMa ag Ma cC ., L d.T 0.4214.5 b g a d G

MANAGEMEN DI O ION AND ANAL I

Hony Convertible Bonds

O Ma 29, 2018, he C a a d H Ca i a F d VIII (Ca a), L.P. ('Hony Fund VIII') e e ed i a ha e cha e ag ee e 0.5()0.6()0.5(e)0, d ''eh.426 -0.053 Td(H F d VIII)T3 ha e Se 0, d 0, dce eeAe 0.5()0.6.6(e)0.5 (

MANAGEMEN DI 🗸 ION AND ANAL I

LW Convertible Bonds

I ie fhe G ' eed f fhe fia cig f d f e ac $_{f a}$ iii , Dece be 21,2018 a d Ja a 16, 2019, he C a ad Lea Waee e edi a b cii ag ee e ad a a e d e ag ee e e ecie, a hich he C a ageed i e a d Lea Wa e ageed b c ibe f c e ibe b d (he 'LW Convertible Bonds') i he agg ega e i ci a a f HK\$800,000,000 a a a c ide a i e a he agg ega e i ci a a f he c e ib e b d . O Feb a 27, 2019, he LW C e ib e B d e e i edi egie edf i he de iai fHK\$1.00 each. The LWC e ib e B d i a e fie ea f heii a ce a be c e ed i 40,000,000 dia ha e f he C a (a i g he c e i igh a e e c i ed i f a d blec adı e) a he h de' i a he c e i ice f HK\$20.00 e c e i hae (bjec adj e he c e i ice). U a i , he C a ha edee i h e he LW C e ib e B d i h he ede i a cac a ed i acc da ce i h he f igf a: iciaa f adigc e ibeb d + iciaa f adigc e ibe b d 6% 5.

The are ice f he C a 'hae Ja a 16,2019, bei g he dae hich he e f he i a ce f he LWC e ib e B d e e de e i ed, a HK\$16.18 e ha e.

The iied i fhe e ceed fa iae HK\$800 ii aaJ e30,2020ie eced be a ied acc dig he e f ceed a aed i he cic a f he C a daed Ja a 16, 2019. The C a i e he iied i f ch e ceed f acuiii f he h ia h ia aage e bie e b he Gada dicedi he eci headed 'Maage e Dici ad AaiBie Reie ad Pec "i hiiei e , he Gi i e are baia ge ch jec i 2020. A a a i fhe ii ai fhe e ceed J e 30, 2020 i e be :

	Percentage to the total amount	Net Proceeds HK\$ million	Utilized Amount HK\$ million	Unutilized Amount HK\$ million
Acuiii fhia hia aageebiee	100%	800		800
Та	100%	800		800

A a J e 30, 2020, e f he LW C e ib e B d ha bee c e ed i ha e f he C a . De ai f he LW C e ib e B d ha e bee di c ed i he a ce e f he C a daed Dece be 21, 2018, Ja a 16, 2019 a d Feb a 27, 2019 a d he ci c a f he C a daed Ja a 16, 2019.

MANAGEMEN DI O ION AND ANAL I

D i g he Re i g Pe i d, he e a chage i he e f ceed ge e a ed f he i a ce f he Vagad C e ib e B d a d he LW C e ib e B d . A he G ha ac a i e e ed jec

MANAGEMEN DI Ö ION AND ANAL I

SIGNIFICANT INVESTMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Sa e a dic ed i hi i e i e , f he i h e ded J e 30, 2020, he G did ha e a ig ifica i e e f e a i e ec f a e ia i e e ca i a a e .

EMPLOYEE AND REMUNERATION POLICIES

A a J e 30, 2020, he G had 473 f - i e e ee (a a J e 30, 2019: 468). We ide age, e ee-ea ed i a ce a d e ee be efi e ee . Re e a i acrage f e ee ai c i f ba e aa, e fa e a d b . F he i h e ded J e 30, 2020, he a e ee be efi e e e (i c dig Diec 'e e ai) e e RMB57.3 ii (he fi ha f f 2019: RMB64.3 ii).

MATERIAL ACQUISITIONS, FINANCING ACTIVITY AND DISPOSALS

A a J $\,$ e 30, 2020, he G $\,$ did $\,$ ha e a $\,$ a e ia ac $\,$ i i $\,$, fi a ci g ac i i a d di $\,$ a $\,$.

CONTINGENT LIABILITIES

A a J e 30, 2020, he G did ha e a a e ia c i ge iabii ie g a a ee .

INTERIM DIVIDEND

The b a d f Di ec ha ec e ded ha i e i di ide d be dec a ed i e ec f he i h e ded J e 30, 2020.

CORPORA E GO ERNANCE AND O HER INFORMA ION

DIRECTORS AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATION

A a J e 30, 2020, he i e e h ii f Diec a d chief e ec i e f he C a i he Shae, de i g Shae a d debe e f he C a i a ciaed c ai (ihi he eaig f Pa XV f he Sec i ie a d F e O di a ce (he 'SFO)) hich e e e i ed (i) be ified he C a a d he S cr E chage a Di ii 7 a d 8 f Pa XV f he SFO (i c di gi e e h ii hich he e e are dee ed hae de ch ii f he SFO), (ii) be e e ed i he egi e e i ed be re b he C a a Sec i 352 f he SFO, (iii) a he i e ified he C a a d he S cr E chage a he M de C de f Sec i ie T a ac i b Diec f Li ed I e (he 'Model Code') e i A e di 10 he R e G e i g he Li i g f Sec i ie he S cr E chage (he 'Listing Rules') e e a f :

Long positions in the Shares and underlying Shares of the Company

		Number of	Approximate
		Shares or	percentage of
		underlying	shareholding
Name of Director	Capacity/Nature of interest	Shares	interest (2)
M . Li L	leeic edc ai	9,098,800(1)	6.58%

N e:

- (1) M. Li L i e f he ge e a a e f Hefei Ka g a g Ca i a Ma age e Pa e hi (Li i ed Pa e hi) (合肥康養資本管理合夥企業(有限合夥)), hich h d 55% f he e i i e e i A h i Zh g'a Hea h I e e Ma age e C ., L d. (安徽中安健康投資管理有限公司) ('Anhui Zhong'an '). A h i Zh g'a i he ge e a a e f A h i Zh g'a Hea h E de Ca e Se ice I d I e e Pa e hi (Li i ed Pa e hi) (安徽省中安健康養老服務產業投資合夥企業(有限合夥)) ('Anhui Zhong'an LP'), hich i a i i ed a e hi f ed de he a f he PRC a a i e e ehiceadh d a i a e 6.58% f he i ed ha e ca i a f he C a . M. Li L i a di ec f A h i Zh g'a.
- (2) A a J e 30, 2020, he a be fi ed ha e f he C a a 138,194,000.

Sa e a dic ed ab e, a f J e 30, 2020, fa a i r he Diec , e f he Diec he chief e ec i e f he C a had a dee ed ha e a i e e h ii i he ha e , de i g hae addebe e fhe C a i a ciaed c ai (ihi he eaig f Pa XV f he SFO) hich e e e i ed be ified a Di i i 7 a d 8 f Pa XV f he SFO be ified he C a a d he S cr E cha ge a he M de C de.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

A a J e 30, 2020, he f i g e (he ha he Diec a d chief e ec i e f he C a) had eedee ed are haeaiee ad/h ii i he hae he de ig hae f he C a hich d fa be dic ed de he ii f Diii 2 a d 3 f Pa XV f he SFO a d a ec ded i he egi e e i ed be re b he C a de Sec i 336 f he SFO, h a , di ec idiec ,i e e edi 5% e f he i ed Sha e f he C a :

Long positions in the Shares and underlying Shares of the Company

			Number of Shares or	Approximate
			underlying	percentage of
			Shares of	shareholding
Name of Shareholder	Capacity/Natu	re of interest	the Company	interest (7)
VagadG (1)	Be eficia	е	123,000,000	89.01%
H CaiaF dV, L.P. ⁽²⁾	l ee i c	ed c a i	123,000,000	89.01%
H CaiaF dVGP, L.P. ⁽²⁾	l ee i c	ed c a i	123,000,000	89.01%
H CaiaF dVGPLi ied ⁽²⁾	l ee i c	ed c a i	123,000,000	89.01%
H G Ma age e Li i ed ⁽²⁾⁽³⁾	l ee i c	ed c a i	161,693,985	117.01%
H Ma agi g Pa e Li i ed ⁽²⁾⁽³⁾	l ee i c	ed c a i	161,693,985	117.01%
E e ia F e G Li i $ed^{(2)(3)}$	l ee i c	ed c a i	161,693,985	117.01%
H F d VIII ⁽³⁾	Be eficia	е	38,693,985	28.00%
H CaiaF dVIII GP (Ca a), L.P.(3)	l ee i c	ed c a i	38,693,985	28.00%
H CaiaF dVIIIGP(Ca a) Li ied(3)	l ee i c	ed c a i	38,693,985	28.00%
M.Zha Jh Ha ⁽⁴⁾	l ee i c	ed c a i	161,693,985	117.01%
AhiZh g'a LP ⁽⁵⁾	Be eficia	е	9,098,800	6.58%
AhiZh g'a ⁽⁵⁾	l ee i c	ed c a i	9,098,800	6.58%
Hefei Ka g a g Ca i a Ma age e	l ee i c	ed c a i	9,098,800	6.58%
Pa e hi (Li i ed Pa e hi)				
(合肥康養資本管理合夥企業(有限合夥))(5)				
AhiChagg E <mark>y</mark> i Iee F d	l ee i c	ed c a i	9,098,800	6.58%
Ma age e C ., L d.				
(安徽創谷股權投資基金管理有限公司)(5)				
M . Ni Ya g ⁽⁵⁾	l ee i c	ed c a i	9,098,800	6.58%
Lea Wa e Li i ed ⁽⁶⁾	Be eficia	е	40,000,000	28.94%
Lege dH dig C ai (6)	l ee i c	ed c a i	40,000,000	28.94%

