

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Hospital Corporation of China Limited 弘和仁愛醫療集團有限公司, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness. No representation is made by the issuer or any other person named herein as to the accuracy or completeness of the information contained in this circular.



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## **PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

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In view of the ongoing COVID-19 pandemic and the heightened requirements for prevention and control of its spread, the Company will implement the following precautionary measures at the Annual General Meeting to protect attending Shareholders, staff and other stakeholders from the risk of infection:

1. Compulsory body temperature screening or checks will be carried out on every Shareholder, proxy and other attendee at the entrance of the Annual General Meeting venue. Any person with a body temperature of over 37 degrees Celsius or who is exhibiting flu-like symptoms may be denied entry into the Annual General Meeting venue and be requested to leave the Annual General Meeting venue.
2. Every attendee will be required to wear a surgical face mask throughout the Annual General Meeting. Please note that no surgical face masks will be provided at the Annual General Meeting venue and attendees should bring and wear their own surgical face masks.
3. No refreshments will be served to attendees at the Annual General Meeting.
4. No corporate gifts will be distributed to attendees at the Annual General Meeting.

Attendees are requested to observe and practice good personal hygiene at all times at the venue of the Annual General Meeting.

To the extent permitted under law, the Company reserves the right to deny any person entry into the Annual General Meeting venue or require any person to leave the Annual General Meeting venue in order to ensure the safety of the attendees at the Annual General Meeting.

The Company does not in any way wish to diminish the opportunity available to the Shareholders to exercise their rights and to vote, but is conscious of the pressing need to protect the Shareholders, staff and other stakeholders from possible exposure to the COVID-19 pandemic. For the health and safety of the Shareholders, staff and other stakeholders, the Company would like to encourage the Shareholders to exercise their right to vote at the Annual General Meeting by appointing the chairman of the Annual General Meeting as their proxy instead of attending the Annual General Meeting in person. Physical attendance is not necessary for the purpose of exercising Shareholders' rights.

**Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof should they subsequently so wish.**

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## DEFINITIONS

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“Annual General Meeting”	the annual general meeting of the Company to be held at 4th Floor, Air China Century Plaza, No. 40, Xiaoyun Road, Chaoyang District, Beijing, PRC on June 22, 2022 at 3:00 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 18 to 22 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Audit Committee”	the audit committee of the Company
“Auditors”	the auditors of the Company
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“Company”	Hospital Corporation of China Limited (弘和仁愛醫療集團有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and deal with additional Shares of up to 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting as set out on pages 18 to 22 of this circular

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## DEFINITIONS

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“Latest Practicable Date”	May 4, 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Date”	March 16, 2017, the date on which dealings in the Shares commenced on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Company
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares on the Stock Exchange of up to 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting as set out on pages 18 to 22 of this circular
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.001 each in the issued capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time
“%”	per cent



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

(Incorporated in the Cayman Islands)  
(Stock code: 3869)

Executive Director:  
Mr. Chen Shuai  
(Chairman)  
Mr. Lu Wenzuo  
Mr. Pu Chengchuan  
Ms. Pan Jianli

Non-Executive Director:  
Ms. Liu Lu  
Ms. Wang Nan

Independent Non-Executive Director:  
Mr. Dang Jinxue  
Mr. Shi Luwen  
Mr. Zhou Xiangliang

Registered Office:  
Maples Corporate Services Limited  
PO Box 309, Ugland House  
Grand Cayman, KY1-1104  
Cayman Islands

Hong Kong Office (PRC):  
4th Floor, Air China Century Plaza,  
No. 40, Xiaoyun Road,  
Chaoyang District,  
Beijing, PRC

Principal Place of Business (Hong Kong):  
Suite 10, 70/F., Two International  
Finance Centre,  
No. 8 Finance Street,  
Central,  
Hong Kong

May 17, 2022

Telephone

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## LETTER FROM THE BOARD

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### 2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 16.18 of the Articles of Association, Mr. Lu Wenzuo, Mr. Dang Jinxue and Mr. Zhou Xiangliang shall retire from office by rotation at the Annual General Meeting and being eligible, will offer themselves for re-election. Ms. Liu Lu and Ms. Wang Nan shall voluntarily retire from office at the Annual General Meeting and being eligible, will offer themselves for re-election.

