

Hospital Corporation of China Limited 弘和仁愛醫療集團有限公司

Ø Ø 1 Ø Ø 1 Ø 1 1 Ø (Stock Code: 3869)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2020 AND PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR AND MEMBER OF REMUNERATION COMMITTEE

	(((((((((((((($\mathbf{Directors}_{\ell}$)	. 🛮 1		. 🛛
(Company.) 1	N	1 , 1	1 🛭 🗸		
	$(11 \ \mathbf{A} \ \mathbf{B}, \mathbf{A}$			3	31, 2020) 🖄 year
unde	r review.), 🛭 🗗 🛍 🕻		N	201 .		

FINANCIAL HIGHLIGHTS

	As at December 31, 2020 '000	2019 '000
Revenue		0, 3
, \square . \square	•	12.3% 50.5%
()/. 🛛 🗒 (3)		,446
		1,6.0
$(1)/ \qquad . \qquad ()$		1.0 2
Adjusted items - \bar{\mathbb{M}} - \bar{1} \bar{\mathbb{M}}		
	2,662	3,264
(2)(1) (1) (1) (2) (3) (4) (2) (3) (4) (5) (7) (1) (7) (1) (7) (1) (7) (1) (7) (1) (7) (1) (7) (1) (7) (1) (7) (1) (7) (1) (7) $($	2,774 30	0,500
A 1	100 422	106
		4,0 6 2,566
	0,500	2,500
	617, 35	,
		. 1
(2)	31, 2020.	, A
	73.0 . 11	2.3
11 . ⊠ № 1 , № 62.2 11 № № 11		, Ka
	, , , , , , , , , , , , , , , , , , , ,	1 🔯
	$\frac{2}{6.5}$ 11 \cdot ()	⊠
1 🛛 1 🗗 66.2.11 🔻 1		
	, , ,	`,₩
(a) M.	4FR D D	5 7
(3)		Ø

CEO'S STATEMENT

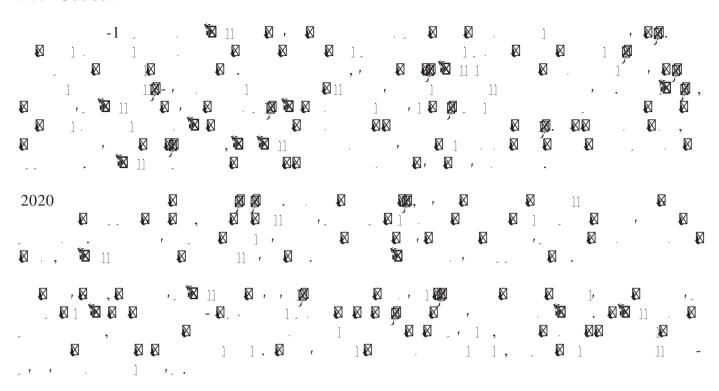
1,

, 2020, \(\text{\tin}\text{\tetx{\text{\tetx{\text{\texi}\text{\text{\text{\text{\tetx{\text{\text{\text{\text{\text{\text{\text{\text{\text{\text{\t

_	the first step, the Group strengthened the management and control system 2 , 2 1 2 , 1 , 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
1.	Further clarifying the management and control model.
2.	Optimizing the management team.
3.	Establishing the incentive and binding mechanism for hospital administrators.
4.	Building a professional training system.
5.	Launching the staff incentive scheme. 1

As 1 1	the s	second	ٳ	, the N	Gr	_	enha ,	ance		A .	uality ⊠	of	assets.	№ /		8 1],	1	, 1 ₩	
1.		ilding	_			ation	_	tem			_	ıp.	. 🛛		1			A ,	X	
	\square		N.	&	M	1	Ø	_	M	K	M			1	Ø			1	-	1
		A	1	11		Ø ,	Ø		A ,				A 1		,		١,			1,
		. 🛛 1		1.					1		\blacksquare		A ,	M		Ø ,			1	X
	1,		N .	,		M 1		_]					1,		_				A	
		, A .		M		11	1	, ,	M		. 1 ,			1		\square			1,	

