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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.

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Hospital Corporation of China Limited

弘和仁愛醫療集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3869)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Hospital Corporation of China Limited 弘和仁愛醫療集團有限公司 to be held at Suite 2701, 27/F, One Exchange Square, Central, Hong Kong on June 18, 2019 at 10:00 a.m. is set out on pages 15 to 19 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. 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>).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions stated thereon and return it to 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 the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof if they so wish. In such event, the form of proxy should be deemed to be revoked.

May 16, 2019

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at Suite 2701, 27/F, One Exchange Square, Central, Hong Kong on June 18, 2019 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 15 to 19 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors of the Company
“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 not exceeding 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 15 to 19 of this circular
“Latest Practicable Date”	May 14, 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“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
“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 not exceeding 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 15 to 19 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

LETTER FROM THE BOARD



Hospital Corporation of China Limited
弘和仁愛醫療集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 3869)

Executive Directors:

Mr. Shan Guoxin
(Chief Executive Officer)
Mr. Lu Wenzuo

Non-executive Directors:

Mr. Zhao John Huan
(Chairman)
Mr. Wei Kai
Ms. Liu Lu
Ms. Wang Nan

Independent Non-executive Directors:

Ms. Chen Xiaohong
Mr. Shi Luwen
Mr. Zhou Xiangliang

Registered Office:

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

Head Office in the PRC:

1602, Tower B
Jin Qiu International Building
No. 6, Zhichun Road, Haidian District
Beijing, PRC

Principal Place of Business in

Hong Kong:
Suite 2701, One Exchange Square
Central
Hong Kong

May 16, 2019

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting. These include ordinary resolutions relating to, among other things, (i) the re-election of the retiring Directors; and (ii) the granting to the Directors of the Repurchase Mandate and the Issue Mandate.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to Article 16.18 of the Articles of Association, Ms. Wang Nan, Ms. Liu Lu and Mr. Shi Luwen shall retire from office by rotation at the Annual General Meeting and being eligible, offer themselves for re-election. Pursuant to Article 16.2 of the Articles of Association, Mr. Shan Guoxin and Mr. Wei Kai, who were newly appointed as Directors on March 12, 2019, shall hold office only until the Annual General Meeting and shall then be eligible for re-election.

Biographical details of the Directors proposed for re-election are set out in Appendix I to this circular.

3. 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 May 25, 2018 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 not exceeding 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 ordinary resolution to propose granting of the Repurchase Mandate is set out in Appendix II to this circular.

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

The general mandate previously granted to the Directors to issue Shares by ordinary resolutions at the annual general meeting of the Company passed on May 25, 2018 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 unissued Shares of not exceeding 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.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 15 to 19 of this circular.

LETTER FROM THE BOARD

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 decides to allow a resolution relating 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.

6. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and 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
Shan Guoxin
Executive Director and Chief Executive Officer

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. SHAN GUOXIN**Position and Experience**

Mr. Shan Guoxin (單國心), aged 57, has been appointed as a chief executive officer of the Company on June 5, 2018 and as a director on March 12, 2019. Mr. Shan has over 30 years of experience in the management of hospitals and healthcare groups, investment in hospitals and hospital operations. Prior to joining the Group, he was the deputy director of medical education department at Zhujiang Hospital, an affiliate hospital of First Military Medical University (currently known as Southern Medical University) (第一軍醫大學(現南方醫科大學) 附屬珠江醫院). Since 2005, Mr. Shan served as the assistant to hospital administrator, vice hospital administrator, executive hospital administrator and hospital administrator of Guangdong 999 Neurology Hospital (廣東三九腦科醫院), a Class IIIA specialty hospital. From November 2012 to November 2016, he also served as the Chief Operating Officer and vice general manager of China Resources Healthcare Group (華潤醫療集團), and in the meantime as the hospital administrator of Xuzhou Mining Hospital (徐州市礦山醫院), a Class IIA general hospital under China Resources Healthcare Group. Mr. Shan graduated from the First Military Medical University (Guangzhou) (第一軍醫大學(廣州)) in August 1984 with major in military clinical medicine. He completed his postgraduate program at First Military Medical University in August 1995 and has attended various educational programs, including hospital management program at Second Military Medical University (第二軍醫大學), EMBA program at South China University of Technology (華南理工大學), public relations courses (through correspondence) at Language and Logic University of China (中國語言與邏輯函授大學), and economic management courses (through correspondence) at Central Party School of the Communist Party of China (中共中央黨校). Mr. Shan became a vice professor at First Military Medical University in October 1995 and had served as the chairman of Guangdong Community Health Association (廣東社區衛生學會).