Pursuant to Article 16.2 of the Articles of Association, Ms. Pan Jianli, who was newly appointed as a Director on March 29, 2022, shall hold office only until the Annual General Meeting and shall then be eligible for re-election.

Each of Mr. Dang Jinxue, Mr. Shi Luwen and Mr. Zhou Xiangliang has made an annual confirmation of independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that each of Mr. Dang Jinxue, Mr. Shi Luwen and Mr. Zhou Xiangliang is independent in accordance with the independence guidelines. Hence, the Company recommends Mr. Dang Jinxue and Mr. Zhou Xiangliang to be re-elected as an independent non-executive Director.

In accordance with the nomination policy of the Company and the objective criteria (including without limitation, gender, age, ethnicity, cultural and educational background, professional experiences and knowledge) with due regard for the benefits of diversity, as set out under the board diversity policy of the Company, the Nomination Committee has reviewed the re-election of the Directors through:

- (a) evaluating the performance and contribution of the retiring Directors during the last financial year of the Company and the period thereafter up to the date of evaluation; and
- (b) assessing the independence of the independent non-executive Directors, being Mr. Dang Jinxue, Mr. Shi Luwen and Mr. Zhou Xiangliang, and considered whether they remained independent and suitable to continue to act in such roles.

After due evaluation and assessment, the Nomination Committee is of the opinion that:

- (a) the performance of the retiring Directors was satisfactory and contributed effectively to the operation of the Board; and
- (b) based on the information available to the Nomination Committee and the annual written independence confirmation received from the independent non-executive Directors, the Nomination Committee was satisfied that Mr. Dang Jinxue, Mr. Shi Luwen and Mr. Zhou Xiangliang
  - i. fulfill the requirements of an independent non-executive Director as stipulated under 3.13 of the Listing Rules; and
  - ii. are the persons of integrity and independent in character and judgement.

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## LETTER FROM THE BOARD

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The Nomination Committee recommended to the Board, and the Board has considered the re-election of Mr. Lu Wenzuo and Ms. Pan Jianli as executive Directors, Ms. Liu Lu and Ms. Wang Nan as non-executive Directors and Mr. Dang Jinxue and Mr. Zhou Xiangliang as independent non-executive Directors, is in the best interests of the Company and the Shareholders as a whole and has resolved to propose to re-elect each of the retiring Directors at the Annual General Meeting.

Details of the Directors who will be proposed to be re-elected at the Annual General Meeting are set out in Appendix I to this circular.

### **3. PROPOSED APPOINTMENT OF AUDITORS**

As set out in the announcement of the Company dated April 29, 2022, PricewaterhouseCoopers (“PricewaterhouseCoopers”) will retire as the Auditors upon expiration of its current term of office at the conclusion of the Annual General Meeting as the Company and PricewaterhouseCoopers could not reach a consensus on the fee for the audit of the Group for the financial year ending 31 December 2022.

The Company is incorporated under the laws of the Cayman Islands and to the knowledge of the Board, there is no requirement under the laws of the Cayman Islands for the retiring auditor to confirm to the Company whether or not there is any circumstance connected with its retirement which it considers should be brought to the attention of the Shareholders and creditors of the Company (the “Creditors”). PricewaterhouseCoopers has therefore not issued such confirmation.

The Board and the Audit Committee confirmed that there is no disagreement between PricewaterhouseCoopers and the Company and that there are no other matters or circumstances in connection with the proposed change of Auditors that need to be brought to the attention of the Shareholders and Creditors.

The Board has resolved, pursuant to the Articles of Association and upon recommendation from the Audit Committee, to propose to appoint KPMG as the Auditors with effect from the conclusion of the Annual General Meeting and until the conclusion of the next annual general meeting of the Company, subject to the approval of the Shareholders at the Annual General Meeting, and to authorise the Board to fix the remuneration of the Auditors.