IV. Outlook



Acknowledgment



Chen Shuai

, , 30, 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended Dec	
	Notes	2020 '000	2019 '000
Revenue	3	3 ,214	410, 3
		(204, 5)	(237,017)
Gross profit		1 4,32	173, 66
11 .		(4)	()
		$(51, \dots)$	(64,535)
	7	(15,077)	(1,5,1)
., . 1 1 1 1 1	7	(66,21)	3,453
	4	4, 0 3 136,226	65, 3
	•		33,40
Operating (loss)/profit		(3 , 41)	177,032
		(3,41) $1,420$	42,102
Ø		(54,402)	(23,56)
(Loss)/profit before income tax		(435, 23)	1 5,566
	5	14,754	(26,120)
(Loss)/profit for the year		(421,06)	16 ,446
		,	,
Total comprehensive (loss)/income for the year		(421,06)	16 ,446
		(404,342)	150, 00
- 🛛 11 🔻 🗓		(16,727)	1,546
		(421,06)	16 ,446
			_
$()/ \qquad (1)/$			
1481 1421 1421 1421	6	(2. 26)	1.0 2
	Ü		1.0 2
	6	(2. 26)	0.22

CONSOLIDATED BALANCE SHEET

		As at Decen	iber 31,
	Notes	2020 '000	2019 '000
ASSETS			
Non-current assets		145,125	146,176
Ø -, Ø		3, 75 2,20,557 3,35 1,7	42,011
1 1 1 1 1 1 1 1 1 1	7	2,20,557	2, 05, 2
		1. 7	1,413 2,012
		0,000	0,000
Total non-current assets		2,47,2,	3,177,441
Current assets		6,560	5,021
1	\ -	33, 45	30,332
	4.	2, 27	
		271,120	217, 47
		0,737	36, 2
		60,726	134,370 36,624
Total current assets		1,265, 15	1,277,52
Total assets	;	3,744,204	4,454, 6
EQUITY			
Equity attributable to owners of the Company		122	122
. ■ 1		123 435,304	123 435,304
⊠		2,111	24,231
('.'1 🛛 1)/ 🔻		(2,3,3,2)	123,44
		1,0,0,156	1,4,3,106
- 1 1 1 1 1 2 1 3		2.7,0.4	334,734
Total equity	:	1,367,240	1, 17, 40

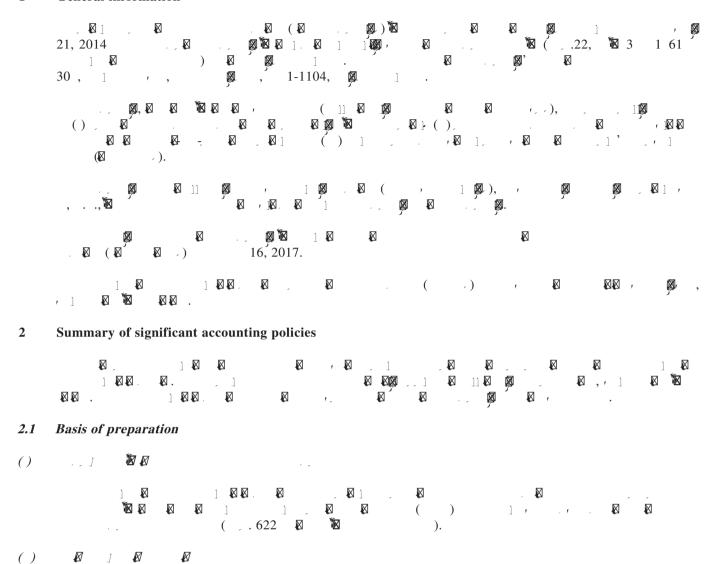
CONSOLIDATED BALANCE SHEET (ontinued)

As at December 31, 2020 2019 '0510293,33299)01,\$\text{\$\text{\$0.500}}.63273174.

Notes

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information



2 1 . . .

lacksquare

, <u>, 1 8 11 8 8 . . . 8 8 88. 8 , 1 . 8</u> . . 1 , 🛭 2020 7 _ 1 . 1 . 1 . 1 . 1 \mathbb{N} () 31 M 1 3 **Segment information** 1 , 🗗 1 ()1 . **Ø ., Ø .** (1 **Ø**).