Length of service

Mr. Shan has entered into an appointment letter with the Company for an initial term of three years commencing from the March 12, 2019, determinable by either party by giving not less than three months' notice in writing, 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.

Relationships

Mr. Shan Guoxin does not have any relationship with any Directors or senior management or substantial or controlling shareholders of the Company.

Interests in Shares

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

Director's emoluments

Mr. Shan Guoxin will not receive any remuneration for acting as executive Director.

(2) MR. WEI KAI**Position and Experience**

Mr. Wei Kai (魏凱), aged 42, is appointed as a Director on March 12, 2019. Mr. Wei, is currently an executive director of the innovative consumption and service investment division of Legend Holdings Corporation (“**Legend Holdings**”). He joined Legend Holdings in February 2008, and has been mainly responsible for strategic investment in innovation consumption and medical services sectors, as well as post-investment management of investment targets in the related fields. Prior to joining Legend Holdings, Mr. Wei worked in the department of strategy and investment management within China International Television Corporation, and his responsibilities were subsidiary management and strategic investments in media-related fields. Mr. Wei obtained his master's degree in business administration from Tsinghua University (清華大學) in 2004 and his bachelor's degree in thermal engineering from Jilin University (吉林大學) (formerly known as Jilin University of Technology (吉林工業大學)) in 1998.

Length of service

Mr. Wei has entered into an engagement letter with the Company for an initial term of three years commencing from the March 12, 2019, determinable by either party by giving not less than three months' notice in writing, 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.

Relationships

Mr. Wei Kai does not have any relationship with any Directors or senior management or substantial or controlling shareholders of the Company.

Interests in Shares

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

Director's emoluments

Mr. Wei Kai will not receive any remuneration for acting as non-executive Director.

(3) MS. WANG NAN**Position and Experience**

Ms. Wang Nan (王楠), aged 42, is a non-executive Director of our Company and was appointed as a Director on May 26, 2017. Ms. Wang is mainly responsible for overseeing the corporate development and strategic planning of our Group. Since August 1995, Ms. Wang has been serving in Neusoft Corporation (東軟集團股份有限公司) (a company listed in the Shanghai Stock Exchange with stock code 600718), where she held various positions, including the head of the mobile internet division, a deputy director of the advanced automotive electronic technology research center and the general manager of the strategic alliance and international business development division. Ms. Wang has been serving as a senior vice president and the secretary to the board of directors at Neusoft Corporation since May 2011 and December 2011, respectively. Ms. Wang obtained her PhD in Computer Applications from Northeastern University (東北大學) in China in July 2009.

Length of service

Ms. Wang has entered into an engagement letter with the Company for an initial term of three years commencing from the Listing Date, determinable by either party by giving not less than three months' notice in writing, 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.

Relationships

Ms. Wang Nan does not have any relationship with any Directors or senior management or substantial or controlling shareholders of the Company.

Interests in Shares

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

Director's emoluments

Ms. Wang Nan will not receive any remuneration for acting as non-executive Director.

(4) MS. LIU LU**Position and Experience**

Ms. Liu Lu (劉路), aged 45, is a non-executive Director of our Company and was appointed as a Director 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 to February 2016, Ms. Liu had been a deputy general manager at Anhui Hi-Tech Industry Investment Co., Ltd. (安徽省高新技術產業投資公司). Since December 2015, Ms. Liu has been the general manager of Anhui Zhong'an Health Investment Management Co., Ltd. (安徽中安健康投資管理有限公司). She currently serves as a director in multiple companies, including Anhui Fengshou Investment Co., Ltd. (安徽豐收投資有限公司) and Anhui Sunhere Pharmaceutical Excipients Co., Ltd. (安徽山河藥用輔料股份有限公司), a company listed on the Shenzhen Stock Exchange (Stock Code: 300452). Ms. Liu is also the chairwoman of the board of directors at Anhui Puren Medical Rehabilitation Management Co., Ltd. (安徽普仁醫療康復管理有限公司). Ms. Liu obtained her Bachelor's degree and Master's degree in Biology from Hebei University (河北大學) in June 1994 and from Nankai University (南開大學) in June 1997, respectively.