The Board and the Audit Committee are of the view that the proposed change of Auditors would enable the Company to carry out effective cost control and reduce the overall operating expense of the Company.



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## LETTER FROM THE BOARD

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### **4. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES**

The general mandate previously granted to the Directors to repurchase Shares by ordinary resolutions at the annual general meeting of the Company passed on June 22, 2021 will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of up to 10% of the total number of issued Shares as at the date of passing the relevant resolution. The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Repurchase Mandate.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the proposed ordinary resolution to grant the Repurchase Mandate is set out in Appendix II to this circular.

### **5. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES**

The general mandate previously granted to the Directors to issue Shares by ordinary resolution at the annual general meeting of the Company passed on June 22, 2021 will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issue Mandate to the Directors to allot, issue and deal with additional Shares of up to 20% of the total number of issued Shares as at the date of passing of the relevant resolution (i.e. a total of 138,194,000 Shares on the basis that there is no change in the total number of issued Shares before the Annual General Meeting). An ordinary resolution to extend the Issue Mandate by adding the number of Shares repurchased by the Company pursuant to the Repurchase Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issue Mandate.

### **6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT**

The notice of the Annual General Meeting is set out on pages 18 to 22 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.hcclhealthcare.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions stated thereon and deposited together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof if you so wish. In such event, the form of proxy should be deemed to be revoked.

## **7. RECOMMENDATION**

The Directors consider that the proposed re-election of retiring Directors, the proposed appointment of Auditors and the proposed granting of the Repurchase Mandate and the Issue Mandate are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,

For and on behalf of the Board

**Hospital Corporation of China Limited**

弘和仁愛醫療集團有限公司

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

**(1) MR. LU WENZUO**

**Position and experience**

Mr. Lu Wenzuo (陸文佐), aged 76, is an executive Director and was appointed as a Director on December 16, 2015. Mr. Lu is responsible for the overall hospital operation and management of Yangsi Hospital. He joined our Group in December 2003. He currently serves as a director of Weikang Investment and also held the position of hospital administrator of Yangsi Hospital upon its establishment. As the hospital administrator of Yangsi Hospital, Mr. Lu is primarily responsible for the overall management and operations of Yangsi Hospital. Mr. Lu has significant decision-making authority in the administrative matters of Yangsi Hospital, including decision-making authority in daily operations, hiring and promotion of personnel and remuneration. Mr. Lu is also responsible for the implementation of plans and the financial auditing of Yangsi Hospital. Furthermore, Mr. Lu is responsible for overseeing and executing the tasks formulated by the Chinese government and the Group. Mr. Lu has more than 34 years of experience in hospital management. Prior to joining our Group, he served as the deputy hospital administrator of the First People's Hospital of Nantong (南通市第一人民醫院), a Class IIIA general hospital located in Nantong, Jiangsu province, from July 1983 to March 1987. He joined Shanghai Punan Hospital (上海浦南醫院), a Class II general hospital located in Shanghai, in April 1987 and served as the deputy hospital administrator from January 1992 to December 2003.

Mr. Lu graduated from Shanghai Medical College (復旦大學上海醫學院) (previously known as Shanghai First Medical College (上海第一醫學院)) in China in August 1969 and majored in medicine. Mr. Lu received the qualification of chief physician (主任醫師) from the Medical Technical Worker Advanced Qualifications Review Committee of Shanghai (上海衛生技術人員高級職稱評審委員會) in December 1996. He was awarded as one of the Top Ten Outstanding Administrators in Shanghai by the Shanghai Association for Non-government Medical Institutions (上海市社會醫療機構協會) in November 2013.

Save as disclosed herein, as at the Latest Practicable Date, Mr. Lu (i) does not hold any position in the Company or members of the Group; (ii) does not hold any directorship in other listed companies in Hong Kong or overseas for the last three years; and (iii) does not have any relationship with any Directors, senior management, or substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

**Length of service**

Mr. Lu has entered into a service contract with the Company for a term of three years commencing from the March 16, 2020, which will be renewed for a further term of three years upon the expiry of his current term subject to Shareholders' approval of Mr. Lu's re-election as an executive Director at the Annual General Meeting. Mr. Lu is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association.