201 , 🛛 🛛 🗖.

() . **Ø**1. . **Ø**

()	()	11	Ø
-----	---	---	----	---

11 🛛 🗸 💆 .		. , 🛮 🔯	•		
. 🛭 . 🗗 , 🖎	, , , Ø 1	. 🛛	2 1 2		
	General hospital services '000	Hospital management services '000	Sale of pharmaceutical products	Unallocated	Total '000
Year ended December 31, 2020	171,267	226,	1,05	· .	3 ,214
, . 🛭 🖺 .	171,267	226,	1,05	,	3 ,214
	4,601 76,666	226,	1,05		5,660 303,554
	171,267	226,	1,05		3 ,214
EBITDA	(22,402) (4,574) (7,74) (1,54)	(240,312) (1,46) (21, 73) 4	(135) (273) (6 1) (25)	(4.) (1,6.7) (34,601)	(46 , 4) (10,767) (32,135) (35, 2)
11 🛭 🗗				112, 10	112, 10
() <i>l.</i> 🛭 🔻	(247,61	(263,655)	(1,124)	76,574	(435, 23)
As at December 31, 2020 . ☑ ☑ ☑ . ☑ ☑ □	401,551 5,4 5	1,2 0, 5 1,0,2, 23	3,2 0 ,266	7, 21	2,5 3,520 1,150,6 4
Ø1 Ø	460,046	2,373,7 1	12,556	7, 21	3,744,204
1 1 1 1 1	150, 54	2,0,372	1, 26	1, 43, 12	2,376, 64

General	Hospital	Wholesale of
hospital	management	pharmaceutical
services	services	

4 Other gains – net

			Year ended Dece 2020	ember 31, 2019
			,000	,000
⊠ 1,	2 1		72, 3	62,5,6
⊠ № № №	2 1 1 2 2		62,202 1, 53	5,026
₩	ī 4 7 4 7		(12)	(1,774)
			136,226	65, 3
5 Income tax (credit)/ex	apense			
,	a b 1	31, 2020 (201 25%	15%).	
			Year ended Dece	
			2020	2019
			'000	'000
, 🛛 . 🗓	⊠		35,454	27,025
N	Ø		(50,20)	(05)
			(14,754)	26,120
	,, ', ⊠		2 1 . , 22 2 2 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	, 1
			Year ended Dece	ember 31,
			2020 '000	2019 '000
			000	000
A . A			(435, 23)	1 5,566
1,10 00 0	№ 25%		(10, 56)	4,2
		A	(11,6 0)	(35,74)
	№ 1		4,301	532 3,444
Q ,	⊠ 1 , ⊠		1,754 (•22)	(3,1 3)
	5 **		10,65	4,23
. 🛭 (🔻)/ .			(14,754)	26,120

```
Ø. 1
()
                    ()
                                 Ø
             \square
                31, 2020
                                                                                201 .
()
              . Ø . ( .)

      Image: Second content of the conte
                  25%
() Ø 1
              1 , 🛛 .
          . 🛭 🕷 ,
                 10%.
6
          (Loss)/earnings per share
                    (1 )/
()
                     (1 )/ 1 1 🛭 📳
                           . , 🐼 🛭
                     , 2 2 , 2 1 3 , , 2 2 3 3 1, 1 3 1, 1 3 3
                        Year ended December 31,
                                                                                                                                                              2020 2019
                                      (404,342) 150, 00
               № 1 (1 )/.
                                                                                                                                              13,14 13,15,
                    (1 )/ . ( )
                                                                                                                                                           (2. 26)
```

