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In this presentation of Q&A session, “Concord Medical” and “the Company” are to Concord Medical Services Holdings Limited (a company listed in the New York Stock Exchange), its predecessor entities and its consolidated subsidiaries.

1. Please briefly interpret the three healthcare sector policies recently issued by the Shanghai government: “50 Health Services,” “Suggestion on promoting the sustainable and healthy development of non-public hospitals” and “Ten new policies of Xinhongqiao.”

Answer: Overall, these policies focus on relaxing non-public hospitals’ planning restrictions, optimizing the access management systems of large medical equipment, medical personnel management and drug access. The Company believes that it can have the benefits in the below four aspects.

(1) To break the restrictions on the staffing of public hospitals and institutions, encourage doctors to move between public hospitals and non-public hospitals, realize patient diversion and further expand the development for non-public hospitals.

(2) To promote the use of new antineoplastic drugs (that have been listed abroad) in Shanghai. Patients can use imported “life-saving drugs” without waiting for a long period of clinical trial and approval in some pilot projects in Shanghai. Moreover, Wenquan Hang, director of the Minhang District Health Committee in Shanghai, said that the first pilot project was expected to start in Shanghai Concord Cancer Center (one of Concord Medical’s premium cancer hospitals) in Xinhongqiao Medical Park (the “park”). At the same time, other specialty hospitals in the park can also apply for the use of imported drugs that are not yet in the market in China. The pilot starts by taking the demand of hospitals as the leading factor and using the imported drugs through the selection of drugs and the report to the State Food and Drug Administration.

(3) To relax the restrictions for non-public hospitals, such as canceling the restrictions in the total number of hospitals in the region and the spatial layout of the hospitals, implementing the notification commitment system for the deployment of Class B large-scale medical equipment and canceling the bed size requirements. In addition, according to the plan of the medical and health service system during the 13th Five-Year Plan, government will continue to strictly control the number and scale of public hospitals so as to leave enough room for the development of non-public hospitals.

(4) To facilitate the insurance payment. In terms of medical insurance, Wenquan Hang said they would strive for the commercial medical insurance model in the Xinhongqiao Medical Park and the support from Shanghai's medical insurance policy in order to improve the problems of different payment modes caused by different insurance policies.

2. Please explain the recent volatility of Concord Medical’s stock price?

Answer: The Company noticed the recent stock price fluctuations. The Company’s current business activities are in normal operation. The Company discloses material information in compliance with US securities and NYSE rules. Neither does the Company aware of any information that may have a greater impact on the Company’s stock price. The Company will continue to focus on the operation and strengthen communication with investors in order to obtain investors’ recognition.

The Company is in the period of business transformation. Due to a national policy, the traditional center leasing management business of the Company has declined considerably, while the premium cancer hospitals are in the construction stage. Shanghai Concord Medical Cancer Center (also known as Shanghai Meizhong Jiahe Cancer Center), Datong Concord Medical Cancer Center (also known as Datong Meizhong Jiahe Cancer Center) and Concord International Hospital in Singapore are in the early stage of operation. Although the hospital revenue in 2018, comparing to 2017, has increased to a large extent, the scale of hospital revenue is not large enough and is still in the early stage of growth. In the future, with the opening of premium cancer hospitals and the growth of the income generated from the level II specialty cancer hospitals and independent medical institutions, the Company believes that its operating results may be improved.

3. Will the Company have the negative assets after a year or two years of loss?

Answer: The Company does not believe that it will have negative assets. According to the Company's annual report, as of December 31, 2018 the Company had total assets of RMB4,585.4 million (US\$666.9 million), total liabilities of RMB2,311.5 million (US\$336.2 million) and net assets of RMB2,273.9 million (US\$330.7 million). The net asset per ADS as of the same period was equivalent to US\$7.62 (calculated based on the total number of outstanding ordinary shares of 130,178,377 as of December 31, 2018), which is higher than the Company's ADS market price since January 1, 2019. With the growth of the Company's hospital business, the Company believe that it will gradually reduce losses and achieve profitability.

