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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)**

### PROFIT WARNING

This announcement is made by Hospital Corporation of China Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors the following, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended June 30, 2020 (the “**Current Period**”) currently available to the Board:

- (1) the Group is expected to (a) record a net loss for the Current Period with a range from approximately RMB520 million to RMB620 million, as compared to the net profit of approximately RMB94.9 million for the six months ended June 30, 2019 (the “**Corresponding Period**”) and (b) record a net loss attributable to owners of the Company for the Current Period with a range from approximately RMB490 million to RMB590 million, as compared to the net profit attributable to owners of the Company of approximately RMB82.0 million for the Corresponding Period;
- (2) the loss for the Current Period is primarily attributable to the outbreak of Coronavirus Disease 2019 and the instability of macroeconomic environment, which is expected to have negative impact on the financial performance of the Group and lead to impairment losses on relevant intangible assets and goodwill. Impairment losses are one-off non-cash items recorded during the Current Period, which have no direct impact on the cash flow of the Group; and
- (3) as currently the Coronavirus Disease 2019 situation is becoming stable within the PRC, the impact of Coronavirus Disease 2019 on the business of the Group is overall controllable. The operating business performance of the hospitals owned or managed by the Group is gradually recovering. The financial and cash flow situations of the Group are stable.

As the Company is still in the process of finalizing the interim results for the Current Period, the information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group and on other information available to the Board for the time being, but not on any data or information reviewed by the auditor of the Company and the relevant data may be subject to adjustment upon further review. Shareholders of the Company and potential investors should carefully read the announcement on the interim results of the Company for the Current Period, which is expected to be published by the end of August 2020.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares or other securities of the Company.**

By order of the Board  
**Hospital Corporation of China Limited**  
**Chen Shuai**  
*Chairman*

Beijing, August 18, 2020

*As at the date of this announcement, the directors of the Company are Mr. LU Wenzuo and Mr. SU Zhiqiang being the executive directors; Mr. CHEN Shuai, Ms. SHI Wenting, Ms. LIU Lu and Ms. WANG Nan being the non-executive directors; and Mr. DANG Jinxue, Mr. SHI Luwen and Mr. ZHOU Xiangliang being the independent non-executive directors.*