CORPORA E GO ERNANCE AND O HER INFORMA ION

- (1) VagadG i a h ed b idia fH F d V, L.P. a d h d (a) 97,000,000 ha e f he C a a d (b) c e ib e b d i ed b he C a , hich ca be c e ed i 26,000,000 ha e f he C a a d e e e a i a e 18.81% f he i ed ha e ca i a f he C a a f J e 30, 2020. F f he de ai , ea e efe he ec i headed 'C e ib e B d 'i hi e .
- (2) H CaiaF dV, L.P. ia e e ediied a e hif ed de hea fhe Caaladaa ie e ehice. The geeaae fh CaiaF dV, L.P. ih CaiaF dV GP, L.P., hegeeaaeih CaiaF dV GP Liied. H CaiaF dV GP Liiedih edb H G Maagee Liied, 80% e iiee fhichihedb H Maagig Pae Liied, hichi ih edb E e iaF eG Liied. E e iaF eG Liiediheda 49% b M. ZhaJh Ha. M. ZhaJh Haiadiec fh CaiaF dV GP Liied, H G Maagee Liied, H Maagig Pae LiiedadE e iaF eG Liied.
- (3) H CaiaF d VIII (Ca a), L.P. i a e e ediied a e hi f ed de he a f he Ca a I ad a a i e e ehice. The ge e a a e f H CaiaF d VIII (Ca a), L.P. i H CaiaF d VIII GP (Ca a), L.P., h e ge e a a e i H CaiaF d VIII GP (Ca a) Li ied. H CaiaF d VIII GP (Ca a) Li ied i h ed b H G Maage e Li ied, 80% e i i e e f hich i hed b H Maagig Pa e Li ied, hich i i h ed b E e iaF e G Li ied. E e iaF e G Li ied i hed a 49% b M. Zha J h H a. M. Zha J h H a i adiec f H CaiaF d VIII GP (Ca a) Li ied, H G Maage e Li ied, H Maagig Pa e Li ied ad E e iaF e G Li ied.
- (4) M. Zha Jh Hai dee ed beiee edia a f 161,693,985 hae f he C a haaehedb hiced edcai, VagadG adH FdVIII. VagadG hd97,000,000 hae f he Caadh dceibeb diedbhe Cahacabece edi 26,000,000 hae f he Ca. HFdVIII hdceibeb diedbhe Cahacabece edi 38,693,985 hae f he Ca. Ffhe deai, eae efe he eciheaded 'Ceibe Bd'ihie.
- (5) A h i Zh g'a LP i a i i ed a e hi f ed de he a f he PRC a a i e e ehic e. The ge e a a e f A h i Zh g'a LP i A h i Zh g'a, hich i j i he d a 55% b Hefei Ka g a g Ca i a Ma age e Pa e hi (Li i ed Pa e hi) (合肥康養資本管理合夥企業(有限合夥)) a d a 45% b A h i Ch a gg E i I e e F d Ma age e C . L d. (安徽創谷股權投資基金管理有限公司). M . Ni Ya gi e f he ge e a a e f Hefei Ka g a g Ca i a Ma age e Pa e hi (Li i ed Pa e hi) (合肥康養資本管理合夥企業(有限合夥)). M . Li L i a diec f A h i Zh g'a a d A h i Ch a gg E i I e e F d Ma age e C . L d. (安徽創谷股權投資基金管理有限公司).
- (6) Lea Wae Liied, hich i h ed b Lege d H dig C ai, h d c e ibeb d i ed b he C a hacabec e ibei 40,000,000 hae f he C a, e e e iga i ae 28.94% f he i ed hae caia f he C a a f J e 30, 2020. F f he de ai, eae efe he ec i headed 'C e ibe B d ¨i hi e .
- (7) A a J e 30, 2020, he a be fi ed ha e f he C a a 138,194,000.

SHARE-BASED PAYMENT SCHEMES

(a) Pre-IPO Share Appreciation Rights Scheme

CORPORA E GO ERNANCE AND O HER INFORMA ION

(b) Share Incentive Scheme

O Oc be 24, 2017, Va g a d G e e ed i a ha e i ce i e che e (he 'Share Incentive Scheme') i h ce ai e be f a age e (c ec i e efe ed a he 'Share Incentive Grantees' a d each a 'Share Incentive Grantee'). P a he Sha e I ce i e Sche e, Va g a d G g a ed 6,412,201 ha e a a d he Sha e I ce i e G a ee e i i g he b c ibe f ha e he d b Va g a d G a a e e ci e ice f HK\$14.35 e ha e, bjec ce ai cr- e ici .

I 2018, fhe Shaelce ie Gaee eigedadhe Caageed ih efhegaee haaf he haeaadgaedb VagadGhi de ai ieffec af ehie igai ih aacceeaede ig chede. Fhe, aageedbhe Ca, 25% fhe haeaadgaedb VagadGahegaedbe eigai, adhee ai ig 75% cred- iahaegaedheaed. The hae-baedce ai ee ei eai he haeaadgaedheeiged Shaelce ie Gaeefheeaedd Decebe 31, 2018 aecgiedacaiaee heeigai.

I 2019, fhe Shaelce ie Gaee eigedada ageedbhe Ca,50% fhe hae a adgaedb VagadGe fhe gaee dbe eeaedfhe creeiciad fee be eedafehieigai, hie he e aiig 50% cred ia hae gaedhia ed. The hae-baedce ai ee ei eai he hae aadgaedhe eiged Shaelce ie Gaeefhei he ded Je 30, 2020 ee ec gieda caiaee ehieigai. Fhe, ahe Shaelce ie Schee, he hae aadgaed ahe gaeehhaeiged hich ee ei ed ebhad bee e ciedibe ei aedadhe e aiig cred-iahae gaedhihae.

The ha e-ba ed c e a i e e e a ed he Sha e I ce i e Sche e f RMB802,000 (he fi ha f f 2019: RMB4,010,000) a ec g i ed a 'c f e e e f he i h e ded J e 30, 2020.

(c) Post-IPO Share Appreciation Rights Scheme

We ad ed a -IPO ha e a ecia i igh che e (he 'Post-IPO SARs Scheme') Dece be 13, 2016 e ab e he C a ga he P -IPO Sha e A ecia i Righ (he 'Post-IPO SARs') P -IPO SAR Eigib e Paicia (a defied be) a e ad e f hei c ib i he C a a d/ a f he b idia ie . The P -IPO SAR Sche e d e e e ec i ie f he C a . U de he che e, di ec , e ee , ad i a , di ib , c ac , c e , ie , age , b i e a e , j i a f he b idia ie (he 'Post-IPO SARs Eligible Participants') a d e ice ide f he C а h, i he e i i f he B ad, haec ib ed he C a ad/a f he b idiaie i be e i ed ecei e ca h a e de e i ed ba ed he a ecia i f he i a Sha e a ecified e i d а he P -IPO SAR Sche e. The P -IPO SAR Eigib e Pa ici a acce ed he ffe d ha e a i g igh igh di ide d e i ed b he Sha eh de .

De ai f he P -IPO SAR Sche e e e e i he P ec . Si ce he Li i g Da e a d he da e f hi i e i e , P -IPO SAR had bee g a ed de he P -IPO SAR Sche e.

Sa e a dic ed ab e he i e i hi i e i e , he C a d e ha e he ha e i ce i e che e .

DigheRe igPeid, heei chage hehaeadhaea eciai igh gaed deheab eead chee.

CORPORA E GO ERNANCE AND O HER INFORMA ION

CONTINUING CONNECTED TRANSACTIONS

Annual caps and historical transaction amounts

A a ca f he Medici e P c e e Ag ee e

The a a ca i e ec f he a aci c e a ed de he Medici e P c e e Ag ee e f each f he hee fi a cia ea e di g Dece be 31, 2019, 2020 a d 2021 a e e ec ed be RMB50 i i f each ea.

A a ca f he Medica C abe a d E i e P c e e Ag ee e

The a a ca i e ec f he a aci c e a ed de he Medica C abe a d 🗛 i e P c e e Agee e f each f he h ee fi a cia ea e dig Dece be 31, 2021 a e e ec ed be RMB7 ii ,RMB8 ii adRMB9 ii ,e ecie .

Hi ica a ac i a

D i g he i h e ded J e 30, 2020, he c f cha i g edici e , edica c ab e a d edica e i c ed b he G a he Medici e P c e e Ag ee e a d he Medica C ab e a d E₁ i e P c e e Ag ee e a ed RMB13,862,000, c i i g (i) RMB10,881,000 aid Zhejia g Zh g if he cha e f edici e ; a d (ii) RMB2,981,000 aid Zhejia g Dajia f he cha e f edica c abe a de i e . The ac a a aid b he G Zhejia g Zh g i a d Zhejia g Dajia de he Medici e P c e e Ag ee e a d he Medica C abe a d E i e P c e e Agee e , e ecie , did e ceed he ab e- e i eda a ca a edb he Bad.

