



和美醫療控股有限公司

HARMONICARE MEDICAL HOLDINGS LIMITED

(Incorporated under the laws of the Cayman Islands with limited liability)  
(於開曼群島註冊成立之有限公司)

Stock code 股份代號: 1509

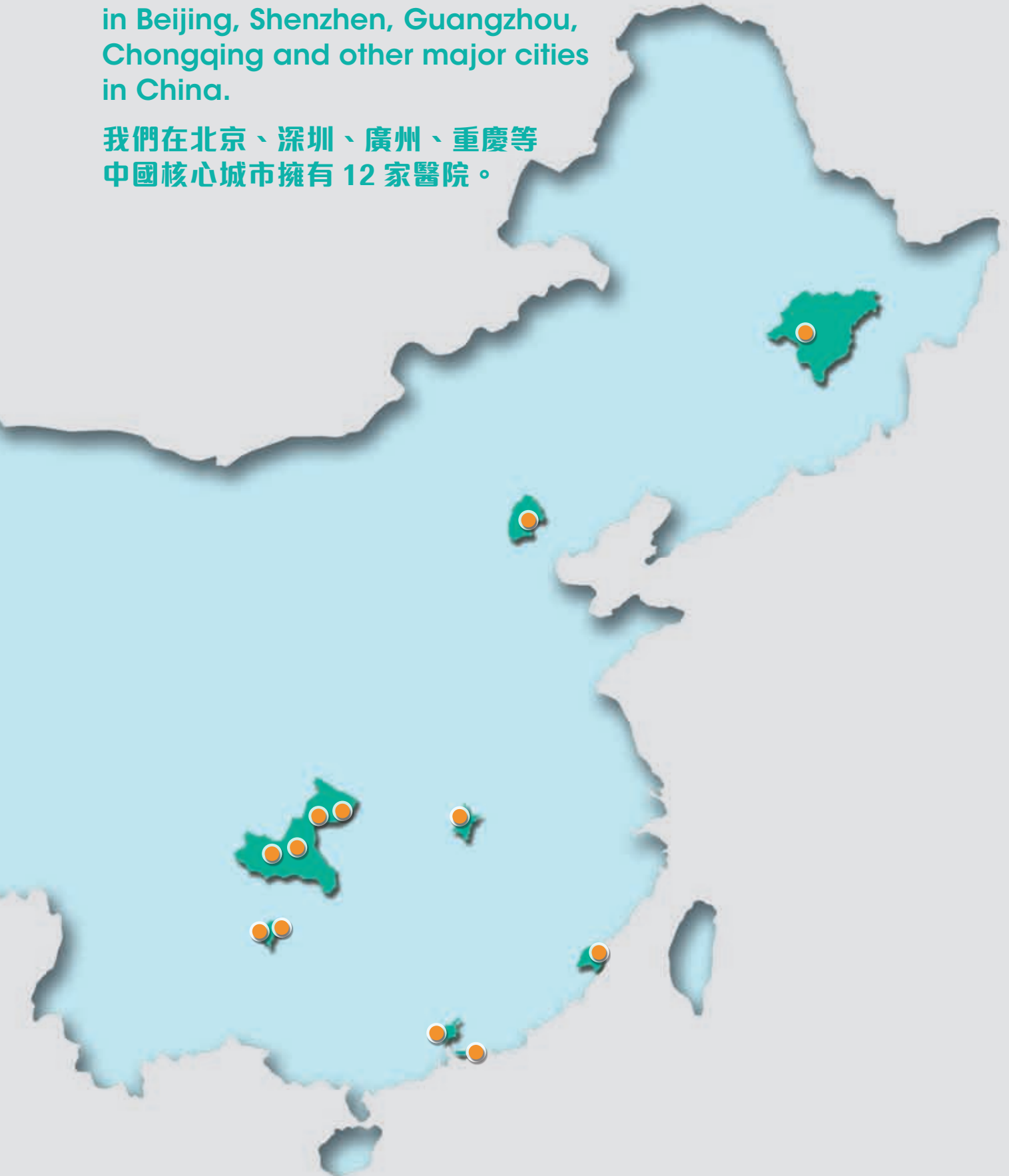
ANNUAL  
2016 REPORT  
年報





We own a total of 12 hospitals in Beijing, Shenzhen, Guangzhou, Chongqing and other major cities in China.

我們在北京、深圳、廣州、重慶等中國核心城市擁有 12 家醫院。





## CONTENTS 目錄

CORPORATE INFORMATION	公司資料	02
CHAIRMAN'S STATEMENT	主席報告	05
FINANCIAL SUMMARY	財務概要	08
MANAGEMENT DISCUSSION AND ANALYSIS	管理層討論及分析	10
DIRECTORS AND SENIOR MANAGEMENT	董事及高級管理人員	25
DIRECTORS' REPORT	董事會報告	32
CORPORATE GOVERNANCE REPORT	企業管治報告	54
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT	環境、社會及管治報告	68
INDEPENDENT AUDITOR'S REPORT	獨立核數師報告	78
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	綜合損益及其他全面收益表	85
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	綜合財務狀況表	87
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	綜合權益變動表	89
CONSOLIDATED STATEMENT OF CASH FLOWS	綜合現金流量表	91
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	綜合財務報表附註	94
DEFINITIONS	釋義	192



## CORPORATE INFORMATION

### 公司資料

#### DIRECTORS

##### Executive Directors:

Mr. Lin Yuming (*Chairman and President*)  
Mr. Fang Zhifeng (*Vice President*)  
Mr. Zhao Xingli (*Vice President*)

##### Non-executive Directors:

Mr. Lin Yuguo  
Mr. Qiu Jianwei  
Mr. Xu Jun

##### Independent Non-executive Directors:

Mr. Kong Aiguo  
Ms. Fang Lan  
Mr. Cai Jiangnan

#### AUDIT COMMITTEE

Ms. Fang Lan (*Chairman*)  
Mr. Kong Aiguo  
Mr. Cai Jiangnan  
Mr. Qiu Jianwei

#### REMUNERATION COMMITTEE

Mr. Kong Aiguo (*Chairman*)  
Mr. Cai Jiangnan  
Mr. Lin Yuguo  
Ms. Fang Lan  
Mr. Zhao Xingli

#### NOMINATION COMMITTEE

Mr. Lin Yuming (*Chairman*)  
Ms. Fang Lan  
Mr. Cai Jiangnan  
Mr. Kong Aiguo  
Mr. Xu Jun

#### AUTHORIZED REPRESENTATIVES

Ms. Ng Sin Yee Clare  
Mr. Lin Yuming

#### 董事

##### 執行董事：

林玉明先生 (*主席兼總裁*)  
方志鋒先生 (*副總裁*)  
趙興力先生 (*副總裁*)

##### 非執行董事：

林玉國先生  
邱建偉先生  
徐軍先生

##### 獨立非執行董事：

孔愛國先生  
方嵐女士  
蔡江南先生

#### 審核委員會

方嵐女士 (*主席*)  
孔愛國先生  
蔡江南先生  
邱建偉先生

#### 薪酬委員會

孔愛國先生 (*主席*)  
蔡江南先生  
林玉國先生  
方嵐女士  
趙興力先生

#### 提名委員會

林玉明先生 (*主席*)  
方嵐女士  
蔡江南先生  
孔愛國先生  
徐軍先生

#### 授權代表

吳倩儀女士  
林玉明先生

## CORPORATE INFORMATION (CONTINUED) 公司資料(續)

### JOINT COMPANY SECRETARIES

Mr. Chen Wei  
Ms. Ng Sin Yee Clare

### 聯席公司秘書

陳偉先生  
吳倩儀女士

### HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN CHINA

No. A2 Xiaoguan Beili  
Beiyuan Road  
Chaoyang District  
Beijing  
China

### 總部及中國主要營業地點

中國  
北京  
朝陽區  
北苑路  
小關北里A2號

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Level 54  
Hopewell Centre  
183 Queen's Road East  
Hong Kong

### 香港主要營業地點

香港  
皇后大道東183號  
合和中心  
54樓

### REGISTERED OFFICE

Cricket Square  
Hutchins Drive  
PO Box 2681, Grand Cayman  
KY1-1111, Cayman Islands

### 註冊地址

Cricket Square  
Hutchins Drive  
PO Box 2681, Grand Cayman  
KY1-1111, Cayman Islands

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

Codan Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
PO Box 2681, Grand Cayman  
KY1-1111, Cayman Islands

### 開曼群島主要股份過戶登記處

Codan Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
PO Box 2681, Grand Cayman  
KY1-1111, Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

### 香港股份登記及過戶分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心22樓





## CORPORATE INFORMATION (CONTINUED)

### 公司資料(續)

#### AUDITOR

Deloitte Touche Tohmatsu  
Certified Public Accountants  
35/F., One Pacific Place  
88 Queensway  
Hong Kong

#### 核數師

德勤•關黃陳方會計師行  
執業會計師  
香港  
金鐘道88號  
太古廣場一期35樓

#### LEGAL ADVISER

Shearman & Sterling  
12/F., Gloucester Tower  
The Landmark  
15 Queen's Road Central  
Hong Kong

#### 法律顧問

謝爾曼•思特靈律師事務所  
香港  
皇后大道中15號  
置地廣場  
告羅士打大廈12樓

#### COMPLIANCE ADVISER

First Shanghai Capital Limited  
19/F., Wing On House  
71 Des Voeux Road Central  
Central  
Hong Kong

#### 合規顧問

第一上海融資有限公司  
香港  
中環  
德輔道中71號  
永安集團大廈19樓

#### PRINCIPAL BANKER

ICBC Co., Ltd.  
Beijing Zuo'anmen Branch  
1/F., Building 27  
Panjiayuan Nanli  
Chaoyang District  
Beijing  
China

#### 主要往來銀行

中國工商銀行股份有限公司  
北京左安門支行  
中國  
北京  
朝陽區  
潘家園南里  
27號樓1層

#### STOCK CODE

01509

#### 股份代號

01509

#### COMPANY WEBSITE

[www.hemeiyi.com](http://www.hemeiyi.com)

#### 公司網站

[www.hemeiyi.com](http://www.hemeiyi.com)



**CHAIRMAN'S STATEMENT**  
**主席報告**



## CHAIRMAN'S STATEMENT (CONTINUED) 主席報告(續)

Dear Shareholders:

On behalf of the Board of Directors of Harmonicare Medical Holdings Limited, I would like to express my sincere gratitude to all our Shareholders as well as members from the community for their support to the Company. 2016 marked a turbulent year for the market environment of China's healthcare industry. The "Wei Zexi Incident" (魏則西事件) brought adverse impact on the private healthcare sector, presenting great challenges to our operating environment. By actively exploring and strengthening corporate operation and management, the Company has maintained a steady development.

During the Review Period, the Group's operating result in the second quarter was impaired by the consequential effect of the "Wei Zexi Incident" on the private healthcare sector, causing the revenue and profit of the Group for 2016 fell short of the projected target for business growth. During the Review Period, the Group recorded a revenue of RMB859.70 million, representing a decrease of 5.5% as compared with that of the Corresponding Period, while the net profit attributable to equity holders of the Company was RMB95.71 million, representing a decrease of 9.9% as compared with that of the Corresponding Period. With an adequate cash reserve and significant cash inflow generated from the Group's operating activities, the Board recommended a cash dividend equivalent to approximately 40% of the profit for the year attributable to equity holders of the Company, representing a final dividend of RMB5.0 cents per Share for the financial year 2016, with a view to bringing continuous and stable returns to all our Shareholders.