**Interests in Shares**

As at the Latest Practicable Date, Mr. Lu has no interest in the Shares within the meaning of Part XV of the SFO.

**Director's emoluments**

Mr. Lu is entitled to salary, discretionary bonus and other benefits (which is covered by his service contract) as determined by the Board with the recommendation of the remuneration committee of the Company with reference to comparable companies, his time commitment and responsibilities and the performance of the Group. For the year ended December 31, 2021, Mr. Lu received emoluments of RMB4,619,000 in total.

**(2) MS. PAN JIANLI****Position and experience**

Ms. Pan Jianli (潘建麗), aged 44, was appointed as an executive Director of the Company on March 29, 2022. Ms. Pan was appointed as Chief Financial Officer of the Company in April 2021, and is currently responsible for overseeing the management of, among others, finance, investment and financing, risk control and audit work of the Company. Ms. Pan has over 20 years of working experience in financial management and investment areas, as well as extensive experience in various areas, including financial auditing, merger and acquisition, reorganization, cross-border investment and financing, of listed companies. From April 2007 to December 2017, Ms. Pan was an assistant to president, company secretary, person-in-charge of finance department and investment management department in China Glass Holdings Limited (03300.HK), a listed company in Hong Kong, and was responsible for, among others, capital operations, compliance, financial management and external audit of the listed company. From December 2017 until before joining the Company, she was a partner of a cross-border investment institution, responsible for cross-border merger and acquisition and financing advisory business based on the capital market of Hong Kong. Since December 6, 2019, Ms. Pan has been appointed as an independent non-executive director of China Singyes New Materials Holdings Limited (08073.HK), a company listed in Hong Kong, and has been serving as the chairman of the audit committee and a member of the remuneration committee of this company.

Ms. Pan currently serves as director for several subsidiaries of the Company, namely, Bliss Success Holdings Limited (妙榮控股有限公司), Impeccable Success Limited (成臻有限公司) and New Pride Holdings Limited (捷穎控股有限公司).

Ms. Pan obtained her master's degree in management from Guanghua School of Management, Peking University in the PRC in 2009 and her bachelor's degree in economics from Shandong University of Finance and Economics in the PRC in 1999. Ms. Pan is a Senior Accountant and a registered member of the Chinese Institute of Certified Public Accountants.

Save as disclosed herein, as at the Latest Practicable Date, Ms. Pan (i) does not hold any position in the Company or members of the Group; (ii) does not hold any directorship in other listed companies in Hong Kong or overseas for the last three years; and (iii) does not have any relationship with any Directors, senior management, or substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

#### **Length of service**

Ms. Pan has entered into a service contract with the Company in respect of her appointment as an executive Director for a term of three years commencing from March 29, 2022, and she is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association.

#### **Interests in Shares**

As at the Latest Practicable Date, Ms. Pan has no interest in the Shares within the meaning of Part XV of the SFO.

#### **Director's emoluments**

Ms. Pan will not receive any remuneration for acting as an executive Director.

### **(3) MS. LIU LU**

#### **Position and experience**

Ms. Liu Lu (劉路), aged 48, was appointed as a non-executive Director of our Company on May 26, 2017. Ms. Liu is mainly responsible for overseeing the corporate development and strategic planning of our Group. From November 2008 to March 2015, Ms. Liu served as an assistant to the general manager and subsequently a deputy general manager at Anhui Venture Capital Investment Co., Ltd. (安徽省創業投資有限公司). From March 2015, Ms. Liu served as a senior manager at Anhui Venture Capital Investment Co., Ltd. (安徽省創業投資有限公司).