4. The Company signed a strategic cooperation agreement with The University of Texas MD Anderson Cancer Center ("MD Anderson") in 2015. What are the main cooperation contents? What is the strategic significance to the Company?

Answer: MD Anderson was established in 1941 in Houston, the United States. It is recognized as one of the best cancer hospitals in the world. In the past 17 years, it has been ranked No. 1 in the field of cancer treatment and scientific research by the U.S. News & World Report for 14 years. In 2015, the Company signed a long-term strategic cooperation agreement with MD Anderson for a period of 10 years. The Company will work closely with MD Anderson in a number of areas to build premium cancer hospitals with multidisciplinary diagnosis and treatment, clinical research and subdisciplinary expertise to optimize the patient experience and improve the level of cancer treatment in China. MD Anderson will support the development of the Company's cancer hospitals and focus on improving the clinical quality and patient safety, strengthening the training and education of medical staff and conducting clinical research projects. The agreement is the first of its kind for MD Anderson in Asia.

Strategic significance: The strategic cooperation between the Company and the world's leading medical institutions will greatly promote the Company's exchange of international advanced medical technology, improve the level of medical technology and medical services, enhance the Company's brand image and provide better quality of medical services to the patients in China.

At present, Concord Medical and MD Anderson are implementing the following business cooperation:

- MD Anderson is fully involved in the preparation of Concord Medical's premium cancer hospitals and proton centers, providing technical support in hospital design, department setting, medical procedure plan, personnel training, etc.
- MD Anderson is guiding the transformation, personnel training and quality control of Concord Medical's Concord International Hospital in Singapore and Shanghai Concord Medical Cancer Center and upgrading them to qualify for MD Anderson Cancer Network's Associate membership program. Patients can, therefore, benefit from the world's top medical treatments and results;
- MD Anderson is establishing a remote consultation platform for international cooperation with Concord Medical and setting up an international teleconsultation center at Concord Medical's medical institutions. Patients, in their local areas, can obtain international oncologists' consultation advice;
- MD Anderson and Concord Medical are preparing to establish an international remote pathological diagnosis center. The pathological diagnosis of cancer patients will be directly participated by the MD Anderson's pathologists in the United States and the pathological diagnosis recommendations will be given to ensure the accurate follow-up treatments; and
- Concord Medical is co-cultivating and co-recruiting talents with MD Anderson. Concord Medical has selected outstanding talents, including doctors and administrators, to study at the MD Anderson and conduct collaborative research.

5. Beijing Meizhong Jiahe Hospital Management Group Co., Ltd. ("Meizhong Jiahe"), a subsidiary company of Concord Medical, completed a RMB1.5 billion financing in May 2018. What are the major investment institutions and what is their valuation? Does Meizhong Jiahe have a listing plan in the future?

Answer: The major investment institutions of Meizhong Jiahe include well-known investment institutions in the industry, such as CICC Capital Management Company Limited (“CICC Capital”) etc., and Meizhong Jiahe has a post-investment valuation of RMB4.0 billion as of May 2018.

CICC Capital is a wholly-owned subsidiary of China International Capital Corporation Limited (“CICC”). As the only private equity investment fund business platform of CICC, CICC Capital manages the domestic and foreign private equity investment fund business in a unified way. It undertakes such functions as formulating the development strategy of private equity investment business, promoting business development, allocating resource and controlling risk.

6. Does the Company consider to cooperate with commercial insurance institutions in the future?

Answer: The Company is willing to cooperate closely with insurance institutions, including, but not limited to, the scope of insurance cooperation covered in medical institutions, designing special products for proton therapy, providing high-quality cancer treatment services for insurance customers, and achieving effective cost control for insurance institutions. Shanghai Meizhong Jiahe Cancer Center has established cooperative relations with many commercial insurance institutions. The center is located at No. 170 Danshui Road, Huangpu District, Shanghai, China (inside Shanghai Ruijin Hospital Luwan Branch). All investors are welcome to visit.