() 1·**B** (1)/

> Year ended December 31, 2020 2019

7 Intangible assets

	Goodwill	Contractual rights to provide management services	Licenses	Software	Total
	'000	'000	'000	'000	'000
At January 1, 2019	1,617,767	1,15,200 (21,047)	1,6, 00 (6,53)	1, 13 (241)	2, 64,6 0 (2, 141)
Ø . , Ø	1,617,767	1,137,153	1,0,047	1,572	2, 36,53
Year ended December 31, 2019					
, 🛭 1, 201	1,617,767	1,137,153	1,0,047	1,572	2, 36,53
⊠		(23,647)	(6, 53)	(310)	(30, 10)
1	1,617,767	1,113,506	173,1 4	1,362	2, 05, 2
At December 31, 2019 ⋈ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓	1,617,767	1,15,200 (44,6 4)	1,6, 00 (13,706)	1, 13 (551)	2, 64,7 0 (5, 51)
Ø . , Ø	1,617,767	1,113,506	173,1 4	1,362	2, 05, 2
Year ended December 31, 2020					
, Ø 1, 2020	1,617,767	1,113,506	173,1 4	1,362	2, 05, 2
. 🛭 🛱	(467,0,3)	(21, 5) (201,136)	(6, 15)	(27)	(2 ,053) (66 ,21)
1	1,150,6 4	0,411	166,37	1,0,3	2,20,557
At December 31, 2020					
Ø ,,,1 Ø . Ø Ø	1,617,767	1,15,200	1,6, 00	1, 13	2, 64,7 0
Ø	(467,0,3)	(267,7)	(20,521)	(30)	(756,223)
Ø . , Ø	1,150,6.4	0,411	166,37	1,0,3	2,20,557

8 Trade receivables

9

	As at Dec 2020 '0000	ember 31, 2019 '000
1 Ø Ø 1	36, 45 (3,000)	31,332 (1,000)
1 . B	33, 45	30,332
§ . , & & . , ' & 1	N	. 🛭 🗷
₩ . 31, 2020 201 , ₩ ₩	1 2 1 2 1 2	1 🕷
		ember 31,
	2020 ,000	2019 '000
1 0	33,05	25,42
1 1 1 0 🔞	1,465	1,65
	2,33	2, 47 1,2
	36, 45	31,332
Trade payables		
11 10 , 10 ,	1 🛛 1	Ø Ø
		ember 31,
	2020 ,000	2019 '000
	12,72	11,45
	1,570 1,21	71 372
	1,244	524

16,762

13,325

10 Convertible bonds

	11 🕷								
	Convertible bonds issued at								
	March 5, 2018 '000	August 7, 2018 '000	February 27, 2019	Total '000					
As at January 1, 2019	430,241	643,615	6,2,160	1,073, 56 6,2,160					
	773 (3, 40)	(1,527) (65,04)	22 42,035	(732) (61, 54)					
As at December 31, 2019	3 2,174	577,03	724,217	1,6 3,430					
As at January 1, 2020	3 2,174	577,03	724,217	1,6 3,430					
1 . , 20 20 20 1 20 1, 20 20 20	01 (3, 44)	(1,526) (32, 40)	23 (34,5 6)	(602) (71,4 , 0)					
2 1	(63,103)	· ·		(63,103)					
As at December 31, 2020	326,02	542,573	6,,644	1,55,245					
() Ø 1 , 5, 201 ₁ ,	Ø .	17, 2020							
17, 2020,		Ø. Ø Ø.,	№ 1 , № 1						

11 Dividends

12 Borrowings

	As a	t December 31, 2020	0	As at Dece	mber 31, 2019		
	Current '000	Non-current '000	Total '000	Current Non	'000	Total '000	
™ ,	57,30	34,3.6	1,6 5	74,744	,65	174,402	
, , , 🛭 🗖 ()	40,000		40,000	40,000		40,000	
Total borrowings	7,30	34,3 6	131,6 5	114,744	,65	214,402	
()	, ⊠		- 3 . 1	■ 2 5,2	⊠ 0,000 ∑	,	
1	, rigin 10 1	12, 2017 1	Jr 360	№1 2022 №	1 2 .	1 ., .	
()	3 17,3 17,6 , 0	20, 1, N	0,000,	Ø,000,000, 000,000,	4 × 200,	17, ⊠ 1 000	
⊠ 31, 2020, ⊠	,	N	1 11 🕷				
				Bank b	orrowings		
				2020	0	2019	
				'000)	'000	
A 1 A				7,30		114,744	
				34,3		62,2 ,6 37,372	
				131,6 5	5	214,402	
1, X 1		I			=	1	