In 2016, with in-depth research on customer demand, the Company carried out marketing innovation and brand linkage activities through enhancement of operation and customer service quality, to actively expand our brand influence and ultimately achieve a stable development. According to the Group's working plan for 2016, on the one hand, the Group continued to strengthen its existing business, implementing renovation and upgrade on some existing hospitals to transform gradually to provide high-end obstetrics services; on the other hand, the Group continued to provide customers with high-quality healthcare services through continuous refinement of its management measures and information technology system which had effectively improved the healthcare management and technical services of each hospital. At the end of 2016, Beijing HarMoniCare Hospital obtained JCI certification with excellent results, making it the first women and children's hospital certified by JCI in Beijing. Moreover, the Group had speeded up its momentum in investment and mergers and acquisitions, so as to lay a good foundation for the future development of the Company.

尊敬的各位股東：

本人謹代表和美醫療董事會對全體股東及社會各界對本公司的支持致以誠摯感謝。2016年是中國醫療行業市場環境變化較為動蕩的一年，「魏則西事件」對中國民營醫療市場的不利影響，使得我們的經營環境面臨較為嚴峻的挑戰，本集團通過積極探索、強化企業經營管理，使得公司保持穩健發展。

回顧過去的一年，在經營業績方面，由於第二季度受到「魏則西事件」對民營醫療市場的連帶影響，本集團2016年的收益及利潤未達到預期的業績增長目標。於回顧期間，本集團錄得收益為人民幣8.5970億元，同比下降5.5%，本公司權益持有人應佔淨利潤約為人民幣9,571萬元，同比下降9.9%。由於本集團現金儲備充足，經營活動所得現金淨額較大，為了給全體股東創造持續穩定的回報，董事會建議將本公司權益持有人應佔淨利潤的約40%派發現金股利，即派發截至2016年財政年度的末期股息每股人民幣5.0分。

2016年，公司通過深入瞭解客戶需求，以提升經營和客戶服務品質為切入點，開展營銷創新和品牌聯動，積極擴大品牌影響力，實現公司穩定發展。根據2016年集團工作規劃，一方面，集團不斷夯實現有經營業務，對部分現有醫院進行裝修改造，以實現向高端產科的逐步轉型；另一方面，通過持續完善的管理措施及信息化建設，有效提升各醫院醫療管理和技術服務水平，堅持為客戶提供高品質醫療服務，2016年底，北京和美醫院高分通過國際JCI認證，成為北京市首家通過JCI認證的婦兒專科醫院；另外，集團加快投資併購步伐，為公司未來發展奠定良好基礎。



## CHAIRMAN'S STATEMENT (CONTINUED) 主席報告(續)

In 2017, we will continue to make full use of the favorable policy environment in China's healthcare industry to speed up our business development. Leveraging our efforts in expanding the number and operational scale of our hospitals, the Group will continue to strengthen our operational and management capability, enhance the service quality, improve talents development system and increase our enterprise value. We will also actively facilitate the integration of the upstream and downstream industry chain to further extend business scope and create value in the industry. Meanwhile, we will continue to strengthen our efforts in building new hospitals and acquiring quality projects to maintain our market leadership and improve our competitive edge. We will continue to strive to become a globally influential and high-end women and children's healthcare chain group.

In conclusion, under the new circumstances, the Company will seize new opportunities to accelerate the pace of development and achieve better and faster growth, while create long-term stable returns for the Shareholders, and create value for the community. On behalf of the Board, I would like to extend my sincere gratitude to all our clients, business partners, Shareholders and staff.

**Lin Yuming**  
*Chairman*

Beijing, 22 March 2017

2017年，我們將繼續充分利用良好的中國醫療政策環境，加快業務拓展。集團將在不斷擴大醫院數量和運營規模的基礎上，持續加強運營管理能力、提升經營服務品質、健全人才發展機制、不斷提升企業價值；積極布局產業鏈上下游的整合，加強業務體系的延伸和產業價值的挖掘。同時，我們將繼續加大建設新醫院、併購優質項目的工作力度，持續保持行業領導地位，突出競爭優勢，為成為具有全球影響力的高端婦兒醫療連鎖集團而不斷努力。

綜上所述，面對新的形勢，公司將緊緊抓住新的機遇，加快發展步伐，實現更好更快發展，為全體股東創造長期穩定回報，為社會發展創造價值。謹代表董事會，向所有客戶、企業夥伴、股東和全體員工致以誠摯的感謝！

主席  
**林玉明**

北京，2017年3月22日

# FINANCIAL SUMMARY

## 財務概要

IN ACCORDANCE WITH INTERNATIONAL  
FINANCIAL REPORTING STANDARDS

根據國際財務報告準則

For the year ended 31 December  
截至12月31日止年度

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元	2014 RMB'000 人民幣千元	2013 RMB'000 人民幣千元	2012 RMB'000 人民幣千元
<b>CONSOLIDATED RESULTS</b>	<b>綜合業績</b>					
Revenue	收益	859,701	909,362	935,839	833,200	750,262
Profit before tax	稅前利潤	123,886	141,967	139,327	87,489	35,686
Income tax expense	所得稅費用	(26,615)	(31,566)	(34,198)	(21,774)	(14,793)
Profit for the year	年內利潤	97,271	110,401	105,129	65,715	20,893
Other comprehensive income	其他全面收入	228	—	—	—	—
Total comprehensive income for the year	年內全面收入總額	97,499	110,401	105,129	65,715	20,893
Attributable to:	以下人士應佔：					
Equity holders of the Company	本公司權益持有人	95,936	106,173	103,379	66,839	30,565
Non-controlling interests	非控股權益	1,563	4,228	1,750	(1,124)	(9,672)
		97,499	110,401	105,129	65,715	20,893

FINANCIAL SUMMARY (CONTINUED)  
財務概要(續)IN ACCORDANCE WITH INTERNATIONAL  
FINANCIAL REPORTING STANDARDS (Continued)

根據國際財務報告準則(續)

As at 31 December

於12月31日

	2016	2015	2014	2013	2012
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>				
Total assets	總資產	1,683,575	1,628,061	384,821	457,447
Total liabilities	總負債	(300,194)	(217,096)	(484,319)	(524,659)
		1,383,381	1,410,965	(99,498)	(67,212)
Equity attributable to	以下人士應佔權益				
Equity holders of the Company	本公司權益持有人	1,389,098	1,408,909	(97,279)	(61,479)
Non-controlling interests	非控股權益	(5,717)	2,056	(2,219)	(5,733)
		1,383,381	1,410,965	(99,498)	(67,212)

MANAGEMENT DISCUSSION  
AND ANALYSIS  
管理層討論及分析





## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### BUSINESS OVERVIEW AND OUTLOOK

#### Business Overview for 2016

On 1 January 2016, the decision to revise the Population and Family Planning Law of the People's Republic of China officially came into effect, and the two-child policy was fully implemented in China. The 2016 National Economic Review published by the National Statistics Bureau showed that the new born population in 2016 was 17.86 million, representing an increase of 1.31 million as compared with that in the previous year, of which more than 8 million is the second child, demonstrating that the policy effects have gradually emerged. In the face of rapid development of the obstetric services market and favorable opportunities brought by the effect from the Year of the Monkey, we continued to strengthen our service quality, while constantly enhance customer stickiness by exploring customer needs and providing innovative services, which helped the Group's obstetrics business achieve substantial growth in the previous year. By these efforts, hospitals including Beijing HarMoniCare Hospital, Guiyang HarMoniCare Hospital and Fuzhou Modern Woman Hospital, which specialize in obstetric services, all recorded particularly strong performance. In 2016, the number of newborns in our hospitals reached 9,966, an increase of 13.2% as compared with that for the Corresponding Period. However, the "Wei Zexi Incident" (魏則西事件) has a huge impact on some gynecologic-focused private hospitals in the industry. As a result, the performance of the Group's gynecologic business in 2016 was far from expected. In view of the unfavorable market conditions, on the one hand, we continued to provide customers with high quality gynecologic medical services, on the other hand, we also sped up the upgrade of qualified hospitals, so that they can make a headstart in entering the high-end obstetrics services market. In 2016, the total number of outpatient visits at the hospitals owned by the Group was 585,591 (2015: 601,723), representing a YoY decrease of 2.7%. The number of inpatient visits was 23,368 (2015: 25,668), representing a YoY decrease of 9.0%, with the average spending per visit decreased by 1.7% YoY to RMB1,369.3 (2015: RMB1,393.4).

As always, we have been strictly implementing the national policies on medical and healthcare industry and the international standard of JCI certification and continuously provide high-quality medical services to our customers. In November 2016, after a rigid assessment delivered by the expert team of the Joint Commission on Accreditation of Healthcare Organizations, Beijing HarMoniCare Hospital obtained the JCI certification with a high score of 99.37, becoming the second JCI accredited hospital in the Group, also the first women and children's hospital with JCI certification in Beijing.

### 業務回顧及展望

#### 2016年業務回顧

2016年1月1日，修正《中華人民共和國人口與計劃生育法》的決定正式施行，我國全面兩孩政策正式施行。國家統計局在發布2016年國民經濟運行情況時介紹，2016年全國出生人口1,786萬人，同比增加131萬人，2016年全國出生二孩人數超過800萬人，政策效應逐步顯現。面對產科市場快速發展以及猴年效應的良好機遇，我們在強化服務品質的同時，不斷發掘客戶需求，創新服務項目，持續提升客戶粘性，使得集團產科業務在過去一年實現大幅增長，以產科為主的北京和美醫院、貴陽和美醫院及福州現代婦產醫院等醫院表現尤為突出。2016年，集團的新生兒數量增至9,966人，較同期增長13.2%。但「魏則西事件」的發生使得行業內部分以婦科業務為主的民營醫院受到巨大衝擊，2016年集團婦科業務表現與預期存在較大差異。面對市場的不利形勢，我們在不斷為客戶提供高品質的婦科醫療服務的同時，也加快推進具備條件的醫院進行升級改造，使其儘早地向高端產科轉型。2016年，集團所屬醫院全年共提供門診服務585,591人次（2015年：601,723人次），同比下降2.7%，提供住院服務23,368人次（2015年：25,668人次），同比下降9.0%，每次診療平均收費為人民幣1,369.3元（2015年：人民幣1,393.4元），同比下降1.7%。

我們一如既往地嚴格貫徹執行國家醫療衛生行業政策和國際醫療衛生機構認證聯合委員會（「JCI」）的國際標準，不斷為客戶提供高品質的醫療服務。2016年11月，北京和美醫院接受了國際醫療衛生機構認證聯合委員會專家團的嚴格評審，最終以99.37的高分通過了國際JCI認證，成為集團旗下第二家取得JCI認證的醫院，也是北京市首家通過JCI認證的婦兒專科醫院。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

In respect of refurbishing and renovation, Beijing HarMoniCare Hospital has completed the construction of its post-natal care center which provides comprehensive care services for post-partum patients and newborns; Wuhan Modern Hospital has completed the renovation and reconstruction of inpatient rooms; Guiyang Modern Woman Hospital has completed interior renovation and reinstallation of water and electrical works during 2016. In the beginning of 2017, Guiyang HarMoniCare Hospital has completed the construction of its post-natal care center and the VIP obstetrics inpatient rooms of Chongqing Modern Woman Hospital have completed upgrading works. These renovation and reconstruction works will lay a good foundation for the future development of our Group. Meanwhile, in terms of information technology construction, we have actively advanced the construction of our information technology system in accordance with our plan upon listing and continuously improved "HarMoniCare Cloud" information management system to achieve mobile office management.