Internal control procedures

F heabeciigc eceda aci, he cee dea e fheG ha i ace he figieac cede e e ha he icige ffeedb Zhejiag Zhigiad Zhejiag Dajia efec he fai a re ice f i ia e a ed d c :

- c d c i g $\$ a e e ie f he g ida ce efe e ce ice a ai ab e cha i g a f i Zhejia g $\$ i ce;
- (ii) c aig, a a e bai, cee ice f edicie ad edicac abe e i e ffe ed Jia de H i a b Zhejia g Zh g i a d Zhejia g Dajia, agai he c e e ice f i ia e a ed d c ffe ed he h i a a aged f ded b he G ; a d
- eerigal ai fiia edicie ad edicac abe eli e ffeed bide e de hid a ie fiie ie de e dig are ice ad e e ad a ici a ed cha ge i (iii)

CORPORA E GO ERNANCE AND O HER INFORMA ION

The i de e de -e ec i e Di ec f he C a i c d c a a a e ie f he CCT e e ha he a e c d c ed i acc da ce i h he e f he ag ee e g e i g he CCT (he 'Agreements') a d he ici g icie f he C a d i g he ea e di g Dece be 31, 2020, a d ha he e de he Ag ee e a e a c e cia e e fa ab e e a c a ed h e ffe ed b i de e de hi d a ie d i g he ea e di g Dece be 31, 2020.

Public Float

Baed if ai ha a bic a ai abe he C a ad he be r edge f he Bad, a a he dae f hi e , he C a ai ai ed he bic f a e i e e a e c ibed de he Li i g R e f e ha 25%.

CHANGES TO DIRECTORS' INFORMATION

Sa e a dic ed he i e i hi i e i e , he diec c fi ha i f a i i e $_{\rm l}$ i ed be dic ed a R e 13.51B(1) f he Li i g R e .

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The C a ha ad ed he c de ii a e i he C a e G e a ce C de (he 'CG Code') c ai ed i A e di 14 he R e G e i g he Li i g f Sec i ie The S cr E cha ge f H g K g Li i ed ('Listing Rules'). E ce f a di c ed be , he B a d c i de ha, d i g he Re i g Pe i d, he C a ha c i ed i h he a i cab e c de i i e i he CG C de. The C a i c i e e ie a d e ha ce i c a e g e a ce ac i ce e e c ia ce i h he CG C de.

Pii A.2.1 fhe CGC de i ae hahe e f chai a ad chief e ec i e ffice h d be e a ae ad h d be e f ed b he a e i di id a. M. SHAN G i ha e ig ed a he chief e ec i e ffice f he C a ('Chief Executive Officer') ad M. ZHAO J h H a ha e ig ed a he chai a f he B ad i h effec f J e 23, 2020. O he a e dae, M. CHEN Sh ai ('Mr. CHEN') habee a i ed a he chai a f he B ad ad he ac i g Chief E ec i e Office. M. CHEN i e e a he ac i g Chief E ec i e Office i he B ad i he ce f ide if i g i ab e ca didae fi he ii f Chief E ec i e Office i de c i h ii A.2.1 f he CG C de agai, ad be ie e hahea i e f M. CHEN a he ac i g Chief E ec i e Office i e e he a ea i f he C a i he ea i e ad i he i e e f he C a ad i haeh de a a he.

COMPLIANCE WITH MODEL CODE

The C a ha ad edacde fc dc egadighe a aci fecile fhe C a b he Diec adheea e ee (h ire e i ideif ai fhe C a) (he 'Securities Dealing Code') e e i ge ha he e i ed a dad e i he M de C de a e i A e di 10 he Li i g R e . Ha i g ade ecific e i i ie i h a Di ec a d e e a e ee f he Ca, heCac fi haa Diecadee a ee fheCa haec ied ih he M de C de a d he Sec i ie Deai g C de d i g he Re i g Pe i d.

AUDIT COMMITTEE

The a died e a d he c de ed c ida ed fi a cia i f he G f he i h e ded J e 30, 2020 ha e bee e ie ed b he A di C i ee. The A di C i ee c i f i de e de -e ec i e Di ec ,M . Zh Xia g ia g (周向亮) (Chai a) a d M . Shi L e (史錄文), a d a -e ec i e Diec , M . Shi We i g (石文婷). The A di C i ee i f he i i ha ch fi a cia i f a i c ih hea icabeacc ig a dad, heLiigReada hea icabeega e iee.

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

Nei he C a a fi b idia ie had cha ed, d edee ed a f he C a 'i ed ec i ie d i g he Re i g Pe i d.

FINANCIAL INFORMATION

The G 'i e i e f he i h e ded J e 30, 2020 ha e bee a died b ha e bee e ie ed b heG 'e e a a di , Pice a e h eC e , a d b he A di C i ee.

REPOR ON RE IE 'OF IN ERIM FINANCIAL INFORMA ION

TO THE BOARD OF DIRECTORS OF HOSPITAL CORPORATION OF CHINA LIMITED

(ic aedi he Ca a I ad ih i iediabii)

INTRODUCTION

We have eile ed heile i fiacia if a i e age 30 74, hich chie i eilc de ed chidaled baace hee fhiaChiaLiied (he'Cha') a dibidiaie (gehe, he'Gh') a a Je 30, 2020 a dheile icheed chidaled alee fchage ie iadheile icheed cheed chidaled alee fchage ie iadheile icheed cheed chidaled alee fchage ie iadheile icheed cheed chidaled alee fchage ie iadheile icheed chidaled alee fcah fheile heile heile dheed dalee ie ded, adala figifica accig icie adhee alae. The Re Gheighe Liight Secilee The Short Echage fheg Khig Liiede eilehe eaai falee ie fiacia ifai bei cheefad leai a Accig Sadad 34 'lei Fiacia Reig'. The diechee alee ih leefad leai a Accig Sadad 34 'lei Fiacia Reig'. One ibii ee accih hiiei fiacia ifai baed eilead ecci en jabii ee accih hiiei fiacia ifai baed eilead ecci en jabii adacce iabii alee fegage ead fhee. Wed alee ibii adacce iabii alee fece fhie efhie.

SCOPE OF REVIEW

We c d c ed e ie i acc da ce i h l e a i a Sa da d Re ie E gage e 2410, 'Re ie f l e i Fi a cia l f a i Pe f ed b he l de e de A di f he E i '. A e ie fi e i fi a cia i f a i c i f a r i g i j i e , i a i f e e i b e fi a cia a dacc i g a e , a d a i g a a ica a d he e ie ced e . A e ie i b a ia e i c e ha a a di c d c ed i acc da ce i h l e a i a Sa da d A di i g a d c e i e d e e a b e b a ia a ce ha e d bec e a a e f a ig ifica a e ha igh be ide ified i a a di . Acc di g , e d e e a a di i i .

CONCLUSION

Ba ed e ie , hi g ha c e a e i ha ca e beie e ha he i e i fi a cia i f he G i e a ed, i a a e ia e ec , i acc da ce i h I e a i a Acc i g S a da d 34 'I e i Fi a cia Re i g'.

PricewaterhouseCoopers
Ce ified P b ic Acc a

H g K g, A g 28, 2020

IN ERIM CONDEN ED CON OLIDA ED A EMEN OF COMPREHEN I E INCOME

		Six months en	ided June 30,
	N e	2020	2019
		RMB'000	RMB'000
		(Unaudited)	(U a di ed)
Revenue	5	180,679	208,531
C feee		(99,977)	(124,088)
Gross profit		80,702	84,443
Ad ii aiee e e		(29,507)	(33,722)
Ne i ai e e fiaciaa e		(3,754)	
laie e iagibeae	13	(668,219)	
Oheic e	6	3,492	515
O he gai - e	7	5,344	42,579
Operating (loss)/profit		(611,942)	93,815
Fiaceic e	8	21,122	25,246
Fi a ce c	8	(11,094)	(6,122)
(Loss)/profit before income tax		(601,914)	112,939
Ic eae e e	9	34,922	(18,014)
(Loss)/profit for the period		(566,992)	94,925
Ohec eheieic e		_	
Total comprehensive (loss)/income for the period		(566,992)	94,925
. , ,			
Attributable to:			
O e f he C a		(535,403)	82,029
N -c igiee		(31,589)	12,896
3			
Total comprehensive (loss)/income for the period		(566,992)	94,925
rotal comprehensive (less)/meeme for the period		(000/172)	
(Loss)/earnings per share from (loss)/profit attributable to			
owners of the Company			
Ba ic ()/ea i g e ha e (i RMB)	10	(3.874)	0.594
Di ed ()/ea i g e ha e (i RMB)	10	(3.874)	0.005
(, ,		(5.5.1)	
The ab e c de ed c ida ed a e e f c ehe i e i	ic e h o	d be eadic j	ci ih he
acc a ig e.			