BUSINESS OVERVIEW

Business positioning

-	Strengthening the management and control system. Strengthening the management and control system. Stren
_	Enhancing the quality of assets.
-	Exploring new business models.
Busi	siness layout
1,	
, ,	

INDUSTRY OVERVIEW

,					
Medica	Il Promotion Lav	1 w.) 🕷 1		《基本醫療衛生學學學學學學學學學學學學學學學學學學學學學學學學學學學學學學學學學學學學	itutions. E與健康促進法》(図 図 I I I I I I I I I I I I
图 图 图 图 图 图 图 图 图 图 图 图 图 图 图 图 图 图 图	-1 -1 -1 -1 -1 -1 -1 -2 -2 -3 -4 -4 -4 -4 -4 -4 -4 -4 -4 -4		選保服務的指導 《關於進一 《關於進一 療服務醫保支	・ 図図 , 図	図 図 図

_	Intensifying	the supply	chain			8 ' ,1 , , , 8
	, ,	A				vv . № 11
	₩	_	•	, 🛭 , 🔻		
	Ø '	3	1	_	, <u>1</u> . 🛭	
	A .	, (11,	, . 2		
		· · · · · · · · · · · · · · · · · · ·	A			」 , □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □
				,	,	
	,	1	•			1
		1		A		
	1	1				,
_						
	. 🛛 🗓	, <u>N</u>	Ø			
	-	γ.	話 新 分 信		作方案的通知》)	
	- 4		. M . M		71 8	
	1	-		Ø . 1 ½ 11		, , <u>1</u> , N
	N),	Ø Č	1.	A	1 , , , , , , , , , , , , , , , , , , ,
			1	, Ø Ø	11 🛛 , , 🥦	1, 1
			1			
	57	N	. 🖂	M		Not Not
			, 1 🛭	1	1 . Q 1 % -, .	
4 23	-1		y		1 3 1 . 1	
		A , ,	™ ,	1189-,		
, ,	<i>)</i> '		- 	, 🛛 🖾	1	
	™ . ⋈ ⋈	. 🛛 . , .	1			. Q . 1 W
. , 1	4 . 1			, 🛛 .	Ø	, 18 🛭 1
. 1				. 🛭 🗸 ,	A 11, 1	. 🛮 1 ,
3.		· · · · · · · · · · · · · · · · · · ·	_		. 🛭 🗸 .	
Waza	1. 🛭 .	1 .				
	1 , 1 .	1 🛭		A .	1	₩. ₩.

RECENT DEVELOPMENTS

Time	Event
	1,2020, 1 図 図 図
	$\begin{array}{cccccccccccccccccccccccccccccccccccc$
, 23, 2020	

Time

Event

20, 2020

Time

, **🛭** 15, 2021

Event

Hospital management services

| No. | No.

General hospital services

Sale of pharmaceutical products

., \(\begin{align*}
\text{ .., } \(\begin{align*}
\text{ ... } \(\begin{align*}
\text{ ...