In the beginning of 2016, the Company devoted more resources on investment and merger by assigning professional staff to establish an investment and merger panel. In May 2016, the Group invested in an associate, Harmonicare International Medical Group Limited (美泰國際醫療集團有限公司), with two international partners to set up an international platform for ancillary reproductive treatment. In September 2016, the Group and two partners jointly funded the establishment of Beijing Kaibeimu Health Management Co., Ltd. (北京凱貝姆健康管理有限公司) ("Kaibeimu") which focuses on post-natal care services. In November 2016, Taikang Insurance Group Inc. became our second largest shareholder. In December 2016, the Group completed the acquisition of 95% equity interests in Heilongjiang HarMoniCare Hospital, whilst the establishment of a new cooperated hospital in Wuxi, namely Wuxi HarMoniCare Obstetrics and Gynecology Hospital Co., Ltd. (無錫和美婦產醫院有限公司) ("Wuxi HarMoniCare Hospital") which we partook through extending a loan convertible into shares, was also progressing steadily. During the Review Period, the Group has attained effective progress on upstream and downstream of the industry chain including mergers and establishment of hospitals, ancillary reproductive services, post-natal care services and mobile internet of things.

裝修改造方面，2016年，北京和美醫院完成產後休養中心的新建，為產婦及新生兒提供全面的康復護理服務；武漢現代醫院完成病房的翻新和改造；貴陽現代女子醫院完成室內裝飾翻新及水電翻新工程。2017年初，貴陽和美醫院產後休養中心的新建工程及重慶現代女子醫院VIP產科住院部的升級改造工程也已竣工，這些裝修、改造工程為集團未來的發展打下了良好基礎。與此同時，在信息建設方面，我們按照上市規劃，積極推動集團信息化體系建設，持續完善「和美雲」信息管理系統，實現移動端的辦公管理。

2016年初，公司加大投資併購力度，抽調專業人員組建了項目發展中心。2016年5月，集團與兩家國際合作方共同出資成立美泰國際醫療集團有限公司，打造輔助生殖國際轉診平台。2016年9月，集團與兩家合作方共同出資成立北京凱貝姆健康管理有限公司（「凱貝姆」），重點開展產後母嬰健康服務。2016年11月，泰康保險集團成為公司第二大股東。2016年12月，集團完成對黑龍江和美婦產醫院95%股權的收購。同時，在無錫合作籌建的新醫院（即無錫和美婦產醫院有限公司（「無錫和美醫院」）），我們透過向其提供可轉股債權參與興建）也在穩步建設中。通過一年的努力，集團在併購及新建醫院、輔助生殖、產後康復及移動物聯網等產業鏈上下游方面均取得了實質性進展。



In November 2016, Beijing HarMoniCare Hospital obtained the JCI certification with a high score of 99.37 and became the first women and children's hospital with JCI certification in Beijing.

2016年11月，北京和美醫院以99.37的高分通過了國際JCI認證，成為北京市首家通過JCI認證的婦兒專科醫院。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### Industry Outlook and the Group's Strategy

#### Industry Outlook

On 29 October 2015, the bulletin of the Fifth Plenary Session of the 18th Communist Party of China Central Committee put emphasis on the policy to “improve the population development strategy by promoting a balanced development of population and upholding the basic state policy of family planning, and implementing the policy of allowing all couples to have two children, actively take action to deal with the aging of population”. On 1 January 2016, with the decision to revise the Population and Family Planning Law of the PRC having come into effect, the universal two-child policy of the PRC was formally implemented. With the opening up of the universal two-child policy, there will be another baby boom from the second pregnancy of the 70's and 80's generations, and the birthrates of urban population will significantly improve. Amidst the implementation of the favorable policy, some women of advanced maternal age, however, are facing many problems when planning their second pregnancy. Meanwhile, the market demands for eugenics and ancillary reproductive services have hiked significantly as the rate of infertility in the PRC has reached a high level.

On the other hand, with the upgrading of household consumption structure driven by the increased per capita income of the PRC in recent years, women are also more mindful of their own well-being. More and more families not only prefer high-end obstetrics and gynecology specialty hospitals for quality medical services, but are also paying more attention to professional healthcare to mothers and infants and medical cosmetic services.

#### The Group's Strategy

In 2017, the Company will continue to strive for further development of the high-end women and childrens' specialty hospital chain, so as to build and foster Harmonicare as a leading brand in the high-end ob-gyn and paediatric healthcare industry. Benefiting from the favorable policy and substantial market potential, in 2017, the Group will focus on the following strategies:

- To speed up the upgrade and reconstruction of existing hospitals, with an aim to transforming the traditional hospital medical care business into a high-end obstetrics and paediatric business; to vigorously promote the preparations for construction of numerous new hospitals, which will provide excellent medical care services by adhering to the JCI standards;

### 行業展望和集團策略

#### 行業展望

2015年10月29日，十八屆五中全會公報明確指出「促進人口均衡發展，堅持計劃生育的基本國策，完善人口發展戰略，全面實施一對夫婦可生育兩個孩子的政策，積極開展應對人口老齡化行動」，2016年1月1日，修正《中華人民共和國人口與計劃生育法》的決定正式施行，我國全面兩孩政策正式落地。隨著全面兩孩政策的放開，70後和80後進入了二次生育的高峰期，城市人口出生率出現明顯提升。一些步入高齡產婦行列的女性，在面對政策帶來的驚喜之餘，卻在二次生育方面面臨諸多問題；同時中國不孕不育率已達到較高水平，市場對於優生優育和輔助生殖服務的需求明顯攀升。

另一方面，近年來我國人均收入水平的提高推動了居民消費結構升級，女性對自身的關愛也日益增長。越來越多的家庭在選擇高端婦兒醫院體驗優質醫療服務的同時，對專業母嬰護理及醫療美容服務的關注也逐步凸顯。

#### 集團策略

2017年，公司將繼續以做大做強高端婦兒專科連鎖醫院為目標，培育和打造和美婦兒健康服務高端領導品牌。面對有利的政策環境和廣闊的市場空間，在2017年，集團將重點採取以下策略：

- 加快現有醫院的升級改造，將傳統業務科室向高端產科和兒科業務轉型。全力推進多家新醫院的籌備工作，新醫院將繼續堅持遵循JCI標準，提供卓越品質的醫療服務；

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

- To dedicate more efforts on investment and merger and acquisition. Industrial synergy will be achieved through conducting various mergers and acquisitions along the industrial chain covering postpartum recovery, medical beauty, ancillary reproductive programs etc., through the foundation built with synergies on existing projects. The construction of new hospitals and mergers and acquisitions have enabled the Group to achieve leap-frog growth in terms of business scope, hospital scale and number of beds, and to offer an integrated service platform for the healthcare of women and children; and
- To put more efforts in recruiting and training talents, and strengthening cooperation and exchanges with medical institutes and medical groups in home country and abroad, and sharing of knowledge within the Group, in a bid to boost improvement in the quality of each hospital's medical care and services; to continue to enhance our management capabilities through further improving informatization, standardization and streamlining of the Group; to consolidate O2O (online to offline and vice versa) quality resources by conducting in-depth collaboration with online healthcare platforms, and explore innovative operational models, so as to provide quality medical services for a more vast base of women and children.
- 進一步加大投資併購力度，在與現有項目陸續開展合作的基礎上，在產後康復、醫療美容、輔助生殖等產業鏈上下游領域進行多項併購，形成產業合力。通過新建及併購使得集團在業務範圍、醫院規模及病床數量等方面實現跨越式發展，打造婦兒健康一體化服務平台；及
- 加強人才的引進和培養力度，強化與國內外醫學院和醫療集團的合作交流及集團內部知識共享，促進各醫院醫療品質和服務品質的不斷提升。進一步提升集團信息化、標準化、流程化水平，持續提升經營管理能力。與互聯網健康服務平台進行深度合作，整合線上線下優勢資源，探索創新業務模式，為更廣泛的婦兒群體提供優質醫療服務。

## FINANCIAL REVIEW

During the Review Period, the Group recorded a revenue of RMB859.70 million, representing a decrease of 5.5% as compared with that of RMB909.36 million in the Corresponding Period. The revenue from the provision of hospital services accounted for 97.0% of the total revenue of the Group in the Review Period, which basically maintained at a stable level as compared with 96.1% for the Corresponding Period. During the Review Period, the Group's total gross profit margin decreased to 48.9% (the Corresponding Period: 50.7%).

The net profit attributable to equity holders of the Company for the Review Period was RMB95.71 million, representing a decrease of 9.9% as compared with that of RMB106.17 million for the Corresponding Period.

### Segment Revenue

We generate revenue primarily from the following two sources: (i) providing inpatient and outpatient healthcare services at our hospitals located in the PRC, including fees for healthcare services, pharmaceuticals and medical devices; and (ii) supplying of pharmaceuticals and medical devices to external customers and related companies by our subsidiary, namely Tai He Tang. The segment revenue generated by transactions between Tai He Tang and our hospitals is recorded as inter-segment revenue and eliminated after consolidation.