7. How does the Company plan and establish standards and systems in hospital management and medical quality control?

Answer: The Company’s hospitals will strictly follow the requirements and standards of MD Anderson Cancer Center in the aspects of hospital management and medical quality control. After being accepted by MD Anderson Cancer Center, these hospitals will be qualified for MD Anderson Cancer Network’s Associate membership program. The Company has established a hospital management committee composed of a number of professionals to achieve the full implementation of MD Anderson Cancer Center’s management and technical systems and establish an operational team with modern management experience and an international vision.

8. How to view the current competition pattern of proton market in China and what competitive advantages does the Company have?

Answer: (1) On May 30, 2019 the National Health Commission issued the “Notice on completing the declaration of configuration license for Class A large medical equipment in 2019.” Guangzhou Concord Cancer Center submitted its application materials on the first open declaration day on June 3, 2019.

(2) Beijing Proton Medical Center is a proton center with independent legal personality approved by the National Health Commission (formerly known as Ministry of Health) and constructed in accordance with international standards. Meanwhile, it is the only clinical proton center in Beijing that has obtained configuration license for class A large medical equipment.

(3) According to the “Notice on the Configuration Plan of Large Medical Equipment for 2018 to 2020,” the national master plan for proton therapy oncology system will be controlled in 10 units from 2018 to 2020, including 6 in 2019 and 4 in 2020. Proton therapy equipment is complex in technology, requires large capital investment and incurs high operation cost. It directly relates to medical quality and safety, medical expenses and people’s rights on health. Equipment allocation needs to be approved and managed by the National Health Commission. The allocation quantity is small. Therefore, there will be no large-scale competition.

(4) As one of the most advanced radiotherapy equipment in the world, proton therapy system has high-threshold and high-tech treatment method. The Company has the following competitive advantages in proton operation and management: (i) The Company has the largest partnership share in the general partner of MD Anderson Proton Therapy Center and has many years of proton operation and management experience; and (ii) Proton therapy is a form of radiotherapy. The Company has built a high-level proton medical team and has more than 20 years of experience in radiotherapy. The Company believes that it can guarantee its proton program to achieve high quality medical standards.

9. What support and help does the strategic shareholders of Meizhong Jiahe provide to Company's business development?

Answer: CICC is a large financial institution which provides constructive suggestions for the Company's strategic direction and business development, helps the Company to optimize the organizational structure, sets up an operation and management team with modern management experience and international vision, and introduces expert resources and financing resources to the Company. After the investment institutions, such as CICC, become the strategic shareholders, Meizhong Jiahe, as an international hospital management group, will be able to utilize the strategic shareholders' international and professional resources to develop the business.

10. Please describe the construction progress, expected opening time, future business development strategies and competitive advantages of the three premium cancer hospitals.

Answer: Beijing Proton Medical Center and Guangzhou Concord Cancer Center are expected to open in 2020 and Shanghai Concord Cancer Center is expected to open in 2021.

At present, Beijing Proton Medical Center is the only approved and proton treatment center built in Beijing. Proton therapy system is one of the most advanced radiotherapy technologies in the world and proton equipment can use high energy proton beam to precisely eliminate cancer cells. Compared with the conventional radiotherapy, it can greatly reduce the damage to normal tissues. According to the latest "Global Cancer Statistics 2018" issued in September 2018, an average of more than 10,000 people in China are diagnosed with cancer every day. There is a huge market demand for Beijing Proton Medical Center. China-Japanese Friendship Hospital (hereinafter referred to as "China-Japanese Hospital") is a large-scale comprehensive third-level first-class hospital directly under the National Health Commission. It integrates medical treatment, teaching, scientific research and preventive health care and undertakes to take up the tasks of central health care and national health emergency rescue team. It has a China-Japanese Friendship Clinical Medical Research Institute. It also serves as the WHO Cooperative Center for Smoking Cessation and Respiratory Disease Prevention, and Training Center for Telemedicine Management and Training Center of the National Health Commission.