Length of service

Ms. Liu has entered into an engagement letter with the Company for an initial term of three years commencing from the Listing Date, determinable by either party by giving not less than three months' notice in writing, 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.

Relationships

Ms. Liu Lu does not have any relationship with any Directors or senior management or substantial or controlling shareholders of the Company.

Interests in Shares

As at the Latest Practicable Date, Ms. Liu Lu has interest in the 9,098,800 Shares within the meaning of Part XV of the SFO.

Director's emoluments

Ms. Liu Lu will not receive any remuneration for acting as non-executive Director.

(5) MR. SHI LUWEN**Position and Experience**

Mr. Shi Luwen (史錄文), aged 55, was appointed as an independent non-executive Director of our Company on December 13, 2016 with effect from the Listing Date. Mr. Shi has served as the dean of the Department of Pharmacy Administration and Clinical Pharmacy of Peking University School of Pharmaceutical Sciences (北京大學藥學院) since 2000 and as the director of the International Research Center for Medical Administration of Peking University (北京大學醫藥管理國際研究中心) since 2002. Mr. Shi currently holds positions in various organizations, including those set out below:

Name of organization/project	Position	Time of commencement
Pharmaceutical Affairs Management Subcommittee of National Health Commission for Professional Training of Administrative Leaders in Public Hospitals (衛生健康委員會公立醫院行政領導人員職業化培訓藥事管理分委會)	Vice chairman	2018
Medicine Policy Professional Committee of China Health Economics Association (中國衛生經濟學會藥物政策專委會)	Vice chairman	2018
Chinese Hospital Association Expert Committee of Clinical Pharmacists Practice (中國醫院協會臨床藥師工作專家委員會)	Committee member	2014
China Nonprescription Medicines Association Expert Committee (中國非處方藥物協會專家委員會)	Committee member	2014
Pharmacy Administration Professional Commission of Beijing Association of Chinese Medicine (北京中醫藥協會藥事管理專業委員會)	Vice chairman	2012

In addition, Mr. Shi had held positions in various organizations, including those set out below:

Name of organization/project	Position	Term of service
Medical and Health System Reform Intensifying Expert Advisory Panel of the Ministry of Health of the PRC (中國衛生部深化醫藥衛生體制改革專家諮詢組)	Expert	2010-2012
Basic Medical Insurance System for Urban Resident Joint Conference of the State Council (國務院城鎮居民基本醫療保險部聯席會議)	Pilot evaluation expert	2007-2010

Mr. Shi has been an independent non-executive director of China Meheco Co., Ltd. (中國醫藥健康產業股份有限公司), a company listed on the Shanghai Stock Exchange (Stock Code: 600056), since December 2015. Mr. Shi was awarded the Scientific Chinese Person (2011) (科學中國人(2011)年度人物) by Scientific Chinese Magazine in 2012, the Hospital Science and Technology Innovation Award (醫院科技創新獎) by the Chinese Hospital Association in 2011 and the Xue Muqiao Price

Research Award (薛暮橋價格研究獎) by the Price Association of China (中國價格協會) in 2010. He was awarded the Beijing Science and Technology Award (北京市科學技術獎) by the People's Government of Beijing Municipality in 2002. Mr. Shi obtained his Bachelor's degree in Science from Peking University Health Science Center (北京大學醫學部) (formerly known as Peking Medical University in China (中國北京醫科大學)) in July 1987 and his Master's degree in Health Professions Education from the University of Illinois in the United States in July 1992.

Length of service

Mr. Shi has entered into an engagement letter with the Company for an initial term of three years commencing from the Listing Date, determinable by either party by giving not less than three months' notice in writing, 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.

Relationships

Mr. Shi does not have any relationship with any Directors or senior management or substantial or controlling shareholders of the Company.

Interests in Shares

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

Director's emoluments

Mr. Shi is entitled to a salary of RMB150,000 per annum as determined by the Board with the recommendation of the remuneration committee with reference to the comparable companies, his time commitment and responsibilities and the performance of the Group.