## 財務回顧

於回顧期間，本集團錄得收益人民幣8.5970億元，與同期人民幣9.0936億元相比下降5.5%。其中：回顧期間的醫療服務收益佔集團總收益的97.0%，與同期的96.1%相比基本保持穩定。本集團於回顧期間之整體毛利率下降至48.9%（同期：50.7%）。

於回顧期間之本公司權益持有人應佔淨利潤為人民幣9,571萬元，較同期本公司權益持有人應佔淨利潤人民幣10,617萬元相比減少9.9%。

### 分部收益

我們主要透過以下兩個來源產生收益：(i) 我們位於中國的醫院提供住院及門診醫療服務，包括醫療服務、藥品及醫療設施收費；及(ii)由我們的附屬公司太和堂向外部客戶及關聯公司供應藥品及醫療設施。太和堂與我們醫院進行之交易產生的分部收益列作內部收益，並於合併後撇銷。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### Provision of hospital services

The Group has 12 ob-gyn and paediatrics specialty hospitals which mainly provide ob-gyn and paediatric services. The revenue of hospital services primarily includes providing inpatient and outpatient healthcare services at our hospitals located in the PRC, including fees for healthcare services, pharmaceuticals and medical devices. The following table sets forth the revenue, cost of sales and services, gross profit and gross profit margin of the Group's provision of hospital services segment for the periods indicated:

#### 醫院服務

本集團旗下共12家婦兒專科醫院，主要提供婦科、產科及兒科服務。醫院服務收益主要包括於我們中國醫院提供住院及門診醫療服務，包括醫療服務、藥品及醫療設施收費。下表載列本集團醫院服務分部於所示期間的收益、銷售及服務成本、毛利及毛利率：

#### Year ended 31 December 截至12月31日止年度

		2016 (RMB'000) (人民幣千元)	2015 (RMB'000) (人民幣千元)
Revenue	收益	833,828	874,233
Cost of sales and services	銷售及服務成本	426,194	425,254
Gross profit	毛利	407,634	448,979
Gross profit margin	毛利率	48.9%	51.4%

Revenue from the Group's provision of hospital services segment reached RMB833.8 million in the Review Period, accounting for 97.0% of our total revenue and representing a decrease of 4.6% from that of RMB874.2 million for the Corresponding Period. The following table sets forth certain key operational information of the Group for the periods indicated:

於回顧期間，本集團醫院服務分部收益達到人民幣8.338億元，佔集團總收益的97.0%，較同期收益人民幣8.742億元下降4.6%。下表載列所示期間本集團的若干主要營運數據：

#### Year ended 31 December<sup>1</sup> 截至12月31日止年度<sup>1</sup>

		2016	2015
Outpatient visits	門診服務(人次)	585,591	601,723
Inpatient visits	住院服務(人次)	23,368	25,668
Average spending per visit (RMB) <sup>2</sup>	每次診症平均收費(人民幣元) <sup>2</sup>	1,369.3	1,393.4
Number of registered beds at the end of each period	各期終登記病床數目	942	842
Number of beds in operation at the end of each period	各期終營運病床數目	649	561
Number of employees at the end of each period	各期終僱員數目	3,241	3,113
Number of employee physicians at the end of each period <sup>3</sup>	各期終醫院醫師數目 <sup>3</sup>	261	255
Number of contract physicians at the end of each period <sup>4</sup>	各期終合同醫師數目 <sup>4</sup>	249	224

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

## Notes:

- As Heilongjiang HarMoniCare Hospital was not consolidated into the Group until 31 December 2016, the data on outpatient visits, inpatient visits and average spending per visit (RMB) only included the 11 hospitals of the Group excluding Heilongjiang HarMoniCare Hospital, while the figures as at the end of the period was the summation of the 12 hospitals of the Group.
- Average spending per visit is calculated by dividing our hospital services revenue by total patient visits.
- Employee physicians refer to the physicians who only practice at one of our hospitals as our employees and entered into employment contracts with us.
- Contract physicians refer to the physicians who are employees or retirees of other third-party hospitals. They practice at one of our hospitals full-time or part-time on a contractual basis. We entered into service contracts instead of employment contracts with them.

During the Review Period, the number of outpatient visits at our hospitals was 585,591, representing a decrease of 2.7% as compared with that of 601,723 for the Corresponding Period, due to the adverse effect of the "Wei Zexi Incident" on our gynecology business. Our inpatient visits reached 23,368 during the Review Period, representing a decrease of 9.0% as compared with that of 25,668 for the Corresponding Period. The following table sets forth the revenue and gross profit as well as certain key operational information of our five largest hospitals by revenue for the periods indicated:

## 附註：

- 由於黑龍江和美婦產醫院於2016年12月31日納入集團合併範圍，故門診服務(人次)、住院服務(人次)及每次診症平均收費(人民幣元)三項數據計算時只包含除黑龍江和美婦產醫院以外的其他11家醫院，各期終數據均包含集團所屬12家醫院。
- 每次診症平均收費按醫院服務收益除以來訪病人總數計得。
- 醫院醫師是指身為我們僱員且僅於我們其中一家醫院執業的醫師，我們與該等醫師訂立僱傭合同。
- 合同醫師是指其他第三方醫院的僱員或退休人士，以合同形式在我們其中一家醫院提供全職或兼職服務，我們與該等醫師訂立服務合約而非僱傭合同。

於回顧期間，因婦科業務受到「魏則西事件」的影響，集團所屬醫院門診人次為585,591次，較同期的601,723下降2.7%；於回顧期間住院人次達到23,368人次，較同期的25,668人次下降9.0%。下表載列所示期間我們以收益計算的前五大醫院的收益、毛利及若干主要營運數據：

Year ended 31 December  
截至12月31日止年度

Name of the hospital 醫院	Revenue 收益		Gross Profit 毛利		Outpatient visits 門診人次		Inpatient visits 住院人次		Average spending <sup>1</sup> 均次收費 <sup>1</sup>	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	visits 人次	visits 人次	visits 人次	visits 人次	RMB 人民幣	RMB 人民幣
Beijing HarMoniCare Hospital 北京和美醫院	209,264	153,650	112,682	73,034	86,560	63,648	3,213	2,043	2,331	2,339
Chongqing Modern Woman Hospital 重慶現代女子醫院	101,933	135,222	49,904	71,074	78,868	99,972	3,937	5,078	1,231	1,287
Shenzhen HarMoniCare Hospital 深圳和美醫院	98,442	97,360	46,589	48,212	38,587	37,169	1,399	1,271	2,462	2,533
Fuzhou Modern Woman Hospital 福州現代婦產醫院	87,866	79,320	46,225	42,667	90,472	67,107	2,906	2,753	941	1,135
Guangzhou Woman Hospital 廣州女子醫院	87,650	110,673	44,508	62,960	80,106	76,005	3,691	4,683	1,046	1,372

## Note:

- Average spending per visit is calculated by dividing our hospital services revenue by total patient visits.

## 附註：

- 每次診症平均收費按醫院服務收益除以來訪病人總數計得。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### Supply of pharmaceuticals and medical devices

The Group's revenue from the supply of pharmaceuticals and medical devices was primarily derived from the sales of pharmaceuticals and medical devices to our related companies and external customers. During the Review Period, the Group's revenue from the supply of pharmaceuticals and medical devices was RMB25.87 million (the Corresponding Period: RMB35.13 million). Revenue from this business segment accounted for 3.0% of our total revenue for the Review Period, which was insignificant to our total revenue.

### Gross Profit

During the Review Period, the Group's total gross profit amounted to RMB419.99 million, representing a decrease of 8.9% as compared with that of RMB460.81 million for the Corresponding Period. During the Review Period, the total gross profit margin decreased to 48.9% (the Corresponding Period: 50.7%), which was primarily due to the decrease in revenue while the cost remained stable.

### Other Income

During the Review Period, other income increased to RMB18.34 million (mainly consisting of interest income from bank deposits of RMB15.37 million, interest income from certificates of deposit of RMB628,000, and government grants of RMB723,000), representing an increase of RMB5.25 million as compared with that of RMB13.09 million for the Corresponding Period, primarily attributable to the increase in interest income from bank deposits.

### Other Gains and Losses

During the Review Period, other gains amounted to RMB27.26 million (mainly consisting of foreign exchange gains of RMB22.18 million and gains arising from bank products of RMB5.77 million), representing an increase of RMB4.78 million as compared with other gains of RMB22.48 million for the Corresponding Period, primarily due to the increase in gain of RMB5.02 million in 2016 arising from bank products placed by the Group for which the Group has received the entire principal and interest gain during the Review Period.

### Selling and Distribution Expenses

During the Review Period, selling and distribution expenses decreased by 1.5% from RMB218.17 million in the Corresponding Period to RMB214.93 million, primarily due to the reduction in advertising and promotion expenses of RMB5.94 million in 2016.

### 供應藥品及醫療設施

本集團供應藥品及醫療設施的收益主要來自向我們的關聯公司及外部客戶銷售藥品及醫療設施。於回顧期間，本集團供應藥品及醫療設施的收益為人民幣2,587萬元(同期：人民幣3,513萬元)。於回顧期間，此業務分部收益佔我們總收益的3.0%，對整體收益影響不大。

### 毛利

於回顧期間，本集團的總毛利達到人民幣41,999萬元，與同期的人民幣46,081萬元減少8.9%。於回顧期間，總毛利率減至48.9%(同期：50.7%)，主要是由於收入下降，而成本保持穩定所致。

### 其他收入

於回顧期間，其他收入增加至人民幣1,834萬元(主要包括銀行利息收入人民幣1,537萬元，存款證利息收入人民幣62.80萬元，及政府補助人民幣72.30萬元)，較同期的人民幣1,309萬元增加人民幣525萬元，主要由於銀行存款的利息收入增加所致。

### 其他收益及虧損

於回顧期間，其他收益為人民幣2,726萬元(主要包括：匯兌收益人民幣2,218萬元，從銀行產品中獲得的收益人民幣577萬元)，而同期的其他收益為人民幣2,248萬元增加人民幣478萬元，主要是由於2016年集團的銀行產品中增加人民幣502萬元的收益，而集團已經在回顧期間獲得所有本金和利息收益。

### 銷售及分銷費用

於回顧期間，銷售及分銷費用為人民幣2.1493億元，較同期的人民幣2.1817億元減少了1.5%，主要由於2016年縮減了廣告宣傳費人民幣594萬元所致。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### Administrative Expenses

During the Review Period, the Group's administrative expenses amounted to RMB123.18 million, representing an increase of RMB13.57 million as compared with that of RMB109.61 million for the Corresponding Period. The increase was mainly due to the increases in (i) consulting services fees of RMB6.09 million; and (ii) staff remuneration and welfare and travelling expenses of RMB11.84 million in aggregate in 2016 as compared with that of the Corresponding Period.

#### Other Expenses

During the Review Period, other expenses amounted to RMB2.77 million, representing a decrease of RMB23.86 million or 89.6% as compared with that of the Corresponding Period. The decrease was mainly due to the fact that no listing expenses, which were incurred in 2015, were incurred in 2016.

#### Income Tax Expense

The income tax expense decreased by RMB4.95 million from RMB31.57 million in the Corresponding Period to RMB26.62 million during the Review Period, mainly due to the offset of the increase in the current income tax expense of RMB4.23 million by the decrease in the deferred income tax expense of RMB9.64 million.

#### Net Profit

During the Review Period, net profit attributable to equity holders of the Company was RMB95.71 million, representing a decrease of 9.9% from RMB106.17 million for the Corresponding Period.

## FINANCIAL POSITION

#### Inventories

As at 31 December 2016, the balance of inventories increased by RMB2.33 million to RMB24.58 million (2015: RMB22.25 million), primarily due to the increase in pharmaceuticals inventories in certain hospitals and the increase in finished goods in Tai He Tang.

#### Trade Receivables

As at 31 December 2016, the balance of trade receivables decreased by RMB9.00 million from that of the Corresponding Period to RMB29.09 million (2015: RMB38.09 million), primarily due to the recovery of trade receivables of RMB10.00 million from the sales of pharmaceuticals and medical devices by Tai He Tang.