IN ERIM CONDEN ED CON OLIDA ED BALANCE HEE

		June 30,	Dece be 31,
	N e	2020	2019
		RMB'000	RMB'000
		(Unaudited)	(A di ed)
ASSETS			
Non-current assets			
Pe, a adeji e	11	143,168	146,176
Righ - f- ea e	12	40,328	42,011
l a gibea e	13	2,222,222	2,905,829
Defe edic e a a e	23	2,054	1,413
O he ecei ab e , de i a d e a e	15	2,901	2,012
A def aeaeda	16	80,000	80,000
Total non-current assets		2,490,673	3,177,441
Current assets			
I e ie		6,540	5,021
C aca e		11,055	
T ade ecei ab e	14	30,352	30,332
O he ecei ab e , de i a d e a e	15	1,744	16,405
A def eaed a ie	16	266,595	217,947
Fiaciaa e afai aeh gh fi	4.3(i)	95,096	36,829
Te de i		5,261	134,370
Ca ha d ca he i a e		922,493	836,624
•			
Total current assets		1,339,136	1,277,528
Total assets		3,829,809	4,454,969
EQUITY			
Equity attributable to owners of the Company			
Sha e ca i a	17	123	123
Sha e e i	17	435,304	435,304
Ohe e e e	18	925,033	924,231
(Acc a ed e)/ e ai ed ea i g	10	(411,955)	123,448
(ACC a eu e // e al eu ea l g		(411,755)	
		948,505	1,483,106
Non-controlling interests		300,850	334,734
, and the second			
Total equity		1,249,355	1,817,840
·		.,,,,,,,	.,311,610

The ab e c de ed c ida ed ba a ce hee h d be ead i c j c i i h he acc a i g e.

1. 2020 31

IN ERIM CONDEN ED CON OLIDA ED BALANCE HEE CONTINUED

		June 30,	Dece be 31,
	N e	2020	2019
		RMB'000	RMB'000
		(Unaudited)	(A di ed)
LIABILITIES			
Non-current liabilities			
B i g	21	69,462	99,658
C e ibeb d	22	1,284,486	1,693,430
Lea e iabi i ie	12	316	650
Defe edic e a iabiiie	23	300,153	350,087
Acc a, he aabead ii	20	175	362
Total non-current liabilities		1,654,592	2,144,187
Current liabilities			
Tade a abe	19	16,978	13,325
Acc a, he aabe ad ii	20	81,399	78,860
A de eaedaie	16	20,947	23,749
C ac iabii ie		112	539
C e i c e a iabii ie		20,549	28,713
B ig	21	145,580	114,744
C e ibeb d	22	403,257	
Lea e iabii ie	12	1,689	2,412
Ohe fi a cia iabi i a a i ed c		235,351	230,600
Total current liabilities		925,862	492,942
Total liabilities		2,580,454	2,637,129
Total habilities		2,300,434	2,001,129
Total equity and liabilities		3,829,809	4,454,969
· · · · · · · · · · · · · · · · · · ·		-,3-,,00,	.,,

IN ERIM CONDEN ED CON OLIDA ED A EMEN OF CHANGE IN EQ I

					Retained		Attributable	
				Other	earnings/		to non-	
	Share	Treasury	Share	reserves	(accumulated		controlling	Total
N e	capital	shares	premium	(Note 18)	losses)	Sub-total	interests	equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited) Balance at January 1, 2020	123	-	435,304	924,231	123,448	1,483,106	334,734	1,817,840
C ehe i e L f he e i d Sha e-ba ed a e	-	-	-	-	(535,403)	(535,403)	(31,589)	(566,992)
Sha e i che e 18	-	-	-	802	-	802	-	802
Di ide d ided f aid							(2,295)	(2,295)
Balance at June 30, 2020	123		435,304	925,033	(411,955)	948,505	300,850	1,249,355

The ab ec de ed c ida ed a e e f cha ge i e i h d be ead i c j c i i h he acc a i g e.

IN ERIM CONDEN ED CON OLIDA ED A EMEN OF CHANGE IN EQ I CONTINUED

						(Acc a ed		A ib abe	
					O he	e)/		-	
		Sha e	T ea	Sha e	еее	e ai ed		c ig	Τa
	N e	ca i a	ha e	e i	(N e 18)	ea i g	S b- a	i e e	e _l i
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB ² 000
(Unaudited)									
Balance at January 1, 2019		123	*	432,993	910,458	(19,172)	1,324,402	343,582	1,667,984
C ehe ieic e									
P fif he eid						82,029	82,029	12,896	94,925
Sha e e ed de he ha e-									
ba ed a e	17		*	2,311			2,311		2,311
Sha e-ba ed a e									
Sha e b c i i ag ee e	18				311		311		311
Sha e-ba ed a e									
Sha e i che e	18				4,010		4,010		4,010
Balance at June 30, 2019		123		435,304	914,779	62,857	1,413,063	356,478	1,769,541

^{*} The baa ce a ed ab e a e ha RMB500.

The ab $\,$ e $\,$ c $\,$ de $\,$ ed $\,$ c $\,$ ida ed $\,$ a $\,$ e $\,$ e $\,$ f cha $\,$ ge $\,$ i $\,$ e $\,$ l $\,$ h $\,$ d be $\,$ ead $\,$ i $\,$ c $\,$ i $\,$ h he acc a ig e.

IN ERIM CONDEN ED CON OLIDA ED A EMEN OF CA H FLO '

		Six months ended June 30,			
N	Δ	2020	2019		
N	C	RMB' 000	RMB' 000		
		(Unaudited)	(U a di ed)		
		(5 111 111)	(======		
Cash flows from operating activities					
Ca h ge e a ed f e a i		44,935	17,725		
I e e ecei ed		216	216		
I c e a aid		(23,817)	(21,651)		
		04.004	(0.740)		
Net cash generated from/(used in) operating activities		21,334	(3,710)		
Cash flows from investing activities					
Cash flows from investing activities Pa e f e , a a d e i e		(6,216)	(5,778)		
Pa e fiagibea e		(0,210)	(178)		
	3(iii)	(167,360)	(- 7		
Pa e f fe i a fee f i e i g aciiie	` '	(1,535)	(2,008)		
Pace e fe de i ihiiia e fehee h		(5,261)			
La eaed a ie		(23,157)	(38,573)		
	3(iii)	109,168	68,730		
	3(iii)	106			
I e e ecei ed fi ed de i		7,758	3,032		
Refdfeafd Rede i fe de i ihiiiae fe hee h		15,000 134,370			
nede i i e de i illitia e i e li ee il		134,370			
Net cash generated from investing activities		62,873	25,225		
Cash flows from financing activities					
P ceed f b ig		30,100	40,000		
P ceed f c e ibeb d		-	682,160		
Re a e e a ed a ie		(489)	(28,124)		
Reae fb ig		(31,929)	(41,759)		
Pa e faiee		(7,323)	(7,201)		
Pa e f fe i a fee f fi a cigaciiie Piciaee e fea e a e		(1,097)	(1,623) (948)		
Di ide daid -c i giee f bidia ie		(2,295)	(940)		
Di la di ala di di ala di di ala di a		(2,270)	-		
Net cash (used in)/generated from financing activities		(13,033)	642,505		
. , , , , , , , , , , , , , , , , , , ,					
Net increase in cash and cash equivalents		71,174	664,020		
Cahadcahe iae a hebegi ig fhe eid		836,624	195,521		
Effec fechage aechage cahadcaheiiae		14,695	21,856		
•					
Cash and cash equivalents at the end of the period		922,493	881,397		

The ab ec de ed c ida ed a e e f ca h f h d be ead i c j c i i h he acc a i g

е.

1...4 ... 2020 35

GENERAL INFORMATION

H ia C ai f Chia Liied ('he C a ') aic aedi he Ca a I ad Feb a 21, 2014 a a e e ed c a i h i i ed iabii de he C a ie La (Ca.22, La 3 f 1961 a c idaed a d e i ed) f he Ca a I a d . The add e f he C a 'egi e ed ffice i POB 309, UgadH e, GadCa a, KY1-1104, Ca alad.

The C a , ge he i h i b idia ie (c ec i e efe ed a 'he G '), a e i ci a e gaged i (i) eai ad aage e fi iae edh ia; (ii) ii faage e adc ai e ice hee -f - fi h i a ad (iii) h e ae f ha ace ica d c i he Pe e' Re bic f Chi a (he 'PRC').

a i c $\operatorname{ed} b \operatorname{VagadG} \operatorname{Li} \operatorname{i} \operatorname{ed} \operatorname{('VagadG')}, a \operatorname{b} \operatorname{idia} \operatorname{fH} \operatorname{Ca} \operatorname{ia} \operatorname{F} \operatorname{d} \operatorname{V},$ L.P., hich i c ide ed a he i a e h digc a f he C a.

The dia hae fheC a eeied heMaiBadfheScrEchagefHgKg Li i ed Ma ch 16, 2017.

The i e i c de ed c idaed fia cia i f a i i e e ed i Re i bi ('RMB') a d ded eae h ad a, e he ie aed.

BASIS OF PREPARATION

Thi i e i c de ed c ida ed fi a cia i f a i f he i h e ded J e 30, 2020 ha bee e a edi acc da ce ih I e a i a Acc ig Sa da d ('IAS') 34, 'I e i fi a cia e ig'. The i e i c de ed c idaed fiacia i f a i de i c de a he i f a i a i c ded i aa afiacia ae e adh h dbe eadic _i ci ih hea afiacia ae e f he G f he ea e ded Dece be 31,2019, hich ha e bee e a ed i acc da ce i h I e a i a Fiacia Re ig Sadad ('IFRS'), ada bica cee adeb heC adig hei h e ded J e 30, 2020.

The acc ig icie ad edaec ie ihhe fhea a fia cia aee f he ea e ded Dece be 31, 2019, a de cibed i h e a a fi a cia a e e , e ce f he ad i f e ada e ded adad a e be.

(a) New and amended standards adopted by the Group

a e ded a da d beca e a icab e f he c e e i g e i d. The g did ha e cha ge i acc i g icie are e ec i e adı e a a e fad i g he e a dad.