GENERAL

Each of the above retiring Directors proposed for re-election has confirmed that 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 and there are no other matters concerning him/her that need to be brought to the attention of the Shareholders.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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. 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 Shareholders as a whole for the Directors to have general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made where the Directors believe that such repurchases will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

The Company may only apply funds legally available for share repurchase in accordance with its memorandum and articles of association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated accounts contained in the annual report of the Company for the year ended December 31, 2018) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
April	20.00	18.00
May	20.50	17.72
June	20.10	18.02
July	18.60	18.10
August	18.00	17.80
September	17.80	16.80
October	16.80	16.60
November	16.78	16.40
December	18.10	16.70
2019		
January	17.56	15.00
February	15.00	14.00
March	14.38	13.88
April	14.20	13.06
May (<i>up to and including the Latest Practicable Date</i>)	14.20	14.20

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.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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 dated February 28, 2017) were interested in 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 would reduce the percentage of Shares held by the public to less than 25% of the Company's total issued share capital. The Directors have no intention to exercise the Repurchase Mandate to such an extent as may result in the public shareholding falling below the minimum public float percentage of 25% as approved by the Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

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

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

(Incorporated in the Cayman Islands with limited liability)

(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 Suite 2701, 27/F, One Exchange Square, Central, Hong Kong on June 18, 2019 at 10:00 a.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 and of the independent auditors for the year ended December 31, 2018.
2. To re-elect directors as follows:
 - (a) To re-elect Mr. Shan Guoxin as an executive Director.
 - (b) To re-elect Mr. Wei Kai as a non-executive Director.
 - (c) To re-elect Ms. Wang Nan as a non-executive Director.
 - (d) To re-elect Ms. Liu Lu as a non-executive Director.
 - (e) To re-elect Mr. Shi Luwen as an independent non-executive Director.

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3. To authorise the board of directors to fix the directors' remuneration.
4. To re-appoint PricewaterhouseCoopers as auditors and to authorise the board of directors to fix their remuneration.

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 of the Company 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.”

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6. 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 of the Company (the “**Directors**”) to exercise all the powers of the Company during the Relevant Period (as hereinafter defined) to allot, issue and deal with the unissued shares of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers, whether during the continuance of the Relevant Period or thereafter;
- (b) the aggregate number of shares allotted, issued or agreed conditionally or unconditionally to be allotted, issued or dealt with pursuant to the approval in paragraph (a) above during the Relevant Period, otherwise than pursuant to the following, shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly:-
 - (i) a rights issue where shares are offered for a period fixed by the Directors to shareholders on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard, as appropriate, to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or stock exchange in Hong Kong, or in any territory applicable to the Company);
 - (ii) the exercise of options under a share option scheme;
 - (iii) the exercise of rights of conversion under the terms of any securities which are convertible into shares of the Company or exercise of warrants to subscribe for shares of the Company;
 - (iv) any scrip dividend scheme or similar arrangement providing for the allotment and issue of shares in lieu of the whole or in part of any dividend in accordance with the articles of association of the Company; or
 - (v) any specific authority granted or to be granted by the shareholders of the Company in general meeting; and

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(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:

“THAT conditional upon the passing of resolutions 5 and 6 as set out in the notice convening this meeting, the general mandate granted to the directors of the Company pursuant to resolution 6 to exercise the powers of the Company to allot, issue and deal with the unissued shares of the Company be and is hereby extended by the addition thereto the aggregate number of shares of the Company to be repurchased by the Company under the authority granted pursuant to resolution 5, provided that such number in aggregate shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

For and on behalf of the Board
Hospital Corporation of China Limited
弘和仁愛醫療集團有限公司
Shan Guoxin
Executive Director and Chief Executive Officer

May 16, 2019

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Notes:

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 Share 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, that 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 13, 2019 to Tuesday, June 18, 2019, 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 18, 2019 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 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, June 12, 2019.

As at the date of this notice, the directors of the Company are Mr. Shan Guoxin and Mr. LU Wenzuo being the executive Director; Mr. ZHAO John Huan, Mr. WEI Kai, Ms. LIU Lu and Ms. WANG Nan being the non-executive Directors; Ms. CHEN Xiaohong, Mr. SHI Luwen and Mr. ZHOU Xiangliang being the independent non-executive Directors.