Co., Ltd. (安徽豐收投資有限公司) and Anhui Sunhere Pharmaceutical Excipients Co., Ltd. (安

Save as disclosed herein, as at the Latest Practicable Date, Ms. Wang (i) does not hold any position in the Company or members of the Group; (ii) does not hold any directorship in other listed companies in Hong Kong or overseas for the last three years; and (iii) does not have any relationship with any Directors, senior management, or substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

**Length of service**

Ms. Wang has entered into an appointment letter with the Company for a term of one year commencing from May 26, 2021, which shall be renewed for a further term of one year upon

Mr. Dang graduated from the military medical department of the Fourth Military Medical University (第四軍醫大學軍醫系) in 1984 and joined the Department of Psychology of Shaanxi Normal University (陝西師範大學) as a guest researcher in 2002. Mr. Dang formerly served as the leader of the rating review team of Shaanxi Provincial Hospital (陝西省醫院) and an expert of the Shaanxi Provincial Rural Cooperative Medical Technical Guidance Group (陝西省農村合作醫療技術指導組) from 2006 to 2010. He is currently a registered medical practitioner.

Save as disclosed herein, as at the Latest Practicable Date, Mr. Dang (i) does not hold any position in the Company or members of the Group; (ii) does not hold any directorship in other listed companies in Hong Kong or overseas for the last three years; and (iii) does not have any relationship with any Directors, senior management, or substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

#### **Length of service**

Mr. Dang has entered into an appointment letter with the Company for an initial term of three years commencing from March 9, 2020, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association.

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Mr. Zhou obtained his bachelor's degree in management from the Central University of Finance and Economics (中央財經大學) in China in June 2003. He was qualified as a Chinese Certified Public Accountant (中國註冊會計師) by the Beijing Institute of Certified Public Accountants (北京註冊會計師協會) in July 2007 and as a board secretary by the Shenzhen Stock Exchange in November 2012. He has served as the manager of Tianjin Hexinyuan Investment Company (天津和信源投資公司) since July 2018.

Save as disclosed herein, as at the Latest Practicable Date, Mr. Zhou (i) does not hold any position in the Company or members of the Group; (ii) does not hold any directorship in other listed companies in Hong Kong or overseas for the last three years; and (iii) does not have any relationship with any Directors, senior management, or substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

#### **Length of service**

Mr. Zhou has entered into an appointment letter with the Company for a term of three years commencing from March 16, 2020, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association.

#### **Interests in Shares**

As at the Latest Practicable Date, Mr. Zhou has no interest in the Shares within the meaning of Part XV of the SFO.

#### **Director's emoluments**

Mr. Zhou is entitled to remuneration of RMB150,000 per annum (which is covered by his appointment letter), as determined by the Board with the recommendation of the remuneration committee with reference to comparable companies, his time commitment and responsibilities and performance of the Group.

#### **GENERAL**

Each of the above retiring Directors proposed for re-election has confirmed that (i) there is no information which is discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; (ii) save as disclosed in this appendix, there is no information which is discloseable pursuant to Rule 13.51(2) of the Listing Rules; and (iii) there are no other matters concerning him/her that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Repurchase Mandate.

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 138,194,000 Shares.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate at the Annual General Meeting and on the basis that there will be no change to the total number of issued Shares from the Latest Practicable Date to the date of the Annual General Meeting, i.e. the total number of issued Shares being 138,194,000 Shares, the Company will be allowed under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, a total of 13,819,400 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

## **2. REASONS FOR SHARE REPURCHASE**

The Directors believe that it is in the best interests of the Company and the Shareholders

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**APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE**

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**5. MARKET PRICES OF SHARES**

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during the period from each month of the past 12 months up to and including the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
<b>2021</b>		
April*	–	–
May	12.00	11.00
June	12.00	10.00
July	11.10	10.00
August	11.00	9.99
September	11.00	10.00
October	10.74	10.00
November	10.22	10.22
December*	–	–
<b>2022</b>		
January	9.93	9.20
February	9.16	8.20
March	8.92	8.66
April*	–	–
May (up to and including the Latest Practicable Date)*	–	–

\* T h e s e p r i c e s a r e e s t i m a t e s .

