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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)**

### **UPDATE ON THE EARLY REDEMPTION OF CONVERTIBLE BONDS**

Reference is made to the announcements of Hospital Corporation of China Limited (the “**Company**”) dated August 12, 2021, October 8, 2021 and October 15, 2021 and the circular of the Company dated September 16, 2021 (the “**Circular**”). Unless otherwise specified, terms used in this announcement shall have the same meanings as those defined in the Circular.

Pursuant to the Deed of Amendment and the Alteration of Terms, with prior written consent of the Company and the Subscriber, the outstanding Convertible Bonds may be redeemed in whole by the Company prior to the Maturity Date at the mutually agreed Early Redemption Amount as calculated in accordance with the formula as disclosed in the Circular, and the Early Redemption Amount may be settled in instalments. On October 15, 2021, the Company served a redemption notice to the Subscriber to request for early redemption on all outstanding Convertible Bonds, pursuant to which, the Company will pay the Early Redemption Amount, being HKD784 million, to the Subscriber. Among them, HKD550 million shall be paid on October 20, 2021, HKD120 million shall be paid on July 31, 2022 and the remaining HKD114 million shall be paid on July 31, 2023. As at the date of this announcement, the Company has paid HKD695 million to the Subscriber, and HKD89 million remain unpaid (the “**Remaining Early Redemption Amount**”).

Given the uncertainty in the economic environment and fierce competition in the medical industry, to safeguard the health of the Company’s financial cash flow, on July 31, 2023, the Company has served a written notice to the Subscriber stating that the payment of the Remaining Early Redemption Amount will not be made on or before July 31, 2023. The Remaining Early Redemption Amount and interests are intended to be paid in two instalments that an amount of HKD39 million shall be paid on or before July 31, 2024 and an amount of HKD50 million shall be paid on or before July 31, 2025. Interests shall be calculated based on the actual number of days accrued from the date on which such sum being due and payable to the date on which the full amount of such sum has been duly paid by the Company and on the basis of 360 days per year in accordance with the Convertible Bonds Instrument as revised by the Deed of Amendment. The Company will actively take measures to make payment of the Remaining Early Redemption Amount as soon as possible.

Following the early redemption of the Convertible Bonds, there will be no principal amount of the Convertible Bonds outstanding and no Convertible Bonds have been or will be converted into Shares. Upon the payment of the Early Redemption Amount (including the Remaining Early Redemption Amount) in full, the Convertible Bonds will be cancelled in whole and the Company will be discharged from all of the obligations under and in respect of the Convertible Bonds.

The Company will make further announcement(s) in relation to the early redemption of the Convertible Bonds as and when appropriate pursuant to regulatory requirements.

By order of the Board  
**Hospital Corporation of China Limited**  
**Chen Shuai**  
*Chairman and Acting Chief Executive Officer*

Beijing, China, July 31, 2023

*As at the date of this announcement, the Directors of the Company are Mr. CHEN Shuai, Mr. PU Chengchuan and Ms. PAN Jianli being the executive Directors; Ms. LIU Lu and Ms. WANG Nan being the non-executive Directors; Mr. DANG Jinxue, Mr. SHI Luwen and Mr. ZHOU Xiangliang being the independent non-executive Directors.*