Cost of revenue

 7
 8
 13.6%
 237.0
 11
 201
 204
 11

 2020
 8
 8
 8
 1
 1
 1
 201
 204
 11

 11
 8
 8
 6
 1
 1
 1
 1
 1
 1

 11
 8
 9
 6
 1
 1
 1
 1
 1

Administrative expenses

 11
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 2020.
 20

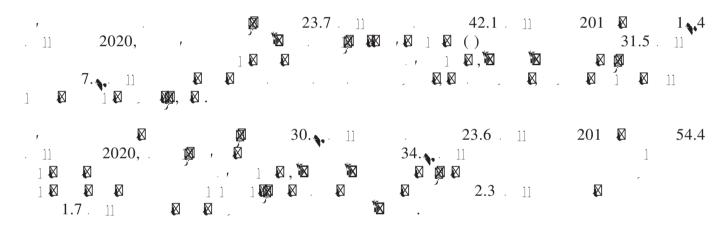
Impairment losses on intangible assets

Other gains – net

Other income

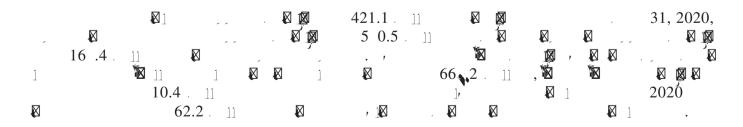


Finance income and finance costs

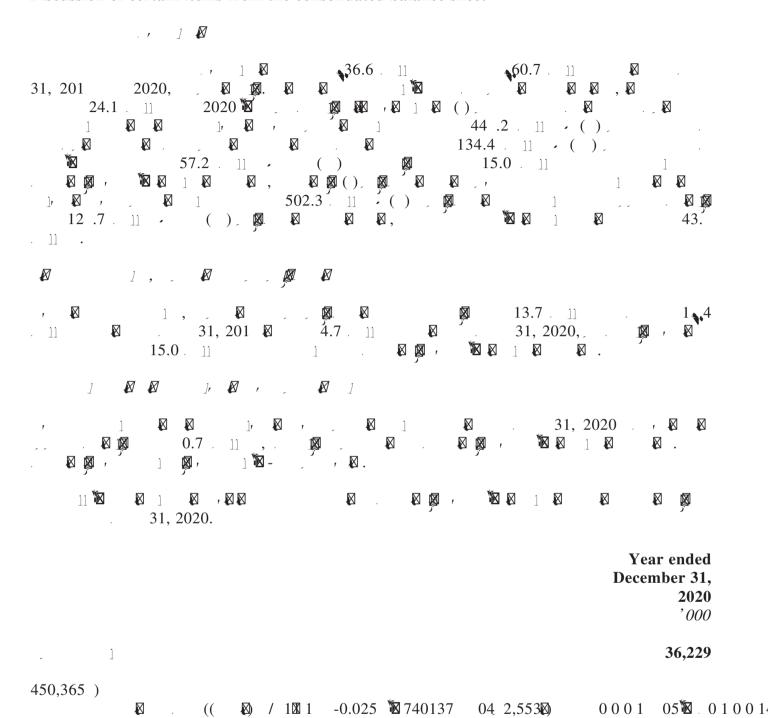


Income tax credit/(expense)

Loss for the year



Discussion of certain items from the consolidated balance sheet



, 1, 🛮 . 💆 1

LIQUIDITY AND CAPITAL RESOURCES

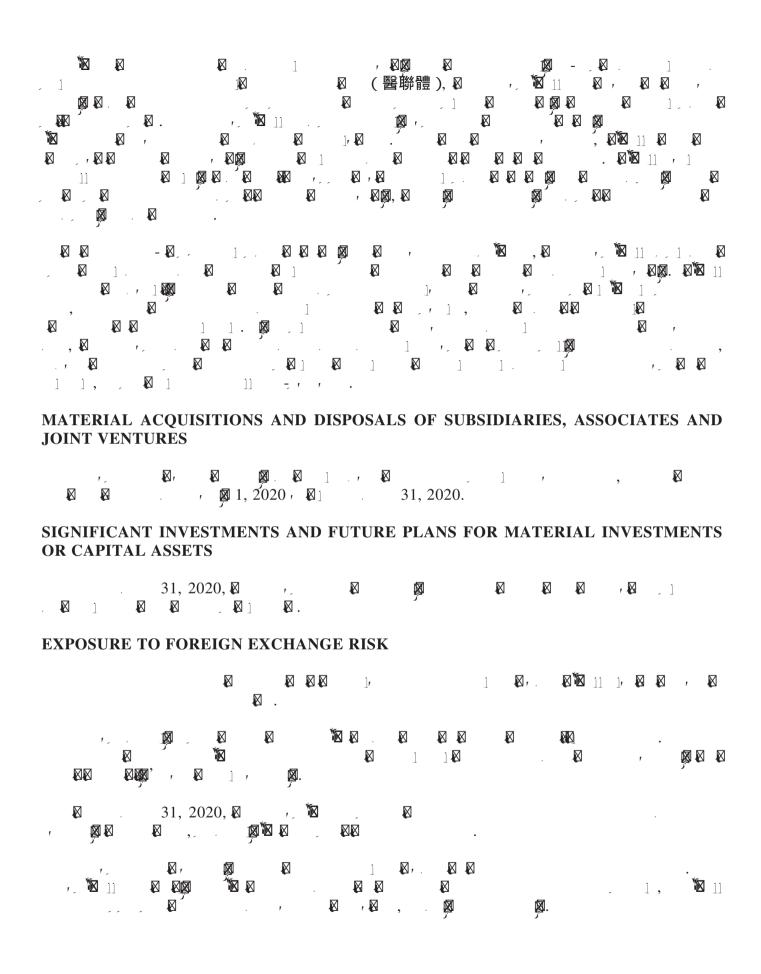
		,		X , X			1 🛣	N		l	104.	11 ,
M	,					. 🛛	🛛		1		№ 1, №	,
,		1	1	44 .2 . 1	1 ,			🛛		_		
				134.	.4 . 11		Ø		1		Ø Ø ,	
1		M		134. 15.0 . 11	, 🏿		❷鹵	, Ø . Ø	3		1 🛛 🗗	1,
				1 5			_ Ø .	Ø .		, . 1	A	
	.0)		,			