Guangzhou Concord Cancer Center is adjacent (without walls) to the branch of the Cancer Hospital affiliated to Sun Yat-sen University, which is one of top tier hospitals in China. The Cancer Hospital affiliated to Sun Yat-sen University can provide doctors' resources and technical support, while facilitate the referral of patients. The Cancer Prevention and Treatment Center of Sun Yat-sen University (Cancer Hospital Affiliated to Sun Yat-sen University) was established in March 1964. It is one of the four earliest cancer hospitals in China established. The Cancer Prevention and Treatment Center of Sun Yat-sen University is one of the largest and most powerful oncology bases in China, which integrates medical treatment, teaching, scientific research and prevention. It undertakes the national oncology prevention and control task and plays a leading role in the cancer prevention and control work in the whole country, especially in South China and Hong Kong, Macao and Taiwan. Its disciplinary status and comprehensive strength rank among the leading levels in the country. In the past five years, 57 clinical frontline research results have been internationally recognized and adopted by the global standards and guidelines for cancer diagnosis and treatment.

Shanghai Concord Cancer Center is located in Shanghai Xinhongqiao International Medical Center, the hinterland of Hongqiao Transportation Hub. It is the only oncology hospital in the Xinhongqiao Medical Park, among the surrounding hospitals including Huashan Hospital Branch, Baihui International Hospital, Green Leaf-Cleveland International Hospital. The first phase of Xinhongqiao International Medical Center will form a medical technology center with a "1+7+X" layout, seven premium hospitals and several specialty clinics: it radiates 300 million people in six provinces and one city in East China, such as Zhejiang and Jiangsu. Shanghai Concord Cancer Center has the goal of internationalization and standardization, promoting the integrated development of medical services, clinical transformational medicine and personnel training.

In addition to the three premium cancer hospitals in Beijing, Shanghai and Guangzhou, the Shanghai Meizhong Jiahe Medical Imaging Diagnosis Center (“Imaging Diagnosis Center”) will open in the second half of 2019. The Imaging Diagnosis Center is located on the second floor of the Medical Technology Center of Shanghai Xinhongqiao International Medical Park. The Imaging Diagnosis Center is located in the center of the park, with a total land area of 32,479 square meters. The Imaging Diagnosis Center provides high-quality diagnostic imaging services, such as radiology, ultrasound and nuclear medicine, diagnosis and remote consultation, education and training, to all the medical institutions, premium clinics and medical institutions around the park. At present, advanced imaging diagnostic equipment, such as CT, magnetic resonance, PET-CT and PET-MRI, have been installed in this Imaging Diagnosis Center.

Concord International Hospital in Singapore is one of 16 tertiary general hospitals under the Ministry of Health of Singapore. While meeting the needs of domestic patients for the cancer treatment, it also provides the most advanced international cancer diagnosis and treatment services for patients in the Middle East and Southeast Asia. The hospital is located in Singapore’s most important water source nature reserve zone, with excellent surroundings for physical and mental relaxation. The Company hopes every patient can get the most reasonable and advanced treatment plan and the most intimate and warm medical services here.

11. Please introduce the specific plans of the three premium cancer hospitals, including land area, building planning, bed setting, department setting, personnel setting, and the development plan of the Company’s second-level cancer hospital.

Answer: Beijing Proton Medical Center is the only medical center in Beijing that has obtained proton allocation license and is cooperated by the Company and China-Japanese Friendship Hospital. It covers a land area of approximately 5,000 square meters and a gross floor area of approximately 13,000 square meters. It has proton treatment rooms, linear accelerators, outpatient clinics, wards and auxiliary facilities.