#### 行政開支

於回顧期間，本集團產生的行政開支為人民幣12,318萬元，較同期的人民幣10,961萬元增加了人民幣1,357萬元，主要由於2016年較同期增加(i)諮詢服務費人民幣609萬元，和(ii)員工薪酬、福利及差旅費合共人民幣1,184萬元共同所致。

#### 其他費用

於回顧期間，其他費用合共為人民幣277萬元，同期對比減少人民幣2,386萬元，下降89.6%，主要由於2015年產生了上市費用，2016年未產生上市費用所致。

#### 所得稅費用

於回顧期間，所得稅費用為人民幣2,662萬元，較同期的人民幣3,157萬元減少人民幣495萬元，主要由於當期所得稅費用增加之人民幣423萬元由遞延所得稅費用減少人民幣964萬元所抵銷。

#### 淨利潤

於回顧期間，本公司權益持有人應佔淨利潤為人民幣9,571萬元，與同期的人民幣10,617萬元相比下降9.9%。

## 財務狀況

#### 存貨

於2016年12月31日，存貨結餘增加至人民幣2,458萬元(2015年：人民幣2,225萬元)，增加人民幣233萬元，主要由於醫院增加藥品庫存及太和堂增加了庫存商品所致。

#### 貿易應收款項

於2016年12月31日，貿易應收款項結餘下降至人民幣2,909萬元，較同期減少了人民幣900萬元(2015年：人民幣3,809萬元)。主要由於太和堂收回了藥品及醫療設施銷售貨款人民幣1,000萬元所致。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### Trade Payables

As at 31 December 2016, the balance of trade payables decreased by RMB11.94 million, or 41.9%, to RMB16.55 million (2015: RMB28.49 million), mainly attributable to a decrease of RMB13.43 million in trade payables by Tai He Tang.

#### Other Payables and Accruals

As at 31 December 2016, the balance of other payables and accruals of the Group was RMB141.30 million, which primarily included advances from patients of RMB95.44 million and staff cost payables of RMB29.11 million, while as at 31 December 2015, the balance of other payables of the Group was RMB134.25 million, which primarily included advances from patients of RMB95.95 million and staff cost payables of RMB28.87 million.

#### Net Current Assets Position

As at 31 December 2016, the Group's net current assets were RMB932.76 million (2015: RMB1,141.23 million), which was mainly due to the decrease in certificates of deposit of RMB320.98 million combined with the increase in time deposits of RMB115.00 million in 2016.

## LIQUIDITY AND CAPITAL RESOURCES

The following sets forth the information in relation to our Group's consolidated statement of cash flows during the periods indicated:

#### 貿易應付款項

於2016年12月31日，貿易應付款項結餘為人民幣1,655萬元(2015年：人民幣2,849萬元)，貿易應付款項減少人民幣1,194萬元，減少41.9%，主要由於太和堂貿易應付款項減少人民幣1,343萬元。

#### 其他應付款及應計費用

於2016年12月31日，本集團的其他應付款項及應計費用餘額為人民幣1.4130億元(主要包括：預收賬款人民幣9,544萬元；應付職工薪酬人民幣2,911萬元)，2015年12月31日本集團的其他應付款項餘額為人民幣1.3425億元(主要包括：預收賬款人民幣9,595萬元，應付職工薪酬人民幣2,887萬元)。

#### 流動資產淨額狀況

於2016年12月31日，本集團的流動資產淨額為人民幣9.3276億元(2015年：人民幣11.4123億元)。主要是由於2016年存款證減少人民幣3.2098億元，同時銀行定期存款增加人民幣1.15億元共同所致。

#### 流動性及資金來源

以下載列有關本集團於列示期間的綜合現金流量報表的數據：

		Year ended 31 December 截至12月31日止年度	
		2016 (RMB'000) (人民幣千元)	2015 (RMB'000) (人民幣千元)
Net cash generated from operating activities	經營活動所得現金淨額	105,892	125,394
Net cash generated from (used in) investing activities	投資活動所得(所用)現金淨額	93,587	(407,248)
Net cash (used in) generated from financing activities	融資活動(所用)所得現金淨額	(168,135)	1,096,767
Net increase in cash and cash equivalents	現金及現金等價物淨額增加	31,344	814,913

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### Net Cash Generated from Operating Activities

During the Review Period, the net cash generated from operating activities was RMB105.89 million, primarily attributable to (i) profit before taxation of RMB123.89 million, as adjusted to reflect non-cash items, which principally included depreciation of property, plant and equipment of RMB39.47 million and foreign exchange gains of RMB22.18 million as well as interest income of bank and certificates of deposits of RMB16.00 million; (ii) an increase of RMB8.34 million resulting from the decrease of trade receivables; (iii) an increase of RMB3.73 million resulting from the decrease of prepayments, deposits and other receivables; (iv) a decrease of RMB12.79 million resulting from the decrease of trade payables, a decrease of RMB5.84 million resulting from the decrease in other payables and accruals; (v) interest received on bank deposits in an amount of RMB15.56 million; and (vi) income tax paid of RMB28.64 million in 2016.

#### Net Cash Generated from Investing Activities

During the Review Period, the net cash generated from investing activities was RMB93.59 million, primarily attributable to the (i) net cash generated from purchase, redemption and relevant interest income of certificates of deposit in an amount of RMB325.50 million; (ii) placement of time deposits of RMB115.00 million; (iii) the purchase of property, plant and equipment and intangible assets of approximately RMB50.31 million (mainly consisting of (a) purchase of fixed assets, including medical equipment, renovation of some of our hospitals and Tai He Tang etc., of approximately RMB46.29 million; and (b) purchase of software of approximately RMB4.02 million); (iv) the loans convertible into shares extended to Wuxi HarMoniCare Hospital of approximately RMB48.00 million; (v) due diligence fee and borrowings and loans amounting to RMB18.00 million which included the deposit of RMB9.00 million paid for conducting due diligence in respect of a proposed acquisition by the Group, advance to a third party and an associate, Kaibeimu, of RMB5.00 million and RMB4.00 million respectively; (vi) advance to Heilongjiang HarMoniCare Hospital amounting to RMB11.00 million; and (vii) investment in the establishment of Kaibeimu and Harmonicare International Medical Group Limited in a total amount of RMB8.22 million. For details in respect of the loans convertible into shares extended to Wuxi HarMoniCare Hospital, please refer to the Company's announcement dated 11 October 2016 published on the respective websites of the HKEx and the Company.

#### 經營活動所得現金淨額

於回顧期間，經營活動所得現金淨額為人民幣10,589萬元。主要是由於(i)除稅前利潤人民幣12,389萬元，經調整以反映非現金項目，主要包括物業、廠房及設備折舊人民幣3,947萬元，及匯兌收益人民幣2,218萬元，銀行及存款證利息收入人民幣1,600萬元；(ii)貿易應收款項的減少致使增加人民幣834萬元；(iii)預付賬款、按金及其他應收款項的減少致使增加人民幣373萬元；(iv)同時，因貿易應付款項的減少導致減少人民幣1,279萬元，因其他應付款項及應計費用的減少導致減少人民幣584萬元；(v)銀行存款所收利息人民幣1,556萬元；及(vi)2016年已付所得稅人民幣2,864萬元。

#### 投資活動所得現金淨額

於回顧期間，投資活動所得現金淨額為人民幣9,359萬元，主要歸因於(i)購買、贖回存款證及其利息收入所得現金淨額人民幣3.2550億元；(ii)存放銀行定期存款人民幣1.15億元；(iii)購買物業、廠房及設備和無形資產約人民幣5,031萬元(主要包括(a)購買固定資產，包括醫療設備，部分醫院及太和堂裝修改造等支出約人民幣4,629萬元；及(b)購買軟件系統支出約人民幣402萬元)；(iv)提供給無錫和美醫院的可轉股債權約人民幣4,800萬元；(v)盡職調查及資金拆借支出共計人民幣1,800萬元(主要包括集團為擬計劃的收購進行盡職調查所支付的保證金為人民幣900萬元，借予第三方人民幣500萬元，借予聯營公司凱貝姆人民幣400萬元)；(vi)向黑龍江和美婦產醫院支付往來款項人民幣1,100萬元；及(vii)投資成立凱貝姆和美泰國際醫療集團有限公司共計人民幣822萬元。有關提供給無錫和美醫院的可轉股債權之詳情，請參閱本公司於香港交易所及本公司網站刊發之日期為2016年10月11日之公告。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### Net Cash Used in Financing Activities

During the Review Period, net cash used in financing activities was RMB168.14 million, which was primarily attributable to (i) the repurchase of shares amounting to RMB50.64 million in total; (ii) the repayment to Bosheng Medical which is a connected party in a total amount of RMB45.00 million in respect of an interest-free loan extended to Heilongjiang HarMoniCare Hospital; (iii) the distribution of the dividend for FY2015 amounting to approximately RMB43.70 million; and (iv) the acquisition of the minority interests in Fuzhou Modern Woman Hospital amounting to RMB28.80 million.

### Significant Investments, Acquisitions and Disposals

During the Review Period, the Group did not have any significant investment save for the acquisition of Heilongjiang HarMoniCare Hospital in December 2016. For details, please refer to the Company's announcement published on 21 December 2016 on the respective websites of the HKEx and the Company.

During the Review Period, the Group had no material disposals.

### Capital Expenditures

Our capital expenditures principally consist of expenditures for purchase of medical devices and equipment by the Group's hospitals, renovation and improvement of these hospitals and offices and upgrading and improvement of the Group's information technology system. The amount of capital expenditures of the Group was approximately RMB50.31 million for the Review Period, representing a decrease of RMB44.75 million as compared with that of the Corresponding Period. During the Review Period, our capital expenditures principally included: (i) purchase of fixed assets, including medical equipment, the renovation of some of our hospitals and Tai He Tang etc., of approximately RMB46.29 million; and (ii) purchase of software system of approximately RMB4.02 million.

### 融資活動所用現金淨額

於回顧期間，融資活動所用現金淨額為人民幣16,814萬元，主要歸因於(i)進行股票回購共計人民幣5,064萬元；(ii)黑龍江和美婦產醫院歸還給關連方博生醫療無息借款共計人民幣4,500萬元；(iii)發放2015年股利約人民幣4,370萬元；及(iv)收購福州現代婦產醫院小股東股權計人民幣2,880萬元。

### 重大投資、收購和出售

於回顧期間，本集團並無任何重大投資，本集團於2016年12月收購黑龍江和美婦產醫院除外。有關詳情請參閱本公司於香港交易所及本公司網站刊發之日期為2016年12月21日之公告。

於回顧期間，本集團並無任何重大出售。

### 資本開支

本集團的資本開支主要包括各下屬醫院購買醫療器械設備，下屬醫院及辦公場所進行裝修改造，以及集團對信息科技系統進行升級和改良。本集團於回顧期間的資本開支額約為人民幣5,031萬元，較同期減少人民幣4,475萬元。於回顧期間，資本開支主要包括：(i)購買固定資產，包括醫療設備，部分醫院及太和堂裝修改造等支出約人民幣4,629萬元；及(ii)購買軟件系統支出約人民幣402萬元。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### Use of Proceeds from the Global Offering

The net proceeds the Company obtained from the issuance of new Shares through Global Offering are approximately RMB1,127 million (equivalent to approximately HK\$1,427 million upon listing) after excluding the underwriting fees and relevant expenses, and as at 31 December 2016, the unutilized balance of net proceeds of RMB1,016.9 million were deposited in the bank account of the Group.