- 2 BASIS OF PREPARATION c i ed
 - (b) Impact of standards issued but not yet adopted by the Group

Acc dig heaede IAS 1, hich i be effecief a a eid begi ig

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS c i ed

4.3 Fair value estimation

(i) Fai a e hie a ch

Thi eci e ai hejdge e a dei a e adei dee iig hefai a e f he fiacia i e haaeecgiedad ea edafai aei hefiacia ae e . T ide a i dica i ab he e iabi i f he i ed i de e i i g fai a e, he G ha ca ified i fi a cia i e i he h ee e e c ibed de he acc i g a dad. A e a a i feach e e f de ea h he ab e.

The f i g ab e e e e he G ' fi a cia a e a d fi a cia iabilie ea ed a dec g i ed a fai a e a J e 30, 2020 a d Dece be 31, 2019.

	Level 1 RMB' 000	Level 2 RMB'000	Level 3 RMB'000	Total RMB′000
(Unaudited) As at June 30, 2020 Assets Fi a cia a e a fai a e h gh fi ('FVPL')				
M ea f d ihfaigae		95,096		95,096
Total assets		95,096		95,096
Liabilities Fi a cia iabi i ie a FVPL				
C e ibeb d (N e 22)			1,687,743	1,687,743
Total liabilities			1,687,743	1,687,743

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS c i ed

4.3 Fair value estimation *c i ed*

(i) Fai a e hie a ch c i ed

	Level 1 RMB' 000	Level 2 RMB'000	Level 3 RMB' 000	Total RMB' 000
	KIVID 000	KIVID 000	KIVID 000	KIVID 000
(Audited)				
As at December 31, 2019				
Assets				
Fi a cia a e a FVPL				
M ea f d ihfaigae		36,229		36,229
Ca i ac i e b idia ie '				
e aiigi ee			600	600
Total assets		36,229	600	36,829
Liabilities				
Fi a cia iabii ie a FVPL				
C e ibeb d			1,693,430	1,693,430
Total liabilities			1 602 420	1 602 420
Total liabilities			1,693,430	1,693,430

Thee ee a fe be ee ee 1,2ad3d ig he eid.

The G ' ic i ecgie a fe i ad a fe f fai a e hie a chee a a heed f hee igeid.

Le e 1: The fai a e f fi a cia i e aded i acie a re (cha bic aded de i ai e, a de i ec i ie) i ba ed e da re ice a he e d f he e i g e i d. The ed a re ice e d f fi a cia a e he d b he G i he c e bid ice. The e i e a e i c ded i e e 1.

Le e 2: The fai a e f fi a ciai e ha a e aded i a acie a re (f e a e, e - he-c e de i ai e) i de e i ed i g a ai ech i e hich a i i e he e f b e ab e a re da a a d e a i e a ib e e i - ecific e i a e . If a ig ifica i ei i ed fai a e a i e a e b e ab e, he i e i i c ded i e e 2.

Le e 3: If e e f he ig ifica i i ba ed b e ab e a r e da a, he i e i i c ded i e e 3.

- 4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS c i ed
 - 4.3 Fair value estimation c i ed
 - (ii) Va ai echi e ed de e i e fai a e

 S ecific a ai echi e ed a e fi a ciai e i c de
 - The use of quoted market prices or dealer quotes for similar instruments, and
 - For call option and convertible bonds option pricing models (e.g. binomial model).
 - (iii) Fai a e ea e e i g ig ifica b e abei (e e 2)

The f i g ab e e e he cha ge i e e 2 i e f he i h e ded J e 30, 2020.

Mea fdih faigae RMB'000

(Unaudited)

Opening balance as at January 1, 2020	36,229
Addi i	167,360
Se e e	(109,274)
Gai ec g i ed i he gai e *	781

Closing balance as at June 30, 2020 95,096

- 4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS c i ed
 - 4.3 Fair value estimation *c i ed*
 - (i) Fai a e ea e e i g ig ifica b e abei (e e 3)

The f i g ab e e e he cha ge i e e 3 i e f he i h e ded J e 30, 2020.

	Ca i		
	ac <u>ı</u> ie		
	b idia ie '	C e ibe	
	e aiig	b d	
	i ee	(N e 22)	T a
	RMB'000	RMB'000	RMB'000
(Unaudited)			
Opening balance as at January 1, 2020	600	(1,693,430)	(1,692,830)
Gai ec g i ed i he gai e *	(600)	5,687	5,087
Closing balance as at June 30, 2020		(1,687,743)	(1,687,743)
* I c de eai ed (e)/gai			
ecgiedi fi a ibabe			
baace heda heed fhee ig			
ei d	(600)	5,687	5,087

- 4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS c i ed
 - 4.3 Fair value estimation c i ed
 - (i) Fai a e ea e e i g ig ifica b e abei (e e 3) c i ed
 - (a) C e ib e b d

Ma age e ha e ie ed a d a e ed he a a i e i ed b a i de e de a e a d iced he fai a e f he c e ib e b d a f J e 30, 2020 a ai i ac ed b he b d ied, hich a de e i ed b fac i c di g a re i e e a e , he c e ib e b d i e a d he a ii f he C a cr ice.

The de ai f each c e ib e b d ea e efe N e 22.

4.4 Fair value of financial assets and liabilities measured at amortized cost

The fai a e f he f i g fi a cia a e a d iabii ie a e a e ia diffe e hei ca i g a , i ce he i e e ecei ab e/a ab e i ei he c e c e a r e a e he i e a e h - e i a e:

- Trade receivables
- Contract assets
- Other receivables, deposits and prepayments
- Amounts due from related parties
- Term deposits
- Cash and cash equivalents
- Trade payables
- Contract liabilities
- Accruals, other payables and provisions (excluding non-financial liabilities)
- Amounts due to related parties
- Borrowings
- Lease liabilities

5 SEGMENT INFORMATION

O eaig eg e a e e ed i a a e c i e i h he i e a e i g ided he chief e a i g deci i - are ('CODM'). The CODM, h i e ib e f a caig e ce a d a e i g ef a ce f he e a i g eg e , ha bee ide ified a he e ec i e di ec chief e ec i e ffice f he C a ha are a egic deci i .

The CODM c ide hebief bhheeicead dceecie. Whe heG caie haeiiaec ichaaceiic, adheege aeiiaieach fhefigeec: (i) heaefhed cadeice; (ii) heaefhed ci cee; (iii) heaefhed ci cee; (iii) heaefhed ci cee; (iii) heaefhed ed di ibehei dci de hei eice; ad() if a icabe, heaefheega ei e, heG' eaigegeaed. I heiefCODM, heGi icaegagediheediffeege

The G a e e he ef a ce f he eaig eg e ba ed a ea e feaig bef e i e e , i c e a , de eciai a da i ai ('EBITDA'). The G ' eaig a d e ab e eg e f eg e e i g eaeaf:

(a) General hospital services

Re e e f hi eg e i ge e a ed i he PRC a d de i ed f h i a e ice ided b Jia de H i a f T adi i a Chi e e Medici e C ., L d. ('Jia de H i a'), Jia de Dajia Chi e e Medici e Pha ace ica Tech g C ., L d. ('DJ Pha ace ica Tech g') a d Jia de Xi i Pha ac C ., L d. ('Xi i Pha ac ') f he i h e ded J e 30, 2020.

F ge eah ia e ice, e e e i ai dei e f high di e ified i di da a ie a d i ge a ie c ib ed 1% e f he G 'e ec i e e e f he i h e ded J e 30,2020 a d 2019, e ec i e .

(b) Hospital management services

Re e e f hi eg e i ge e a ed i he PRC a d de i ed f idi g c ehe i e a age e e ice a d ecei i g a age e e ice fee b Weira g l e e Ma age e C ., L d. ('Weira g l e e '), Tibe Da i H ghe R i i B i e Ma age e C ., L d. ('H ghe R i i '), Ci i H ghe Medica Ma age e C ., L d. ('Ci i H ghe') a d Zhejia g H ghe Zhi a Medica Tech g C ., L d. ('Zhejia g H ghe Zhi a ').

5 SEGMENT INFORMATION c i ed

(b) Hospital management services c i ed

P a heh ia a age e fa e ragee e a dhe e e fi e ig ed b Weira g I e e a d Sha ghai Ya g i H ia ('Ya g i H ia') Ja a 1,2013 a d Oc be 8,2014, e ecie, he g-e h ia a age e agee e ig ed b H ghe R i i a d Ya g i H ia Ja a 1,2016 a dhe 3-ea h ia a age e agee e ig ed b Weira g I e e a d H ghe R i i ih Ya g i H ia Ja a 1,2020, c e i ghe e i d f 2020 2022, Weira g I e e a d H ghe R i i ha e i ded a age e a d c a c e ice Ya g i H ia i ha e i d f 50 ea f 2016 2065 a dhe a age e fee i be ca c a ed ba ed e-e f a e i he 3-ea h ia a age e agee e acc di g .

CiiH ghe had e e edi a e e fi e ih CiiU i H ia ('CiiH ia') Feb a 1,2018 a dig eda e e a e e fi e ih CiiH ia Mach 7,2018. P a he e e fi e ,CiiH ghe ha ided a age e a d c a c e ice CiiH ia ih a eid f 50 ea f 2018 2067. O Mach 26,2018, CiiH ghe e e edi a 5-ea h ia a age e ag ee e ih CiiH ia c e ig he e id f 2018 2022. P a he h ia a age e ag ee e ,CiiH ghe ca de ie a age e fee ba ed he e-e f a e i he 5-ea h ia a age e ag ee e .