Shanghai Concord Cancer Center (“SCCC”) is located in the largest and most complete Hongqiao transportation hub in Shanghai Xinhongqiao International Medical Center (“IMC”), a pilot area of National Health Commission and Shanghai Medical Comprehensive Reform and 5.3 kilometers away from Hongqiao Airport. The hospital is designed by HDR, a well-known medical architecture design company in the United States. The medical layout balances multidisciplinary diagnosis and treatment in the United States and medical characteristics in Asia. SCCC will be equipped with proton equipment and multiple linear accelerators. SCCC covers a land area of 46,666 sq. meters and a total gross floor area of approximately 160,000 square meters, and has a planned bed count of 400 beds.

Guangzhou Concord Cancer Center is a premium cancer hospital established by the Company in cooperation with the Sun Yat-sen University Cancer Center, and is the first batch of high-tech projects launched by Sino-Singapore Guangzhou Knowledge City. Guangzhou Concord Cancer Center will use the leading proton therapy equipment in the world to provide high quality and humanized cancer treatment services for patients in China or abroad. It will be equipped with proton equipment and multiple linear accelerators. Guangzhou Concord Cancer Center covers a land area of approximately 33,000 square meters, and has a planned bed count of 400 beds

Shanghai Meizhong Jiahe Cancer Center, located in Xintiandi business area, Huangpu district, is an international premium specialty center integrating cancer prevention, diagnosis, radiotherapy and chemotherapy. Its diagnosis and treatment area cover a gross floor area of approximately 2,500 square meters. It deploys the world’s leading tumor diagnosis and treatment equipment and adopts multi-disciplinary comprehensive diagnosis and treatment methods, providing a quality of life and services to the patients. On February 20, 2019, all the basic medical services of Shanghai Meizhong Jiahe Cancer Center were covered by medical insurance.

Datong Meizhong Jiahe Cancer Center was founded in 2014, covering a gross floor area of approximately 6,000 square meters and having more than 100 employees on the job and more than 100 beds. Among them, the Datong Meizhong Jiahe Cancer Center, equipped with advanced radiotherapy and diagnostic equipment, has an international standard medical team and long-term consultation services from professors from Beijing tertiary oncology specialty hospitals.

Wuxi Meizhong Jiahe Cancer Center is an internationalized premium specialty oncology hospital which integrates cancer prevention, diagnosis, radiotherapy, chemotherapy and rehabilitation. Wuxi Meizhong Jiahe Cancer Center focuses on the diagnosis and radiotherapy of cancers and covers a land area of 8,743 square meters and a gross floor area of 23,000 square meters. Wuxi Meizhong Jiahe Cancer Center plans to have 200 beds and expects to equip with the world-class imported large-scale diagnostic and therapeutic equipment, including cyber knife, linear accelerator, PET/CT and MRI imaging diagnosis. Wuxi Meizhong Jiahe Cancer Center will introduce “patient-focused” medical service concept and multidisciplinary diagnosis and treatment model to make the center more standardized and humanized in the diagnosis and treatment of all kinds of tumors, and to provide medical services synchronized with the international medical services for patients in Wuxi and Yangtze River Delta.

12. What are the Company’s considerations and measures for the formation of the doctor team and the introduction of talents?

Answer: There are great differences between the system of non-public hospitals and public hospitals in terms of qualifications, job matching, salary, training and promotion of medical teams. There is also a lack of industry standards in China. At present, the Company has aligned with the standards of international high-level medical institutions and designed a complete mechanism for the introduction of foreign doctors. The Company has solved the problems of classification, training, promotion and incentive of doctors in a more precise management way. The Company believes that, from a systematic point of view, the Company can improve the attraction of doctors’ team to join Concord Medical. The Company has hired a group of internationally renowned experts to join the medical team:

Dr. Matthew Callister: Chief Medical Officer (CMO) of the Company. Prior to joining Concord Medical, Dr. Callister served as the Senior Physician Executive of Banner MD Anderson Cancer Center and Service Line in 2014, the Division Chief of Radiation Oncology at Banner MD Anderson Cancer Center in 2011 and a Consultant at the Department of Radiation Oncology of Mayo Clinic Arizona in 2004. Dr. Callister has been an Adjunct Associate Professor of Radiation Oncology at the UT-MD Anderson Cancer Center from 2011 to present. Dr. Callister received a Doctor of Medicine degree from the Duke University School of Medicine in 1997.