The net proceeds from the Global Offering (subject to pro rata adjustment according to the actual net proceeds) have been and will be utilized in accordance with the intended uses as disclosed in the Prospectus of the Company. The table below sets out the intended uses and actual application of the net proceeds as at 31 December 2016:

#### 全球發售所得款項用途

本公司在全球發售中發行新股份之所得款項淨額(經扣除包銷費用及相關開支後)約為人民幣11.27億元(於上市時候相當於約14.27億港元)。而於2016年12月31日未動用所得款項淨額結餘人民幣10.169億元乃存於本集團的銀行賬戶。

全球發售所得款項淨額(根據實際所得款項淨額按比例調整)經已及將會根據本公司的招股章程所披露的計劃用途運用。下表載列所得款項淨額的計劃使用及截至2016年12月31日止的實際使用：

Use of Proceeds	所得款項用途	Amount of intended uses (RMB Million) (人民幣百萬元)	Approximate percentage of the total net proceeds	Amount of actual uses as at 31 December 2016	Unutilized net proceeds as at 31 December 2016
			佔所得款項總淨額概約百分比 (%)	截至2016年12月31日止的實際使用金額 (RMB Million) (人民幣百萬元)	於2016年12月31日未動用的所得款項淨額 (RMB Million) (人民幣百萬元)
Establishing new hospitals in Beijing, Xiamen, Nanjing, Hangzhou and Chongqing	用於北京、廈門、南京、杭州及重慶開設新醫院	676.2	60	—	676.2
Upgrading the facilities of the existing hospitals and purchasing additional equipment	用作現有醫院的設施升級及增購設備	112.7	10	74.8	37.9
Upgrading and improving the information technology system	用作信息科技系統的升級及改良	56.3	5	2.1	54.2
Acquiring new hospitals	用作收購新醫院	169.1	15	—	169.1
Working capital and other general corporate uses	用作營運資金及其他一般企業用途	112.7	10	33.2	79.5
<b>Total</b>	<b>總計</b>	<b>1,127.0</b>	<b>100</b>	<b>110.1</b>	<b>1,016.9</b>



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### INDEBTEDNESS

#### Borrowings

As at 31 December 2016, the Group had no significant borrowings (2015: Nil).

#### Contingent Liabilities

As at 31 December 2016, the Group had a few medical disputes arising in the ordinary and usual course of business. Based on the existing pending claims and potential claims as at 31 December 2016, an estimated amount of RMB1.05 million was recognised as provision for medical dispute claims as of 31 December 2016 (2015: RMB0.82 million). The increase of 28.1% in contingent liabilities was primarily due to an increase of RMB0.23 million for damage claims in respect of medical disputes involving the Group during the Review Period.

#### Exposure to Fluctuation in Exchange Rates

The Group is not exposed to significant foreign exchange risks. There is no derivative contract to hedge against our exposure to currency risk as at 31 December 2016.

### 債務

#### 借款

於2016年12月31日，本集團概無任何重大借款(2015年：無)。

#### 或然負債

於2016年12月31日，本集團在一般及日常業務營運中發生少許糾紛，根據截至2016年12月31日未決的現有及潛在的索賠情況，截至2016年12月31日醫療糾紛撥備暫估為人民幣105萬元(2015年：人民幣82萬元)。或然負債增加28.1%，主要由於回顧期間我們新增了醫療糾紛賠償約計人民幣23萬元。

#### 匯率波動風險

本集團並無面臨重大外匯風險。於2016年12月31日，本集團不存在用於對沖貨幣風險的衍生合約。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

### Interest Rate Risk

The Group currently does not have a specific policy to manage our interest rate risk and has not entered into interest rate swaps to prevent the exposure, but will closely monitor the interest rate risk exposure in the future.

### Pledge of Assets

As at 31 December 2016, there was no charge on the assets of the Group (2015: Nil).

### Capital Commitments

As at 31 December 2016, the Group had contractual obligations of approximately RMB1.64 million, representing a decrease of RMB15.83 million as compared to that of approximately RMB17.47 million as at 31 December 2015. Such decrease was mainly due to the fact that most of the upgrade and improvement works of the hospitals have been completed in 2016.

The Group has committed to investments of RMB20.60 million (2015: Nil) as at 31 December 2016.

### Financial Instruments

The Group's major financial instruments include loan receivables, trade receivables, other receivables, amounts due from related parties, financial assets designated as at fair value through profit or loss, certificates of deposit, time deposits, cash and cash equivalents, trade payables, other payables and amounts due to a related party. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### Gearing Ratio

As at 31 December 2016, the Group had no significant interest-bearing liabilities. The Group's gearing ratio was nil as at 31 December 2016 (2015: Nil).

### 利率風險

本集團目前並未制定管理利率風險的具體政策，亦未進行利率互換以避免出現利率風險，但是將會密切監控其今後面臨的利率風險。

### 資產抵押

於2016年12月31日，本公司之資產概無抵押(2015年：零)。

### 資本承諾

於2016年12月31日，本集團的合同義務約為人民幣164萬元，較2015年12月31日的約人民幣1,747萬元減少人民幣1,583萬元，主要由於2016年大部分醫院升級改造完成，合同義務相應減少所致。

於2016年12月31日，本集團有承諾投資款人民幣2,060萬元(2015年：零)。

### 金融工具

本集團的金融工具主要包括應收貸款、貿易應收款項、其他應收款項、應收關聯方款項、指定為按公平值計入損益之金融資產、存款證、定期存款、現金及現金等價物、貿易應付款項、其他應付款項及應付關聯方款項。管理層管理及監察該等風險，以確保及時採取有效措施。

### 槓桿比率

於2016年12月31日，本集團並無任何重大計息負債。本集團於2016年12月31日的槓桿比率為零(2015年：零)。



## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理人員

#### DIRECTORS

##### Executive Directors

**Mr. Lin Yuming (林玉明)**, aged 47, founder of our Group, is the chairman of the Board, an executive Director and the president of our Company, mainly responsible for overall strategic planning and business development of our Group. He is also the chairman of the Nomination Committee. Mr. Lin joined our Group in December 2005. He served as the general manager of Shanxi Modern Woman Hospital from August 2003 to July 2004, and the executive director and general manager of Beijing Modern Woman Hospital Investment Management Co., Ltd. (北京現代女子醫院投資管理有限公司) from July 2004 to March 2012, both mainly responsible for general management and operation of the two hospitals. He established Bosheng Medical and has served as its chairman and president since December 2007, mainly responsible for general management and operation of Bosheng Medical. Mr. Lin has also served as the executive director of some other members of the Group, such as (i) Wuhan Modern Hospital since December 2005, (ii) Guangzhou Woman Hospital since July 2008; (iii) Chongqing Wanzhou HarMoniCare Hospital since March 2009; (iv) Guiyang HarMoniCare Hospital since May 2009; (v) Chongqing Fuling HarMoniCare Hospital since June 2009; (vi) Fuzhou Modern Woman Hospital since January 2010; (vii) Shenzhen HarMoniCare Hospital since July 2010; (viii) Guiyang Modern Woman Hospital since March 2011; (ix) Beijing HarMoniCare Hospital since June 2011; (x) Chongqing Dushi Liren Hospital since August 2013; and (xi) Chongqing Modern Woman Hospital since April 2014. Mr. Lin studied law at Central China Normal University from March 2008 to January 2010 and obtained a bachelor's degree in business management in July 2012 through online education. Mr. Lin is the sole director of Homecare and the brother of Mr. Lin Yuhua and Mr. Lin Yurong, each is our substantial Shareholder. Mr. Lin is also the brother of Mr. Lin Yuguo, our non-executive Director.

**Mr. Fang Zhifeng (方志鋒)**, aged 43, is an executive Director and a vice president of our Company. Mr. Fang joined our Group in December 2005 and served as the general manager of Wuhan Modern Hospital from December 2005 to March 2010, mainly responsible for the operation and management of Wuhan Modern Hospital. Mr. Fang served as the vice president of Bosheng Medical from December 2007 to December 2014, mainly responsible for the management of Wuhan Modern Hospital and Fuzhou Modern Woman Hospital. Mr. Fang has also served as a director and a vice president of HarMoniCare Management and Consulting since September 2014 and January 2015, respectively, mainly responsible for medical and human resource management. Prior to joining our Group, Mr. Fang was a physician at Putian Licheng District Xitianwei Town Clinic Center (莆田市荔城區西天尾鎮衛生院) from August 1995 to October 2002. He also worked for Putian Food and Drug Administration (莆田市食品藥品監督管理局) from August 2002 to October 2005. Mr. Fang studied in clinical medicine at Fujian Medical School (福建醫學院) from September 1992 to July 1995, and obtained a graduation certificate of law from Fujian Normal University in July 2006 through online education. Mr. Fang obtained the qualification of a physician in December 1999.

#### 董事

##### 執行董事

**林玉明先生**，47歲，本集團創始人，擔任本公司董事會主席、執行董事兼總裁，主要負責本集團整體策略規劃及業務發展。彼亦為提名委員會主席。林先生於2005年12月加入本集團。彼於2003年8月至2004年7月擔任山西現代婦產醫院總經理，2004年7月至2012年3月擔任北京現代女子醫院投資管理有限公司執行董事兼總經理，主要負責兩間醫院的綜合管理及營運。彼創立博生醫療並自2007年12月起擔任其主席兼總裁，主要負責博生醫療的綜合管理及營運。林先生亦為本集團若干其他成員公司的執行董事，包括(i)武漢現代醫院(自2005年12月起)；(ii)廣州女子醫院(自2008年7月起)；(iii)重慶萬州和美醫院(自2009年3月起)；(iv)貴陽和美醫院(自2009年5月起)；(v)重慶涪陵和美醫院(自2009年6月起)；(vi)福州現代婦產醫院(自2010年1月起)；(vii)深圳和美醫院(自2010年7月起)；(viii)貴陽現代女子醫院(自2011年3月起)；(ix)北京和美醫院(自2011年6月起)；(x)重慶都市儷人醫院(自2013年8月起)；及(xi)重慶現代女子醫院(自2014年4月起)。林先生於2008年3月至2010年1月就讀於華中師範大學法律專業，並於2012年7月通過在線教育獲得工商管理學士學位。林先生為我們的主要股東Homecare的唯一董事及主要股東林玉華先生及林玉榮先生的胞弟。林先生並為我們的非執行董事林玉國先生的胞兄。

**方志鋒先生**，43歲，本公司執行董事兼副總裁。方先生於2005年12月加入本集團並自該月起至2010年3月擔任武漢現代醫院總經理，主要負責經營及管理武漢現代醫院。方先生自2007年12月至2014年12月一直擔任博生醫療副總裁，主要負責管理武漢現代醫院及福州現代婦產醫院。方先生亦自2014年9月及2015年1月起分別擔任和美管理諮詢的董事及副總裁，主要負責醫療及人力資源管理。加入本集團前，方先生曾於1995年8月至2002年10月擔任莆田市荔城區西天尾鎮衛生院的執業醫師，亦曾於2002年8月至2005年10月於莆田市食品藥品監督管理局工作。方先生自1992年9月至1995年7月在福建醫學院研究臨床醫學，通過在線教育於2006年7月獲得福建師範大學法學專業畢業證書。方先生於1999年12月獲得執業醫師資格。

## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員(續)

**Mr. Zhao Xingli (趙興力)**, aged 43, is an executive Director and a vice president of our Company. He is also a member of the Remuneration Committee. Mr. Zhao joined our Group in July 2008, and served as the general manager of Guangzhou Woman Hospital from July 2008 to June 2010 and Shenzhen HarMoniCare Hospital from January 2009 to March 2010, mainly responsible for the general management of these two hospitals. Mr. Zhao served as a vice president of Bosheng Medical from April 2010 to December 2014, mainly responsible for the management of Beijing HarMoniCare Hospital and Shenzhen HarMoniCare Hospital, and the general manager of Beijing HarMoniCare Hospital from June 2011 to February 2015, mainly responsible for the management of Beijing HarMoniCare Hospital. Mr. Zhao has served as a director and a vice president of HarMoniCare Management and Consulting since July 2014 and January 2015, respectively, mainly responsible for investment and information technology development. Prior to joining our Group, Mr. Zhao served as the assistant to the chairman of Shanxi Modern Woman Hospital from August 2003 to July 2004, mainly responsible for assisting the chairman in managing Shanxi Modern Woman Hospital. He served as the assistant to the general manager of Beijing Modern Woman Hospital Investment Management Co., Ltd. (北京現代女子醫院投資管理有限公司) from August 2004 to December 2005, mainly responsible for the general management of the hospital. Mr. Zhao studied public relations at Taiyuan University (太原大學) from September 1993 to July 1996 and obtained a certificate of completion in modern hospital management from the School of Continuing Education, Tsinghua University in September 2010.