Cash and Borrowings

		. , 1 🛮	36.6 . 11	60.7	11	
31, 201 2020),		36.6 · 11			
31, 2020 (,	31, 201	214.4 . 11).	,	,	1.7 . 11
	1 🛭		2 . 1	360	lacktriangledown,	3.0 . 11
		∅ 4.437%,				
			△ 4.30%.			
. 1 ,		Ø Ø	Ø			,

							Bank bo	orrowings
							2020	2019
							'000	'000
		1 🔯					7,30	114,744
		1	2 🔯				34,3,6	62,2,6
		2	5 🗖					37,372
							131,6 5	214,402
			31, 2020,) .	3.5% (A . , 1
	W.	. 1			∅). ,			, 22
Ø	N.	⊥ , 1 , \ \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	1	1 X ,	1, A 1		, <u>A</u>	1 31, 2020, 1 2 3 3 3 3 3 3 3 3 3 3
4 (1)	1.	, •⊠ ⊠	, ⊠ .				abla	31, 2020, 🗗
	' -	42	iga.	for T	≠ -1 1	. , ,	Δ.	

FUTURE PROSPECTS

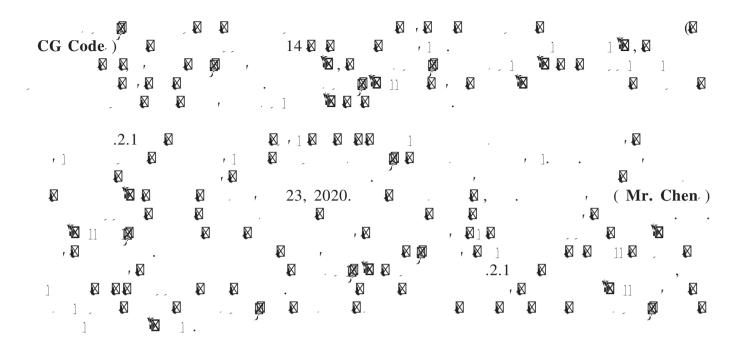


PLEDGE OF ASSETS

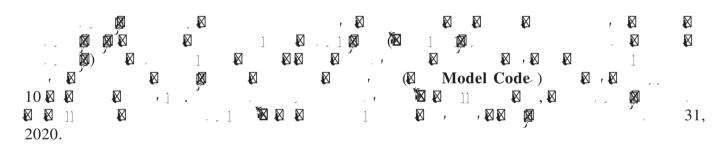
V , **V** 1 FINAL DIVIDEND 31. 2020. **HUMAN RESOURCES** $110.4 \cdot 11 \quad (201 \quad 122.1 \cdot 11).$, 1 🛭 . USE OF NET PROCEEDS FROM LISTING