Shen Fu: Chief Radiotherapy Expert of the company. Dr. Fu, also a Chief Physician, Professor, Doctor of Radiation Oncology, is a member of the Academic Committee of the Proton Center of MD Anderson Cancer Center, deputy director of the Key Laboratory Center of the Ministry of Nuclear Physics and Ion Beam Application Education, Fudan University, chief scientist of the key research and development projects of the Ministry of Science and Technology, and member of the National Committee of Oncology Society of China (CSCO). After graduating from the Fudan University Shanghai Cancer Center in 1993, Dr. Fu has worked and studied for many years at MD Anderson Cancer Center, Cancer Center affiliated to Johns Hopkins University Hospital and Fox Chase Cancer Hospital. For more than 30 years of clinical work, Dr. Fu has focused on radiotherapy and comprehensive diagnosis and treatment of tumors. He has rich clinical experience and clinical application experience of frontier radiotherapy technology, especially in proton heavy ion plasma technology.

Chaonan Qian: President of Guangzhou Concord Cancer Center. Dr. Qian, also a Medical Doctor of Sun Yat-sen Medical University, has received postdoctoral training in MD Anderson Cancer Center and Van Andel Research Institute. He worked part-time as Deputy Director of the Transformational Research Laboratory of the National Cancer Center of Singapore. In 2007, he was a researcher and doctoral supervisor in the Department of Nasopharyngology, Cancer Prevention and Treatment Center of Sun Yat-sen University. He has been appointed by the National Health Commission (formerly Ministry of Health) of China as an expert in the strategic research of “Healthy China 2020” and has

served as Vice President of Cancer Prevention Center of Sun Yat-sen University. Since 2009, he has been deputy editor of Cancer Communications (formerly Chinese Journal of Cancer).

Jennifer Wilson: Vice President of Nursing in Guangzhou Concord Cancer Center. Prior to joining Concord Medical, Ms. Wilson served as the Nursing Co-Director of Prince of Wales Hospital, Randwick, NSW, Australia, with Bachelor of Health Sciences (Nursing) from the University of Sydney and Master of Health Administration from the University of New South Wales, Kensington. She obtained professional licenses from the Australian Health Practitioner Regulation Agency (APHRA) and the Australian Nursing and Midwifery Board, Certificate in Nephrology, Dialysis and Transplant Nursing. Her clinical management experience covers a wide range of clinical specialties and Ms. Wilson has extensive experience in managing more than 2,000 nurses and leading nursing programs and projects.

13. What are the Company planning and considerations on the brand building in the future?

Answer: Under the guidance of MD Anderson Cancer Center, the Company considered the complexity and comprehensiveness of cancer treatment and focused on the development of multidisciplinary diagnosis and treatment, establishment of the medical team and acquiring the qualification for MD Anderson Network's Associate membership program, which gradually establishing the brand effect. The Company has also established long-term and extensive cooperation with the public hospitals to realize the patient referral mechanism and to use the advanced proton therapy technology and the multidisciplinary diagnosis and treatment concepts to provide cancer treatment services to patients at international standard. The premium cancer hospitals in Beijing, Shanghai and Guangzhou are mainly for commercial insurance and self-paying patients while the cancer hospitals in the second- and third-tier cities in China are mainly for social medical insurance users. In addition, hospitals in Singapore provide patients with optimized solutions, including PD-1 and new drug treatments with the second or third generations of targeted drugs that have not yet been approved in China. The Company can ultimately form a three-dimensional medical service system that meets the needs of patients at all levels.