Zhejia g H ghe Zhi a had e e ed i a 50- ea h ia a age e e e fi e ih Zhejia g Jih a G a gf O c gica H ia ('Jih a H ia'), c e i g he e i d f Ja a 1, 2017 Dece be 31, 2066. P a he Jih a H ia e e fi e , Zhejia g H ghe Zhi a ha ag eed ide c a c a d a age e e ice Jih a H ia, a d Jih a H ia ha ag eed a Zhejia g H ghe Zhi a a age e e ice fee . The de ai ed e ice c e a d ici g a e c c ded a d effeci e i a e a a e 3- ea h ia a age e ag ee e hich a ig ed b Zhejia g H ghe Zhi a a d Jih a H ia, c e i g he e i d f 2020 2022. P a he 3- ea h ia a age e ag ee e , he a age e fee ha bee ca c a ed ba ed he e- e f a .

(c) Wholesale of pharmaceutical products

Re e e f hi eg e i ge e a ed i he PRC a d i de i ed f h e a e f ha ace ica d c a Zhejia g Dajia Medici e C ., L d. ('DJ Medici e ') a d i b idia , H ghe (Ji h a) Pha ace ica C ., L d.

(d) Unallocated

The 'U a caed' caeg ai e e e he head \mathbf{a} a e i c e a d e e e .

5 SEGMENT INFORMATION c i ed

Seg e if a i ab he G 'e abeeg e i eeedbe:

	General hospital services RMB'000	Hospital management services RMB'000	Wholesale of pharmaceutical products RMB'000	Unallocated RMB'000	Total RMB′000
(Unaudited) Six months ended June 30, 2020 Seg e e e e	79,568	100,988	123		180,679
Ree ef e e a c e	79,568	100,988	123		180,679
Tiig fee eecgii Aaiiie Oeie	43,580 35,988 79,568	100,988	123		43,703 136,976 180,679
EBITDA	(238,327)	(342,178)	(316)		(580,821)
De ecia i	(4,347)	(935)	(291)	(974)	(6,547)
A iai Fiace(c)/ic e	(3,787)	(11,830)	(191)	(52) 10,792	(15,860) 10,028
U a caede e e- e				(8,714)	(8,714)
(L)/ fi bef e a	(247,408)	(354,760)	(798)	1,052	(601,914)
(Unaudited) As at June 30, 2020					
Seg e a e	391,924	1,313,079	4,024	970,098	2,679,125
G d i	58,495	1,082,923	9,266		1,150,684
T aa e	450,419	2,396,002	13,290	970,098	3,829,809
T a iabiiie	134,710	286,370	2,270	2,157,104	2,580,454

5 SEGMENT INFORMATION c i ed

Seg e if a i ab he G 'e ab e eg e i e e ed be

6 OTHER INCOME

Six months ended June 30,						
2020	2019					
RMB'000	RMB'000					
(Unaudited)	(U a di ed)					
2,466	109					
1,026	406					
3,492	515					

G e e ga ad bidie (a) O he

(a) The G e e g a a d b idie ai c i f RMB2,179,000 g a ed b he Jia de Pe e' G e e $61(0\ 0\ 6\ -10.06\ Td2)$

8 FINANCE INCOME AND COSTS

- 9 INCOME TAX EXPENSE c i ed
 - (a) Cayman Islands Income Tax

The C a i i c a ed i he Ca a I a d a a e e d c a i h i i ed iabii de he C a ie La f Ca a I a d a d acc dig , i e e ed f e Ca a I a d i e e a .

(b) Hong Kong Profits Tax

10 (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

Baic ()/ea i g e haei cac aed b di idi g he fi a ib abe e f he C a b he eigh ed a e age be f dia ha e i i e d i g he i h e ded J e 30, 2020 a d 2019.

Six months ended June 30,

2020 2019 (Unaudited) (U a di ed)

11 PROPERTY, PLANT AND EQUIPMENT

				Office		
				equipment,		
		Leasehold	Medical	furniture and	Construction-	
	Buildings	improvements	equipment	motor vehicles	in-progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)						
Six months ended June 30, 2020						
Ne b ' a e						
O e i g a a J a a 1,2020	111,317	430	24,149	5,738	4,542	146,176
Addi i	3,313	1,870	1,480	198	598	7,459
Di a	(1,211)	-	-	-	-	(1,211)
Ta fe c ei	-	-	-	-	(3,920)	(3,920)
De ecia i	(2,145)	(68)	(2,339)	(784)		(5,336)
C iga aaJ e30,2020	111,274	2,232	23,290	5,152	1,220	143,168
(I be a condition of)						
(Unaudited)						
Six months ended June 30, 2019 Ne b						
	115 670	234	01 010	6,709		143,940
Oeiga aaJaa1,2019 Addii	115,678	234 7	21,319 5,115	138	2,491	
	(117)	1	•		2,491	7,751
	(117)	(40)	(56)	(17)		(190)
De ecia i	(2,067)	(46)	(1,992)	(780)		(4,885)
C iga aaJ e30,2019	113,494	195	24,386	6,050	2,491	146,616

12 LEASES

Thi e ide if ai f eae heeheG iae ee.

(a) Amounts recognised in the balance sheet

The baa ce hee h hef iga eaig eae:

	As at	Аа
	June 30,	Dece be 31,
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(A di ed)
Right-of-use assets		
La d e igh	38,071	38,544
P e ie	2,257	3,467
	40,328	42,011
Lease Liabilities		
Се	1,689	2,412
N -c e	316	650
	2,005	3,062

The e a addi i he igh - f- e a e f he i h e ded J e 30, 2020. (2019: RMB4,219,000).

12 LEASES c i ed

(b) Amounts recognised in the statement of comprehensive income

The aee fc ehe ieic e h hef iga eaig eae:

Six months ended June 30,

	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(U a di ed)
De ecia i cha ge f igh - f- e a e - e ie	1,211	631
A iai chage figh-f-eae-ad eigh	472	472
l ee e e (i c dedi fi a ce c)	40	25
E e e e a i g h - e e a e (i c ded i c f		
ee eadad ii aiee e e)	147	963
E e e eaig eae f - a ea e		
(ic dediad ii aiee e e)	2	

The a cah f f ea e f he i h e ded J e 30, 2020 a RMB1,097,000 (i h e ded J e 30, 2019: RMB948,000).

13 INTANGIBLE ASSETS

	Goodwill RMB'000	rights to provide management services RMB'000	Licenses RMB'000	Software RMB'000	Total RMB'000
(Unaudited) Six months ended June 30, 2020 Ne b					
O e i g a a a Ja a 1, 2020	1,617,767	1,113,506	173,194	1,362	2,905,829
A iai	-	(11,821)	(3,427)	(140)	(15,388)
I ai e cha ge	(467,083)	(201,136)			(668,219)
C iga aaJ e30,2020	1,150,684	900,549	169,767	1,222	2,222,222
(Unaudited)					
Six months ended June 30, 2019					
Ne b ! a e					
Oeiga aaJaa 1,2019	1,617,767	1,137,153	180,047	1,572	2,936,539
Addi i				178	178
A iai		(11,823)	(3,427)	(160)	(15,410)
C iga aaJ e30,2019	1,617,767	1,125,330	176,620	1,590	2,921,307

(a) Goodwill impairment

Ma age e e ie b i e e f a ce f each ca h-ge e a i g i ('CGU'). The ec e ab e a f each CGU i de e i ed ba ed fai a e e c f di a (FVLCOD) ca c a i . The e ca c a i e ca h f jec i ba ed fi a cia b dge a ed b a age e c e i g a eigh - ea - f eca - e i d i ce Ja a 1,2020. The a age e c ide ha he eigh - ea - f eca - e i d fi a cia b dge ha ha bee ed i he g d i i ai e e i a ia e beca e he i e e c c e i he hea hca e i d i ge ha he i d ie , a d he ef i e f he ice e f e a ed b idia ie a e ge ha eigh ea . Ca h f be d he eigh - ea e i d a e e a a ed i g he e i a ed g-e g h a e f 3% b efe e ce he g-e i f a i a e f Chi a a a J e 30, 2020 a d Dece be 31, 2019.

De hedaic chage i ac ec ic c dii adec ic feca a ae fhe bear f C ai Dieae 2019 ('he COVID-19 bear'), he e ai fge e ah ia e ice ided b Jiade H ia e ai g CGU, adh ia aage e e ice ided b CiiH ghe e ai g CGU ad Zhejiag H ghe Zhi a e ai g CGU fhe i heded J e 30, 2020 a be he aage e' feca.

I ai e e f RMB243,500,000, RMB130,153,000 a d RMB93,430,000 e e ec g i ed f Jia de H i a e a i g CGU, Ci i H ghe a d Zhejia g H ghe Zhi a e a i g CGU (' he h ee CGU '), ed ci g he ca i g a f he g d i RMB56,088,000, RMB36,460,000 a d RMB95,548,000, e ec i e .

13 INTANGIBLE ASSETS c i ed

(a) Goodwill impairment c i ed

Ba ed he f eca a da i a ed b a age e , he ec e ab e a f he h ee CGU a a J e 30, 2020 a d Dece be 31, 2019 e e de e i ed b a e i g he FVLCOD f he de i ga e i h efe e ce a a i e i ed b a i de e de a e. The a a i i c ide ed be e e 3 i he fai a e hie a ch d e b e ab e i ed i he a a i .