### Non-executive Directors

**Mr. Lin Yuguo (林玉國)**, aged 44, is the brother of Mr. Lin Yuming and a non-executive Director. He is also a member of the Remuneration Committee. Mr. Lin joined our Group in July 2014 and has served as a director of HarMoniCare Management and Consulting since July 2014. He also serves as a director of Honeycare International Investment Limited, our substantial Shareholder. Mr. Lin is the organizer of Changsha Liren Obstetrics and Gynecology Hospital (長沙麗人婦產醫院) since March 2007. Mr. Lin has served as a director of Bosheng Medical since December 2007. He has also served as the chairman of the board of Shanghai Mayo Hospital Investment Co., Ltd. (上海美奧醫院投資管理有限公司) since August 2008, mainly responsible for the general management of the company. Mr. Lin obtained a certificate of completion in modern hospital management from PKU-HKUST ShenZhen-HongKong Institution in May 2006. Mr. Lin also obtained an executive master of business administration degree from Fudan University in January 2010.

**趙興力先生**，43歲，本公司執行董事兼副總裁。彼亦為薪酬委員會成員。趙先生於2008年7月加入本集團，先後於2008年7月至2010年6月及2009年1月至2010年3月擔任廣州女子醫院及深圳和美醫院的總經理，主要負責該兩間醫院的綜合管理。趙先生由2010年4月至2014年12月擔任博生醫療副總裁，主要負責管理北京和美醫院及深圳和美醫院，由2011年6月至2015年2月擔任北京和美醫院總經理，主要負責管理北京和美醫院。趙先生自2014年7月及2015年1月起分別擔任和美管理諮詢的董事及副總裁，主要負責投資及資訊科技發展。加入本集團前，趙先生於2003年8月至2004年7月擔任山西現代婦產醫院主席助理，主要協助主席管理山西現代婦產醫院。趙先生亦自2004年8月至2005年12月擔任北京現代女子醫院投資管理有限公司總經理助理，主要負責該醫院的綜合管理。趙先生自1993年9月至1996年7月在太原大學研究公共關係，於2010年9月獲得清華大學繼續教育學院現代醫院管理結業證書。

### 非執行董事

**林玉國先生**，44歲，林玉明先生的胞弟，為非執行董事。彼亦為薪酬委員會成員。林先生於2014年7月加入本集團，並自2014年7月起擔任和美管理諮詢的董事。彼亦為我們的主要股東Honeycare International Investment Limited的董事。林先生自2007年3月起為長沙麗人婦產醫院的舉辦者。林先生自2007年12月起擔任博生醫療董事。彼自2008年8月起同時擔任上海美奧醫院投資管理有限公司的董事長，主要負責公司的綜合管理。林先生分別於2006年5月及2010年1月獲得北京大學香港科技大學深圳研修院現代醫院管理結業證書及復旦大學高級工商管理碩士學位。



## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員(續)

**Mr. Qiu Jianwei (邱建偉)**, aged 40, is a non-executive Director and a member of the Audit Committee. Mr. Qiu had been the assistant general manager of the Direct Investment Department of Taikang Asset Management Company Limited and the investment director of Taikang Community Investment Company Limited (“Taikang Community”) since he joined Taikang Life Insurance Company Limited (“Taikang”) in 2002, mainly responsible for investment projects for acquisitions of commercial real estate, high-end elderly communities and tertiary hospitals in the first and second tier cities in China such as Beijing, Shanghai, Guangzhou, Sanya, Suzhou, Nanjing, Chengdu, Wuhan and Hangzhou. Mr. Qiu has been the vice president and general manager of the Investment Centre as well as the general manager of the Office Business Department of Taikang Community since March 2010. He is responsible for the countrywide investment management of the medical, elderly and commercial real estate business sectors of Taikang including formulating investment strategies and the execution thereof. He is in charge of the high-end elderly community plan in the eight core cities, and the investment acquisition of tertiary hospitals. He is also fully in charge of the investment, development and operation in commercial real estate and self-used property, and the new plan of office project in the core business zones in Beijing and Shanghai. Mr. Qiu was graduated in Beijing Normal University and obtained his bachelor’s degree in international economics. He is also a postgraduate of Finance of the Research Institute of The People’s Bank of China. Mr. Qiu holds the Certification of Fund Professional of Asset Management Association of China and has become a member representative of Shanghai Insurance Exchange since 5 December 2016.

**Mr. Xu Jun (徐軍)**, aged 48, is a non-executive Director and a member of the Nomination Committee. Mr. Xu is the managing director/person-in-charge of Equity Investment (Division II) of Taikang Asset Management Company Limited since April 2016 and is responsible for strategic equity investment. He has been appointed as a director of Sichuan He Fu Yi Yi Group Company Limited (四川和福醫頤集團股份有限公司) since September 2016. Mr. Xu was a senior analyst of Exis Consulting Company in New York, United States of America from February 1995 to March 1997 responsible for the analysis of bonds in emerging markets; director of Bank Paribas in New York, United States of America from April 1997 to May 2002 responsible for bonds and foreign exchange business; deputy general manager of First-Trust Fund Management in Shanghai from October 2002 to May 2004 responsible for investment research; general manager of China Region of Principal Financial Group from June 2004 to October 2005 responsible for the group’s business in China; deputy general manager of the headquarters of CCB Principal Asset Management, Beijing from November 2005 to January 2010 responsible for financial engineering and risk management etc.; and general manager of China Region of Ashmore Investment Management Company from February 2010 to April 2016 responsible for the group’s business in China. Mr. Xu was graduated in Shanghai Jiao Tong University and obtained his bachelor’s degree in Applied Physics. He obtained his doctorate degree in Physics from Columbia University.

**邱建偉先生**，40歲，本公司非執行董事及審核委員會成員。自2002年加入泰康人壽保險股份有限公司(「泰康」)以來歷任泰康資產管理有限公司直接投資部助理總經理和泰康之家投資有限公司(「泰康之家」)投資總監，分別主理北京、上海、廣州、三亞、蘇州、南京、成都、武漢、杭州等全國一、二線核心城市商業不動產、高端養老社區、三級醫院收購等項目的投資工作。邱先生自2010年3月起擔任泰康之家副總裁兼投資中心總經理，亦兼為寫字樓事業部總經理，全面負責泰康醫療、養老及商業不動產業務板塊在全國的投資策略制定、投資執行等投資管理工作。彼主理八大核心城市高端養老社區佈局，以及三級醫院的投資收購工作。彼亦同時全面負責商業不動產、自用物業的投資、開發及運營工作，以及新增佈局北京、上海核心商務區的寫字樓項目。邱先生畢業於北京師範大學取得國際經濟學學士學位，並為中國人民銀行研究生部金融學研究生。邱先生持有中國證券投資基金業協會的基金從業資格證，並於2016年12月5日起為上海保險交易所的會員代表。

**徐軍先生**，48歲，本公司非執行董事及提名委員會成員。徐先生於2016年4月起獲委任為泰康資產管理有限責任公司股權投資二部董事總經理/部門負責人，負責戰略股權投資業務。彼於2016年9月起獲委任為四川和福醫頤集團股份有限公司董事。徐先生於1995年2月至1997年3月為美國紐約Exis顧問公司高級分析師，負責新興市場債券的分析；於1997年4月至2002年5月為美國紐約百利銀行董事，負責債券、外匯等業務；於2002年10月至2004年5月為上海泰信基金副總經理，負責投資研究；於2004年6月至2005年10月為美國信安金融集團中國區總經理，負責集團的中國業務；於2005年11月至2010年1月為北京建信基金總部副總經理，負責金融工程、風險監控等；及於2010年2月至2016年4月為英國安石投資管理公司中國區總經理，負責集團的中國業務。徐先生畢業於上海交通大學取得應用物理學學士學位及於哥倫比亞大學取得物理學博士學位。



## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員(續)

### Independent non-executive Directors

**Mr. Kong Aiguo (孔愛國)**, aged 49, joined our Group in March 2015 and is an independent non-executive Director. He is also the chairman of the Remuneration Committee, and a member of the Audit Committee and the Nomination Committee. Prior to joining our Group, Mr. Kong has successively served as a corporate finance teacher, deputy professor and professor in the School of Management of Fudan University since September 1998, mainly responsible for teaching and research. He has also served as an independent director of Simei Media Co., Ltd. (Stock Code: 002712) since November 2013, an independent director of Oceanwide Holdings Co., Ltd. (Stock Code: 000046) since July 2014, as well as an independent director of Tianjin Xinmao Science & Technology Co., Ltd (Stock Code: 000836) since May 2015, all of which are listed on the Shenzhen Stock Exchange. Mr. Kong obtained a bachelor's degree in science from Jilin University in July 1989, a doctorate's degree in economics from Fudan University in January 1997 and worked as a post doctorate researcher in Mathematics Department of Fudan University from December 1996 to July 1998. Mr. Kong also obtained a certificate of completion in independent director qualification training from the Shanghai Stock Exchange in December 2011.

**Ms. Fang Lan (方嵐)**, aged 46, joined our Group in March 2015 and is an independent non-executive Director. She is also the chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee. Prior to joining our Group, Ms. Fang is the chairman of the board of directors of Shanghai KRDream Co., Ltd. since August 2010, mainly responsible for overall management and operation. Ms. Fang served as the finance director of InBev Management (Shanghai) Co., Ltd. (英博企業管理(上海)有限公司) from June 2007 to June 2010, mainly responsible for finance management. Ms. Fang has also served as an independent director of Zhejiang Hexin Industry Group Co., Ltd. listed on the Shenzhen Stock Exchange (Stock Code: 002343) from May 2014 to August 2015. Ms. Fang obtained a bachelor's degree in science from Oxford Brookes University in 2007. Ms. Fang obtained a Certified Public Accountant (CPA) certificate from the Shanghai Institute of Certified Public Accountants in December 2009, and an Associate of Chartered Certified Accountant (ACCA) certificate from the Association of Chartered Certified Accountants in March 2006. Ms. Fang also obtained a certificate of completion in independent director qualification training from the Shenzhen Stock Exchange in April 2014.