14. Please state the relationship between Concord Medical and Meizhong Jiahe.

Answer: Beijing Meizhong Jiahe Hospital Management Co., Ltd. ("Meizhong Jiahe") is a subsidiary of Concord Medical. It is a hospital management and operation platform in China. At present, Concord Medical holds 60% effective equity interests in Meizhong Jiahe.

15. What do you think about the long trial run of protons center?

Answer: The Company has rich management experience for proton therapy technology and management. Because proton therapy enters the human body quickly, the chances of protons interacting with normal human tissues are very low. When it reaches the cancer cell site, the proton velocity decreases, producing a powerful Bragg peak. By adjusting the position of the Bragg peak, the target area placed in the high dose area of the Bragg peak and irradiated, killing the cancer cells completely, while the normal tissues are outside of the high dose area and protected from the radiation damage. Proton therapy is currently recognized as one of the most advanced cancer radiotherapy technologies in the world. There is a great demand for proton therapy for patients in China. In view of the Company's long-term reserve work in personnel and technology and the huge demand for proton therapy from patients in China, the Company believes that the trial period of proton centers will be greatly shortened.

16. What is the current situation of the Chinese cancer market?

Answer: According to the forecast of World Health Organization, due to the acceleration of the aging of population, the worse of environmental pollution, bad eating habits, obesity, smoking and other factors, new cases of cancer worldwide will show a rapid growth trend.

China is a country with high cancer incidence. The number of new patients in China is growing faster than developed countries such as the United States and Japan. According to "Global Cancer Statistic 2018" published by People's Daily Paper, China has the highest cancer incidence and mortality rate in the world. Of the 18 million new cancer cases and 9.6 million cancer deaths worldwide in 2018, there were 3.8 million new cancer cases and 2.3 million cancer-caused deaths in China. This set of data also means that for every 100 new cancer patients in the world, the Chinese account for 21. In other words,

more than 10,000 people are diagnosed with cancer every day in China, with an average of 7 people suffering from cancer every minute.

17. What is the Company’s short, medium and long-term strategic plan?

Answer: With years of experience in the field of oncology treatment, the Company will work with the strategic partner, MD Anderson Cancer Center, to develop premium cancer hospitals with multidisciplinary diagnosis, clinical research and subdisciplinary expertise to optimize the patient experience, improve the level of cancer treatment in China and promote the standardization and internationalization of cancer treatment in China.

At present, the Company is building the three premium cancer hospitals in Beijing, Shanghai and Guangzhou according to the standards of MD Anderson Cancer Center. After the commencement of operations and being accepted by MD Anderson Cancer Center, these three premium cancer hospitals will be qualified for MD Anderson Network’s Associate membership program.

In the future, the Company will utilize its strengths in cancer treatment and explore business development opportunities in the operation and management of cancer franchise hospitals and proton center operations.

18. Will the Company continue to reduce the net loss in 2019 comparing to the financial results in 2018?

Answer: The year 2018-2019 is an important stage for the Company’s business transformation. In 2018, the Company received financing from strategic investors. In 2019, the Company’s three premium cancer hospitals are all under construction. Beijing Proton Medical Center and Guangzhou Concord Cancer Center are expected to commence the operations in 2020. The Company believes that its performance will be greatly improved.

19. Please describe the growth of hospital revenue in 2018.

Answer: The hospital business has grown considerably in 2018. The revenue generated by the hospital business increased 66.9% year on year, mainly due to the gradual normalization of the operation of Concord International Hospital in Singapore and Datong Meizhong Jiahe Cancer Center, and the consolidation of Shanghai Meizhong Jiahe Cancer Center into our results of operations in the fourth quarter of 2018. The total number of treatment and diagnostic patient cases in these three hospitals reached 8,841 in 2018, a 130% increase compared with the same period in 2017.