Percentage of the total amount	Net proceeds	Utilized amount up to December 31, 2019	Utilized amount subsequent to December 31, 2019 and up to December 31, 2020	Unutilized amount as at December 31, 2020	Expected time period
50%	232. 0	232.0			
11%	51.22	41.5	.63		() (5 🕷 🛭 2)

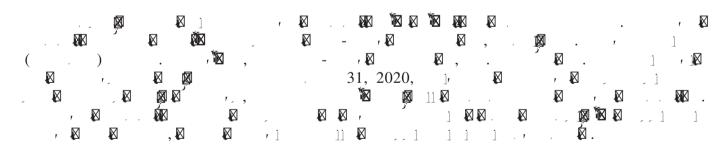
COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES



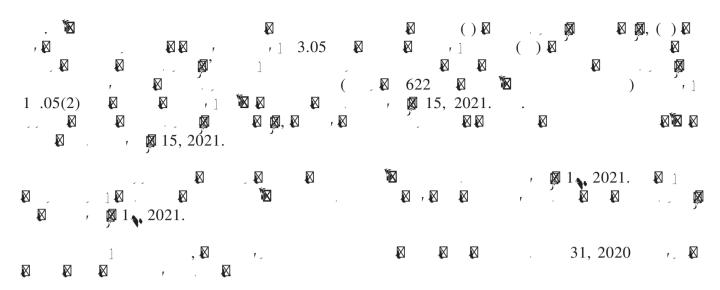
COMPLIANCE WITH THE MODEL CODE



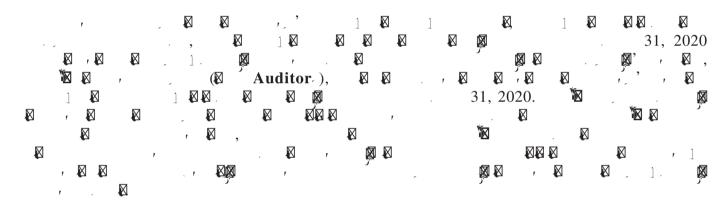
AUDIT COMMITTEE



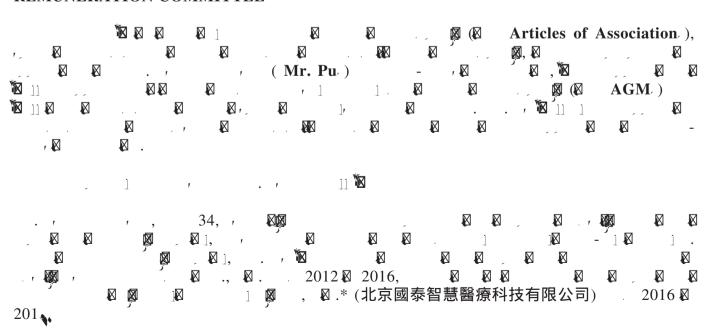
EVENTS AFTER THE YEAR UNDER REVIEW



SCOPE OF WORK OF PRICEWATERHOUSECOOPERS



PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR AND MEMBER OF REMUNERATION COMMITTEE



	,	,]			X	,				፟፟፟፟፟፟፟፟፞፠	. 1	1	,	
1			\square		1	,			, 🏿	1		. 🛭 .	, , , <u>, , , , , , , , , , , , , , , , </u>	Ø	1	
	₩,		1 ,					⅓,	A 1	1🔯 1		. 🛛	,	,		
					٠,	₩.*	(上海	維康	投資管	理有限公	司)				Ø ,	
	1		1 4	3 .,		(消	折江弘	和致:	遠醫療	科技有限的	公司).	. ,		,		
1,			⊠	,					፟,	Ø ,				M		X
()	., 🛭	.* (弘	和醫	信投	資管E	里(上	海)有四	限公司),	No.		፟፟፟፟፟፟፟፟፟፟፟፟፟፟፟፟፟፟፟፟፟፟	,	M	
		Ø	,					., 4	🛛 .* (西	藏弘愛企	業管理	里有限2	\$司).			
)		Į.	1	1 🔯							