The f igabe e herea if hehee CGU hee hei aie cacaie e daedaa Je 30, 2020:

Jiande Hospital operating CGU

	June 30,	Dece be 31,
	2020	2019
	(Unaudited)	(A di ed)
Re e e (% c d g h a e)	12.06%	14.65%
P -a di c a e	15.00%	14.50%
Rec e ab e a f e a i g CGU (RMB'000)	337,000	717,000

Cixi Honghe operating CGU

June 30,	Dece be 31,
2020	2019
(Unaudited)	(A di ed)
12.90%	18.26%
14.00%	13.50%
250,000	514,000

Rec e ab e a f e a i g CGU (RMB'000) 250,000

Zhejiang Honghe Zhiyuan operating CGU

June 30,	Dece be 31,
2020	2019
(Unaudited)	(A di ed)
19.24%	19.58%
14.00%	13.50%
673,000	957,000

Re e e (% c	dg hae)
P -a dic	ае
Rec e ab e a	f eaig CGU (RMB'000

Re e e (% c dg hae)

P -a dic ae

13 INTANGIBLE ASSETS c i ed

Ree e(% c

P -a dic

Rec e ab e a

d g

f eai

ае

(a) Goodwill impairment c i ed

The ec e ab e a f Weira g I e e a d H ghe R i i e a i g CGU a d DJ Medici e e a i g CGU (' he CGU ') e e e i a ed be RMB1,589,000,000 a d RMB15,505,000 a a J e 30, 2020 hich e ceeded he ca i g a f he CGU b RMB117,164,000 a d RMB1,422,000. N i ai e a he ef e e i ed f he CGU . A a J e 30, 2020, he ca i g a f he g d i a ca ed he CGU a RMB950,915,000 a d RMB9,266,000, e ec i e .

The f igabe e herea i f he CGU hee hei ai e cacai e e da ed a a J e 30, 2020:

Weikang Investment and Honghe Ruixin operating CGU

	June 30,	Dece be 31,
	2020	2019
	(Unaudited)	(A di ed)
ı a e)	9.92%	8.66%
	13.50%	13.00%
g CGU (RMB' 000)	1,589,000	1,608,000

DJ Medicine operating CGU

	June 30,	Dece be 31,
	2020	2019
	(Unaudited)	(A di ed)
Re e e (% c d g h a e)	43.90%	45.90%
P -a dic a e	15.00%	14.50%
Rec e ab e a f e a i g CGU (RMB'000)	15,505	15,000

13 INTANGIBLE ASSETS c i ed

(a) Goodwill impairment c i ed

The f igabe e here a i f Weiragle e ad H ghe Rii eaig CGU ad DJ Medicie eaig CGU a feach eided (e i ae baed he eaif he eididicaed) edig dii aie eigadhebearee i f chrea i:

				Weikang Investment and	
				Honghe Ruixin operating CGU	
				Six months ended	d June 30, 2020
				Key	Breakeven
				assumption	Point
Pe ce age f he c	d g	h ae fee	е	9.92%	8.14%
Pe ce age f he - a	di c	ае		13.50%	14.39%

				Yea	e ded Dece	be 31, 2019
					Ke	B eare e
				а	i	Ρi
Pe ce age f he	c dg	h ae fee	е		8.66%	7.18%
Pe ce age f he	-a dic	ае			13.00%	14.34%

				DJ Medicine operating CGU	
				Six months ended June 30, 202	
				Key	Breakeven
				assumption	Point
Pe ce age f he c	d g	h ae fee	е	43.90%	35.23%
Pe ce age f he - a	di c	ае		15.00%	15.86%

			e a i g CGU
	Yea e	ded Dece	be 31, 2019
		Ke	B eare e
	а	i	Ρi
Pece age fhec dg haefee e		45.90%	45.07%
Pe ce age f he - a di c a e		14.50%	14.79%

Weiragle e ad H ghe Rii e aig CGU

13 INTANGIBLE ASSETS c i ed

(b) Impairment losses on contractual rights to provide management services

C ac a igh ide a age e e ice a e he igh ide a age e e ice Yagih ia, Jihah iaad Ciih ia ihfiie ef ife. The ec aca igh ac i ed ibie c biai ae ecgieda fai a ea a he aclii dae.

C ide i g he i ac f he COVID-19 bear, a age e e gaged a i de e de a e i de e i i g he ec e ab e a f c ac a igh ide a age e e ice Jihah iaad Ciih iaaa Je 30, 2020. Iai ee f RMB132,525,000 ad RMB68,611,000 e e ec g i ed, ed ci g he ca i g a f he c ac a igh ide a age e e ice Ji h a h i a a d Ci i h i a RMB558,300,000 a d RMB239,700,000, e ecie.

N i ai e a cha ged f c ac a igh ide a age e e ice Ya g i h i a d ig he i h e ded J e 30, 2020 a d he ea e ded Dece be 31, 2019.

14 TRADE RECEIVABLES

	As at	A a
	June 30,	Dece be 31,
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(A di ed)
T ade ecei ab e	35,106	31,332
Le : ii f i ai e f ade ecei ab e	(4,754)	(1,000)
Tade ecei ab e e	30,352	30,332

The ca iga f he G 'ade ecei ab e a e de ia edi RMB a da ia e hei faia e.

A a J e 30, 2020 a d Dece be 31, 2019, he agei g a a i ba ed i ice da e f he ade ecei ab e a a f :

	As at	A a
	June 30,	Dece be 31,
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(A di ed)
1 90 da	24,563	25,428
91 180 da	1,153	1,658
181 da 1 ea	5,234	2,947
O e 1 ea	4,156	1,299
	35,106	31,332

15 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at	A a
	June 30,	Dece be 31,
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(A di ed)
Pea e f c ci ade i e	2,901	1,455
De ifea	590	590
Ad a ce e ee	253	569
O he ecei ab e	573	488
Ohe ea e	328	315
M ea f d ecei ab e f a e a age e c a	-	15,000
Та	4,645	18,417
Le : -c e i	(2,901)	(2,012)
C e i	1,744	16,405

The caiga fhe eceiabe, de iadea eaede iaedi RMB ad a i a e hei fai a e .

16 BALANCES WITH RELATED PARTIES

A a J e 30, 2020 a d Dece be 31, 2019, he baa ce i h e a ed a ie a e ec ed, ecei ab e/a b e de a dadae de i a ed i RMB.

	As at	A a
	June 30,	Dece be 31,
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(A di ed)
Amounts due from related parties		
Tadei a e		
Ji h a H i a	139,693	122,120
YagiH ia	84,940	88,540
CiiH ia	15,961	6,384
O he		
Ji h a H i a	105,102	80,429
YagiH ia	529	64
VagadG Li ied	370	366
Mid i H Ld	-	36
Ha Pe ige Li i ed		8
Та	346,595	297,947
Le : -c e i	(80,000)	(80,000)
C e i	266,595	217,947

A a J e 30, 2020 a d Dece be 31, 2019, he agei g a a i ba ed adi g da e f he ade ecei ab e a a f :

	As at	Аа
	June 30,	Dece be 31,
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(A di ed)
Wi hi 90 da	52,676	58,293
91 180 da	42,523	48,159
O e 180 da	145,395	110,592
	240,594	217,044

16 BALANCES WITH RELATED PARTIES c i ed

A a J e 30, 2020, e f he ade ecei ab e a i di id a de e i ed be i ai ed (2019: i).

	As at	Аа
	June 30,	Dece be 31,
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(A di ed)
Amounts due to related parties		
Tadei a e		
Zhejia g Zh g i Medica C ., L d.	3,470	6,196
Dajia Medica Ej i e C ., L d.	2,936	2,546
O he		
Ji h a H i a	5,444	4,988
YagiH ia	5,291	6,235
VagadG Li ied	1,539	1,517
CiiH ia	1,243	1,243
Zhejia g Xi ia g i I e e C ., L d.	1,024	1,024
Та	20,947	23,749

Thei ca igae deaaJ e30,2020ad Dece be31,2019,a iae hei fai ae.

A a J e 30, 2020 a d Dece be 31, 2019, he agei g a a i ba ed adi g da e f he ade a ab e aaf:

	As at	A a
	June 30,	Dece be 31,
	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(A di ed)
Wi hi 90 da	4,886	7,621
91 180 da	515	179
O e 180 da	1,005	942
	6,406	8,742

1	7 SHARE CAPITAL, TREASUI	RY SHARES AN	ND SHARE PR	REMIUM			
					Number of shares	Nominal value of shares HKD	
	A h i ed O di a ha e			_	500,000,000	500,000	

18 OTHER RESERVES

	Capital reserve	Other reserve	Total
	RMB'000	RMB' 000	RMB'000
(Unaudited) A Ja a 1, 2020 Sha e-ba ed a e - ha e i che e	883,938	40,293	924,231
	802		802
A J e 30, 2020	884,740	40,293	925,033
(Unaudited) A Ja a 1,2019 Sha e-ba ed a e - ha e b c i i ag ee e	878,445	32,013	910,458