**6. GENERAL**

To the best of the knowledge of the Directors and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

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## **7. TAKEOVERS CODE**

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Company, the controlling shareholders of the Company (as defined in the prospectus of the Company dated February 28, 2017) held 97,000,000 Shares, representing approximately 70.19% of the total issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the shareholding of the controlling shareholders of the Company would be increased to approximately 77.99% of the total issued share capital of the Company.

The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code but the exercise in full of the Repurchase Mandate would reduce the percentage of Shares held by the public to less than 25% of the Company's total issued shares. The Directors have no intention to exercise the Repurchase Mandate to such an extent as may result in the public shareholding of the Company falling below the minimum public float percentage of 25% as approved by the Stock Exchange.

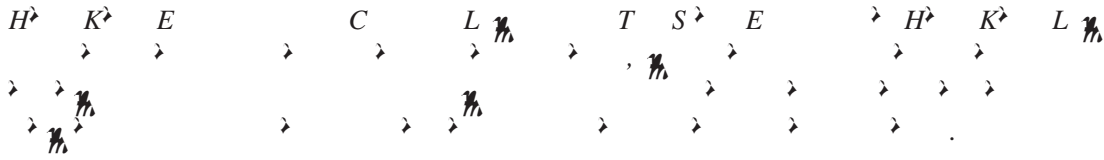
## **8. SHARE REPURCHASES MADE BY THE COMPANY**

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

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## NOTICE OF ANNUAL GENERAL MEETING

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### Hospital Corporation of China Limited

弘和仁愛醫療集團有限公司

( )  
(Stock code: 3869)

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting (the “**Meeting**”) of Hospital Corporation of China Limited 弘和仁愛醫療集團有限公司 (the “**Company**”) will be held at 4th Floor, Air China Century Plaza, No. 40, Xiaoyun Road, Chaoyang District, Beijing, PRC on June 22, 2022 at 3:00 p.m. for the following purposes:

### As Ordinary Business

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Director(s)**”) and of the independent auditors of the Company for the year ended December 31, 2021.
2. To re-elect Directors as follows:
  - (a) To re-elect Mr. Lu Wenzuo as an executive Director.
  - (b) To re-elect Ms. Pan Jianli as an executive Director.
  - (c) To re-elect Ms. Liu Lu as a non-executive Director.
  - (d) To re-elect Ms. Wang Nan as a non-executive Director.
  - (e) To re-elect Mr. Dang Jinxue as an independent non-executive Director.
  - (f) To re-elect Mr. Zhou Xiangliang as an independent non-executive Director.
3. To authorise the board of Directors to fix the Directors’ remuneration.
4. To appoint KPMG as the auditors of the Company and to authorise the board of Directors to fix their remuneration.

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## NOTICE OF ANNUAL GENERAL MEETING

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### As Special Business

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, a general and unconditional mandate be and is hereby given to the Directors to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong (the “**Securities and Futures Commission**”) and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the rules and regulations of the Securities and Futures Commission and the Stock Exchange or of any other stock exchange as amended from time to time;
- (b) the total number of shares of the Company to be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution and the approval pursuant to paragraph (a) shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”



(c) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:



Nº :

1. All resolutions at the Meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and vote in his stead. A shareholder who is the holder of two or more shares in the Company may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a shareholder of the Company.
3. In the case of joint holders of shares, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he were solely entitled thereto, but if more than one of such joint holders are present at the Meeting, personally or by proxy, then one of the said persons so present whose name stands first in the register in respect of such shares shall alone be entitled to vote in respect thereof.
4. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the Meeting or any adjournment thereof. Delivery of any instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the Meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. For determining the qualification as shareholders of the Company to attend and vote at the Meeting, the register of members of the Company will be closed from Thursday, June 16, 2022 to Wednesday, June 22, 2022, both dates inclusive, during which period no transfer of shares will be registered. The holders of shares whose name appears on the register of members of the Company on June 22, 2022 will be entitled to attend and vote at the Meeting. In order to qualify as shareholders to attend and vote at the Meeting, investors are required to lodge all transfer documents accompanied by the relevant share certificates with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, June 15, 2022.