20. Will the current US-China relationship affect the cooperation between the Company and MD Anderson Cancer Center?

Answer: At present, the US-China relations have no impact on our co-operation with MD Anderson Cancer Center because we have a 10-year long-term strategic agreement with MD Anderson Cancer Center. At present, our co-operation with MD Anderson Cancer Center is normal.

21. Is the Company’s previous privatization plan still on schedule?

Answer: The Company announced receipt of preliminary non-binding “going private” proposal on July 11, 2016 and announced withdrawal of buyer parties’ going private proposal on November 13, 2017. As of the date of this Q&A session, there is no going private proposal. The Company is hoping to retain the listed company status on the New York Stock Exchange. As a listed company in the NYSE, the Company can access to the world’s largest capital pool, participate in the highest quality market and maximize its corporate value. The Company is also familiar with the listing requirements and the trading rules of the New York Stock Exchange. With further development of the Company’s business and the deeper understanding of the Company by the investors, the Company believes that its value can be improved in the market.

22. How long does it take for proton therapy equipment and facilities to be approved by the National Health Commission and then constructed, installed and used formally?

Answer: It is expected to take at least five years.

23. When do the three premium cancer hospitals in Beijing, Shanghai and Guangzhou open?

Answer: According to the plan, Beijing Proton Medical Center and Guangzhou Concord Cancer Center are expected to open in 2020 and Shanghai Concord Cancer Center is expected to open in 2021.

24. How long does the Company estimate that the three premium cancer hospitals in Beijing, Shanghai and Guangzhou will have a cash flow balance after its opening? How long does it take to reach the break-even point?

Answer: In view of the obvious competitive advantages of the Company's three premium cancer hospitals in Beijing, Shanghai and Guangzhou, we expect to achieve a break-even in a relatively short time.

25. At present, most of Company's hospitals are under construction and only a few medical institutions have just opened. How did the Company finance its large amount of capital expenditures for construction and operation?

Answer: In 2018, Meizhong Jiahe, a subsidiary of the Concord Medical's holding company, obtained a financing of RMB1.5 billion from strategic investors such as CICC. At the same time, the Company obtained 10-year long-term project financing funds from local banks for its hospital constructions, basically securing the needs of construction fund for the hospital projects. The Datong Meizhong Jiahe Cancer Center and Shanghai Meizhong Jiahe Cancer Center are expected to generate better financial results this year. All investors are welcome to visit on-site.

26. Does the Company have any new expansion plans in overseas markets in the near future?

Answer: The Company will expand its business with top tier international medical institutions in Southeast Asia when there are good opportunities, but there is no current concrete timetable.

27. Will the Company have any new strategies? Will the Company keep developing hospitals in the top-tier cities? Will the Company continue to increase its R&D costs in the future?

Answer: At present, the Company focuses on the construction of three premium cancer hospitals in Beijing, Shanghai and Guangzhou. At the same time, the Company also seeks opportunities for the layout of cancer specialty hospitals in some populous and economically developed second- and third-tier cities in China. The Company will continue to increase expenses on medical information and the research and development expenses on cancer technology.

28. How much does CICC invest in Meizhong Jiahe? Has the fund been fully paid? Does the Company have any business cooperation with Fosun?

Answer: (1) In 2018, CICC and other investors invested RMB1.5 billion in Meizhong Jiahe. The fund has been fully paid; (2) Fosun is one of the shareholders of Concord Medical and has many medical investment businesses in China. The Company is actively exploring cooperation opportunities with Fosun. As of December 31, 2018, Fosun beneficially owns 10.1% of Concord Medical.

29. Please state the difference between the proton therapy equipment in Beijing Proton Medical Center and the proton therapy equipment in other operating proton centers in China?

Answer: Beijing Proton Medical Center uses the latest proton therapy system of IBA Belgium, which is more mature, more effective and more efficient.