20 ACCRUALS, OTHER PAYABLES AND PROVISIONS

As at June 30, Dece be 31, 2020 2019 RMB'000 RMB'000 (Unaudited) Acc ed e ee be efi			
2020 2019 RMB'000 (Unaudited) Acc ed e ee be efi Sha e-ba ed a e D a d a a ab e he ha c a e i c e a 7,397 10,870 Acc ed fe i a e ice fee O he a ab e ie f cha e f a a d e i e O he a ab e f edica a a ce T a 81,574 79,222 Le : -c e i (175) (362)		As at	A a
RMB'000 (Unaudited) Acc ed e ee be efi Sha e-ba ed a e D a d a a abe he ha c a e i c e a Acc ed fe i a e ice fee O he a abe ie f cha e f a a de i e O he T a Le : -c e i RMB'000 (Unaudited) RMB'000 (A di ed) A3,903 36,841 15,693 16,071 15,693 16,071 10,870 5,868 5,556 6,148 6,148 7,397 10,870 1,285 1,392 2,344 T a 81,574 79,222 (175) (362)		June 30,	Dece be 31,
Acc ed e ee be efi 43,903 36,841 Sha e-ba ed a e 15,693 16,071 D a d a a ab e he ha c a e i c e a 7,397 10,870 Acc ed fe i a e ice fee 5,868 5,556 O he a ab e ie f cha e f a a d e i e 4,889 6,148 O he a ab e f edica a a ce 1,285 1,392 O he 2,539 2,344 T a 81,574 79,222 Le : -c e i (175) (362)		2020	2019
Acc ed e ee be efi Sha e-ba ed a e D a d a a ab e he ha c a e i c e a Acc ed fe i a e ice fee O he a ab e ie f cha e f a a d e i e O he C be C cha e f edica a a ce C cha e f a a d e i e C cha e f a a a d e i e C cha e f a a d e i e C cha e f a a a d e i e C cha e f a a a d e C cha e f		RMB'000	RMB'000
Sha e-ba ed a e D a d a a abe he ha c a e i c e a Acc ed fe i a e ice fee O he a abe i e f cha e f a a de i e O he a abe f edica a a ce T a E a c c e i 15,693 16,071 7,397 10,870 5,868 5,556 6,148 O he a ab e f edica a a ce 1,285 1,392 2,344 T a 81,574 79,222 Le : -c e i (175)		(Unaudited)	(A di ed)
Sha e-ba ed a e D a d a a abe he ha c a e i c e a Acc ed fe i a e ice fee O he a abe i e f cha e f a a de i e O he a abe f edica a a ce T a E a c c e i 15,693 16,071 7,397 10,870 5,868 5,556 6,148 O he a ab e f edica a a ce 1,285 1,392 2,344 T a 81,574 79,222 Le : -c e i (175)			
D a d a a abe he ha c a e i c e a 7,397 10,870 Acc ed fe i a e i c e fee 5,868 5,556 O he a abe ie f cha e f a a d e i e 4,889 6,148 O he a abe f edica a a ce 1,285 1,392 O he 2,539 2,344 T a 81,574 79,222 Le : -c e i (175) (362)	Acc ed e ee be efi	43,903	36,841
Acc ed fe i a e ice fee O he a ab e ie f cha e f a a de i e O he a ab e f edica a a ce T a Le : -c e i 5,868 5,556 4,889 6,148 1,285 1,392 2,344 81,574 79,222 (175) (362)	Sha e-ba ed a e	15,693	16,071
O he a abe ief chaefa ade ie 4,889 6,148 O he a abe fedica a a ce 1,285 1,392 O he 2,539 2,344 T a 81,574 79,222 Le: -c e i (175) (362)	Dada aabe hehac aeicea	7,397	10,870
O he a abe f edica a a ce 1,285 1,392 O he 2,539 2,344 T a 81,574 79,222 Le: -c e i (175) (362)	Acc ed fe i a e ice fee	5,868	5,556
O he 2,539 2,344 T a 81,574 79,222 Le: -c e i (175) (362)	Oheaabe ief chaefaade i e	4,889	6,148
T a 81,574 79,222 Le : -c e i (175) (362)	Ohe aabe f edicaa ace	1,285	1,392
Le : -c e i (175)(362)	O he	2,539	2,344
Le : -c e i (175)(362)			
	Та	81,574	79,222
C e i 81,399 78,860	Le : -c e i	(175)	(362)
C e i <u>81,399</u> 78,860			
	C e i	81,399	78,860

The caiga facca, he aabead ii aede iaedi RMB. The caiga a iae heifaiae.

21 BORROWINGS

	As at June 30, 2020			Аа	Dece be 31, 2	019
	Current	Non-current	Total	Се	N -c e	T a
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(A di ed)	(A di ed)	(A di ed)
Bank borrowing						
Sec ed b g a a eed	105,580	69,462	175,042	74,744	99,658	174,402
U ec edad gaa eed (a)	40,000		40,000	40,000		40,000
	145,580	69,462	215,042	114,744	99,658	214,402

21 BORROWINGS c i ed

(a) Jia de H i a e e ed i fi e e- ea a ag ee e i h Ag ic a Ba r f Chi a Jia de B a ch Dece be 11, 2019, Ja a 15, Ja a 17, Ma ch 20 a d A i 9, 2020, e ec i e . The e ai i g a

22 CONVERTIBLE BONDS

The ee fhec eibeb daeaf:

	Convertible Bonds			
	March 5,	August 7,	February 27,	
	2018	2018	2019	Total
	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)				
As at January 1, 2020	392,174	577,039	724,217	1,693,430
Diffe e ce be ee fai a e a d				
iciaa aiiiaecgii	2,318	(7,633)	120	(5,195)
Fai a echa ge e igf cha gei				
As at June 30, 2020	403,257	570,135	714,351	1,687,743

(Unaudited)

As at January 1, 2019

430,241 2,318

643,61

14632

Fai a e cha ge e i g f cha ge i

Tj4.f(7,S 1 e865 0 Td(1,627.479 0 Td((35,931))Tj7.699 0 Td(((44,2586)))Tj7.951 Tf-4

As at June 30, 2019

<u>394,696</u> <u>598,166</u> <u>T ,123</u> <u>1,714,985</u>

22 CONVERTIBLE BONDS c i ed

(a) Convertible bonds issued on March 5, 2018

A a J e 30, 2020, he fai a e f he c e ib e b d a a i a e HKD442,035,000, e i a e a i a e RMB403,772,000, hich a de e i ed b a i de e de a aified аe.

The ig ifica i i he a ai de eaed c e ibeb d i ed Mach 5, 2018 e e i ed a be :

	As at	A a
	June 30,	Dece be 31,
	2020	2019
V aii	30%	30%
Ti e e iai (ea)	0.68	1.18
Ri ! fee a e fi e e	1.66%	1.87%
Di ide d ied	0.00%	0.00%

(b) Convertible bonds issued on August 7, 2018

A a J e 30, 2020, he fai a e f he c e ib e b d a a i a e HKD619,010,000, e i a e a i a e RMB565,428,000, hich a de e i ed b a i de e de a aified

7 25(hg0 0779 402.1961 T Nb) ed d)0.5(ibeb di ed Mach 5, 2018 e e)Tj0 T 0-1.611 TD(i ed28F

22 CONVERTIBLE BONDS c i ed

(c) Convertible bonds issued on February 27, 2019

A a J e 30, 2020, he fai a e f he c e ib e b d a a i a e HKD782,138,000, e i a e a i a e RMB714,437,000, hich a de e i ed b a i de e de a a i a e.

The ig ifica i i he a ai de eaed c e ibeb d i ed Feb a 27, 2019 e e i ed a be :

	As at	Аа
	June 30,	Dece be 31,
	2020	2019
V aii	30%	30%
Ti e e iai (ea)	3.66	4.16
Ri t fee a e fi e e	0.98%	1.53%
Di ide d ied	0.00%	0.00%

23 DEFERRED INCOME TAX

23 DEFERRED INCOME TAX c i ed

Deferred income tax liabilities

	Buildings and Intangible assets RMB'000	Withholding tax RMB'000	Changes in fair value RMB'000	Interest capitalization RMB'000	Total RMB'000
(Unaudited)					
Baa ce a Ja a 1, 2020	(328,597)	(21,055)	-	(435)	(350,087)
C edi ed/(cha ged) fi	53,746	(3,824)		12	49,934
Balance at June 30, 2020	(274,851)	(24,879)		(423)	(300,153)
(Unaudited) BaaceaJaa1,2019 C edi ed/(chaged) fi	(335,520)	(13,406)	(1,126)	(460)	(350,512)

26 SIGNIFICANT RELATED PARTY TRANSACTIONS

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SIGNIFICANT RELATED PARTY TRANSACTIONS c i ed

Significant transactions with related parties (a)

	Six months ended June 30,		
	2020	2019	
	RMB'000	RMB'000	
	(Unaudited)	(U a di ed)	
Ma age e Se ice fee			
Ya giH ia	72,758	77,577	
Ji h a H i a	16,578	19,702	
Ci iH ia	10,905	9,793	
	100,241	107,072	
P cha e f edica e i e a d ha ace ica			
Zhejia g Zh g i Medici e C ., L d.	10,881	17,825	
Dajia Medica Ej i e C ., L d	2,981	3,026	
*			
	13,862	20,851	

(b) Loans from related parties

Six months	ended	June 30,
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	2020	2019
	RMB'000	RMB'000
	(Unaudited)	(U a di ed)
Begi ig fhe eid	15,007	35,929
L a ad a ced	478	5,672
La e aid	(944)	(27,976)
Ta fe f deb	-	715
E d f he eid	14,541	14,340

26 SIGNIFICANT RELATED PARTY TRANSACTIONS c i ed

(c) Loans to related parties

Six months ended June 30,

2019	2020
RMB'000	RMB'000
(U a di ed)	(Unaudited)
60,500	80,903

Begi ig fhe eid