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溫州康寧醫院股份有限公司 Wenzhou Kangning Hospital

(A joint stock limited liability company incorporated in the People's Republic of China)

Stock code

According to the Decision of the Standing Committee of the National People's Congress on Amending the Company Law of the People's Republic of China (《全國人民代表大會常務委員會關於修改〈中華人民共和國公司法〉的決定》) adopted at the 6th meeting of the Standing Committee of the 13th National People's Congress on October 26, 2018, the Board proposed to amend the Articles of Association in consideration of the actual situation of the Company, details of which are as follows:

Original Context	Amended Context
Article 31 The Company may, in the following circumstances, repurchase its own issued outstanding shares according to legal procedures and in accordance with the procedures provided for in these Articles of Association, and submit the same to the relevant state authorities for approval: (1) Cancellation of shares in order to reduce the Company's registered capital; (2) Merger with another company holding share certificates in a company; (3) As a token of reward, distribution of shares to staffs of the Company; (4) Acquisition of shares held by shareholders (upon their request) who dissent from any resolution proposed in any general meeting on the merger or division of the Company; (5) Other circumstances where the laws and administrative regulations so permit. Apart from the conditions mentioned above, the Company does not carry out any activities for dealing in the Company's shares.	Article 31 The Company may, in the following circumstances, repurchase its own issued outstanding shares according to legal procedures and in accordance with the procedures provided for in these Articles of Association, and submit the same to the relevant state authorities for approval: (1) <u>Reduce the Company's registered capital;</u> (2) Merger with another company holding share certificates <u>shares</u> in a the eCompany; (3) As a token of reward, distribution of shares to staffs of the Company <u>Utilising its shares in the employee share ownership scheme or for share incentive;</u> (4) Acquisition of shares held by shareholders (upon their request) who dissent from any resolution proposed in any general meeting on the merger or division of the Company; (5) Other circumstances where the laws and administrative regulations so permit. (5) <u>Utilising the shares for conversion to corporate bonds which are convertible into shares issued by the listed company;</u> (6) <u>Where it is necessary to safeguard the value of the listed company and the interests of its shareholders.</u> Apart from the conditions mentioned above, the Company does not carry out any activities for dealing in the Company's shares.

Original Context	Amended Context
Article 34 The acquisition of its shares by the Company for reasons set forth in Items (1) to (3) of Article 31 hereof shall be subject to the approval at the general meeting in accordance with the provisions hereunder. Upon the acquisition of its shares by the Company pursuant to the provisions under Article 31 hereof, under the circumstance set forth in Item (1), the shares so purchased shall be cancelled within ten days after the said acquisition; under the circumstances set forth in Items (2) and (4), the shares shall be transferred or cancelled within six months. The shares repurchased pursuant to the provisions under Item (3) of Article 31 hereof shall not exceed 5% of the total issued shares of the Company, and the funds used for the purpose of the acquisition shall be made available from the profit after tax of the Company. The shares so acquired shall be transferred to the employees within one year.	Article 34 The acquisition of its shares by the Company for reasons set forth in Items (1) to (3) (2) of Article 31 hereof shall be subject to the approval at the general meeting in accordance with the provisions hereunder. <u>The acquisition of its shares by the Company for reasons set forth in Items (3), (5) and (6) of Article 31 hereof may be subject to the approval at the Board meeting attended by more than two-thirds of the directors in accordance with the provisions hereunder.</u> Upon the acquisition of its shares by the Company pursuant to the provisions under Article 31 hereof, under the circumstance set forth in Item (1), the shares so purchased shall be cancelled within ten days after the said acquisition; under the circumstances set forth in Items (2) and (4), the shares shall be transferred or cancelled within six months. The shares repurchased pursuant to the provisions under Items (3), (5) and (6) (3), (5) and (6) of Article 31 hereof shall not exceed 5%10% of the total issued shares of the Company, and the funds used for the purpose of the acquisition shall be made available from the profit after tax of the Company. The shares so acquired shall be transferred to the employees within one year shall be transferred or cancelled within three years.

In respect of the proposed amendment to the Articles of Association, two articles are amended, and no article is added or deleted. The number of the articles of the amended Articles of Association remains the same.

A special resolution will be proposed at the 2019 First Extraordinary General Meeting (the “EGM”) of the Company to approve, among other things, the above proposal to amend the Articles of Association. A circular containing, among other things, details of the proposed amendments to the Articles of Association and notice of the EGM will be dispatched to the shareholders of the Company on September 5, 2019.

The amended Articles of Association shall become effective on the date of passing the relevant resolution at the EGM. Prior to the passing of the relevant resolution at the EGM, the prevailing Articles of Association of the Company shall remain valid.

By Order of the Board
Wenzhou Kangning Hospital Co., Ltd.
Guan Weili
Chairman

Zhejiang, the PRC
September 2, 2019

As of the date of this announcement, the executive directors of the Company are Mr. Guan Weili, Ms. Wang Lianyue and Ms. Wang Hongyue; the non-executive directors are Mr. Yang Yang and Mr. Lin Lijun; and the independent non-executive directors are Mr. Chong Yat Keung, Mr. Huang Zhi and Mr. Got Chong Key Clevin.