### 獨立非執行董事

**孔愛國先生**，49歲，於2015年3月加入本集團，為獨立非執行董事。彼亦為薪酬委員會主席及審核委員會及提名委員會成員。加入本集團前，孔先生1998年9月起先後擔任復旦大學管理學院財務金融系教師、副教授及教授，主要負責教研工作。彼亦自2013年11月起擔任思美傳媒股份有限公司(證券代碼：002712)獨立董事，自2014年7月起擔任泛海控股股份有限公司(證券代碼：000046)獨立董事，以及自2015年5月起擔任天津鑫茂科技股份有限公司(證券代碼：000836)獨立董事(該等公司均於深圳證券交易所上市)。孔先生於1989年7月獲得吉林大學理學學士學位，於1997年1月獲得復旦大學經濟學博士學位，1996年12月至1998年7月擔任復旦大學數學所博士後研究員。孔先生亦於2011年12月取得上海證券交易所獨立董事資格培訓結業證書。

**方嵐女士**，46歲，於2015年3月加入本集團，為獨立非執行董事。彼亦為審核委員會主席及薪酬委員會及提名委員會成員。加入本集團前，方女士自2010年8月起擔任上海坤睿企業管理諮詢有限公司董事會主席，主要負責整體管理及營運。方女士於2007年6月至2010年6月擔任英博企業管理(上海)有限公司的財務總監，主要負責財務管理。方女士亦於2014年5月至2015年8月擔任深圳證券交易所上市公司浙江禾欣實業集團股份有限公司(證券代碼：002343)獨立董事。方女士於2007年取得牛津布魯克斯大學理學學士學位，2009年12月取得上海註冊會計師協會的註冊會計師證書，2006年3月取得特許公認會計師公會的特許公認會計師證書。方女士亦於2014年4月取得深圳證券交易所獨立董事資格培訓結業證書。



## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員(續)

**Mr. Cai Jiangnan (蔡江南)**, aged 59, joined our Group in March 2015, is an independent non-executive Director. He is also a member of the Audit Committee, the Remuneration Committee and the Nomination Committee. Prior to joining our Group, Mr. Cai assumed various positions including human services program planner, reimbursement analyst, and contract program coordinator at the Center for Health Information and Analysis at Massachusetts from April 1999 to June 2012. Mr. Cai has served as a part-time professor in economics and the director at the Centre for Healthcare Management and Policy of China Europe International Business School (中歐國際工商學院) since April 2012. Mr. Cai has also served as an independent director of Zhejiang Dian Diagnostics Co., Ltd. (listed on the Shenzhen Stock Exchange (Stock Code: 300244)) since May 2014 and an independent non-executive director of Shanghai Pharmaceuticals Holding Co., Ltd. (listed on the Hong Kong Stock Exchange (Stock code: 2607)) since June 2016. Mr. Cai obtained a master's degree in economics from Fudan University in 1985 and a doctorate's degree in philosophy from Brandeis University in February 1997. Mr. Cai also obtained a certificate in training for senior management of public companies from the Shenzhen Stock Exchange in April 2014. Mr. Cai obtained a Sun Yefang Award in economic science paper in 1991 from Sun Yefang Foundation (孫冶方經濟科學基金會), and an Excellent Paper Award in Shanghai Federation of Social Science Associations Seventh Annual Academic Seminar from Shanghai Federation of Social Science Associations (上海市社會科學界聯合會) in 2009.

### SENIOR MANAGEMENT

For the biographical details of Mr. Lin Yuming (林玉明), Mr. Zhao Xingli (趙興力) and Fong Zhifeng (方志鋒), please see "— Directors — Executive Directors".

**Mr. Chen Wei (陳偉)**, aged 38, joined our Group in March 2015 and is a vice president and a joint company secretary of our Company, mainly responsible for management of the securities investment and legal departments of our Company. Mr. Chen served as a project manager at the investment banking department of Huaxi Securities Co., Ltd. (華西證券有限責任公司) from March 2005 to May 2007, mainly responsible for investment banking business. He has also served as a managing director of investment banking of Guosen Securities Co., Ltd. (國信證券股份有限公司) since May 2007 and subsequently tendered his resignation in March 2015. He was mainly responsible for investment banking business and team management. Mr. Chen obtained a bachelor's degree in management from Jilin University (吉林大學) in July 2002 and a master's degree in management from Shanghai University of Finance and Economics (上海財經大學) in March 2005. Mr. Chen obtained a Certified Public Accountant certificate from Shanghai Institute of Certified Public Accountants in December 2009.

**蔡江南先生**，59歲，於2015年3月加入本集團，為獨立非執行董事。彼亦為審核委員會、薪酬委員會及提名委員會成員。加入本集團之前，蔡先生於1999年4月至2012年6月擔任麻塞諸塞州衛生資訊及分析中心(Center for Health Information and Analysis)多個職位，包括人類服務計劃設計者、補償額分析師及合約項目協調人。蔡先生自2012年4月起擔任中歐國際工商學院衛生管理與政策中心經濟系兼職教授兼主任。蔡先生亦自2014年5月起擔任於深圳證券交易所上市的浙江迪安診斷技術股份有限公司(證券代碼：300244)獨立董事及自2016年6月起擔任於香港聯合交易所上市的上海醫藥集團股份有限公司(股份代號：2607)獨立非執行董事。蔡先生於1985年取得復旦大學經濟學碩士學位，於1997年2月取得布蘭迪斯大學哲學博士學位。蔡先生於2014年4月取得深圳證券交易所上市公司高級管理層培訓證書。蔡先生於1991年取得孫冶方經濟科學基金會的孫冶方獎經濟科學論文獎，於2009年取得上海市社會科學界聯合會的上海市社會科學界第七屆學術研討會最佳論文獎。

### 高級管理人員

有關林玉明先生、趙興力先生及方志鋒先生的簡歷，請參閱「—董事—執行董事」。

**陳偉先生**，38歲，2015年3月加入本集團，為本公司的副總裁兼聯席公司秘書，主要負責管理本公司的證券投資與法律部門。陳先生於2005年3月至2007年5月擔任華西證券有限責任公司的投資銀行部門項目經理，主要負責投資銀行業務。彼亦自2007年5月起擔任國信證券股份有限公司的投資銀行董事總經理，其後於2015年3月辭職，彼主要負責投資銀行業務與團隊管理。陳先生於2002年7月獲得吉林大學管理學學士學位，並於2005年3月獲得上海財經大學管理學碩士學位。陳先生於2009年12月取得上海市註冊會計師協會註冊會計師證書。

## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員(續)

**Mr. Chen Longzhen (陳隆禎)**, aged 59, is a chief financial officer of our Company. Mr. Chen joined our Group in March 2015 and has served as the chief financial officer of HarMoniCare Management and Consulting since March 2015, mainly responsible for general finance management of our Group. Mr. Chen served as a vice finance director and vice director in securities investment department of Bosheng Medical from June 2010 to February 2015, mainly responsible for management of finance, securities and investment. Mr. Chen successively served as a finance director of Xiamen Tianwei Industrial Co., Ltd. (廈門天威實業有限公司) from March 2008 to May 2010, and a finance director of Gaode Zhongcai Technology Co., Ltd. (高德中彩科技有限公司) from August 2006 to March 2008, mainly responsible for finance management. Mr. Chen served as a finance director of Shandong Juli Co., Ltd. (山東巨力股份有限公司) (currently known as Weichai Heavy Machinery Co., Ltd. (濰柴重機股份有限公司)) listed on the Shenzhen Stock Exchange (stock code: 000880) from March 2004 to August 2005, mainly responsible for financial management. Mr. Chen successively served as an assistant to general manager and finance director of China Resources Jinhua Co., Ltd. (華潤錦華股份有限公司) (currently known as Skyworth Digital Co., Ltd. (創維數字股份有限公司)) listed on the Shenzhen Stock Exchange (stock code: 000810) from October 2001 to February 2004, mainly responsible for financial management. Mr. Chen also served as finance manager of Shandong Huimin Huarun Textile Co., Ltd. (山東惠民華潤紡織有限公司) from December 1999 to October 2001, mainly responsible for financial management. Mr. Chen obtained an associate degree in industry accountant at Shandong TV University (山東廣播電視大學) in July 1986, and studied economics management at Shandong Cadres Correspondence College (山東幹部函授大學) from July 1994 to June 1997. Mr. Chen also obtained the qualification of senior accountant from Shandong Provincial Human Resources and Social Security Department (山東省人力資源和社會保障廳) in November 1997.

**Mr. Li Wenfeng (李文鳳)**, aged 61, joined our Group in January 2015, is the uncle of Mr. Lin Yuming and a vice president of our Company. Mr. Li has served as a vice president of HarMoniCare Management and Consulting since January 2015, mainly responsible for procurement and internal administration. Mr. Li served as a deputy general manager of Shanxi Modern Woman Hospital from August 2003 to December 2007, and the vice president of Bosheng Medical from December 2007 to December 2014, mainly responsible for management of logistics department, audit department, president's office, information department and medical management department. Mr. Li has also served as the supervisor of some other members of the Group, such as (i) Shanxi Wo De Investment since October 2009; (ii) Tai He Tang since April 2013; (iii) Chongqing Wanzhou HarMoniCare Hospital since December 2013; (iv) Chongqing Fuling HarMoniCare Hospital since December 2013; (v) Beijing HarMoniCare Hospital since December 2013; (vi) Guiyang HarMoniCare Hospital since August 2014; and (vii) Chongqing Modern Woman Hospital since April 2014. Mr. Li obtained a certificate of completion in modern hospital management from School of Continuing Education, Tsinghua University in September 2010.

**陳隆禎先生**，59歲，為本公司財務總監。陳先生於2015年3月加入本集團，自2015年3月起擔任和美管理諮詢的財務總監，主要負責本集團一般財務管理。陳先生自2010年6月至2015年2月擔任博生醫療財務副總監及證券投資部門副總監，主要負責財務、證券及投資管理。陳先生先後自2008年3月至2010年5月擔任廈門天威實業有限公司財務總監，自2006年8月至2008年3月任高德中彩科技有限公司財務總監，主要負責財務管理。陳先生自2004年3月至2005年8月擔任山東巨力股份有限公司(現稱濰柴重機股份有限公司，於深圳證券交易所上市，證券代碼：000880)財務總監，主要負責財務管理。陳先生自2001年10月至2004年2月先後擔任華潤錦華股份有限公司(現稱創維數字股份有限公司，於深圳證券交易所上市，證券代碼：000810)總經理助理及財務總監，主要負責財務管理；亦自1999年12月至2001年10月擔任山東惠民華潤紡織有限公司財務經理，主要負責財務管理。陳先生於1986年7月獲得山東廣播電視大學工業會計大專文憑，於1994年7月至1997年6月在山東幹部函授大學學習經濟管理，亦於1997年11月取得山東省人力資源和社會保障廳高級會計師資格。

**李文鳳先生**，61歲，於2015年1月加入本集團，為林玉明先生的舅舅，是本公司副總裁。李先生自2015年1月起擔任和美管理諮詢的副總裁，主要負責採購和內部行政。李先生於2003年8月至2007年12月擔任山西現代婦產醫院副總經理，由2007年12月至2014年12月起擔任博生醫療副總裁，主要負責管理物流部門、核數部門、總裁辦公室、資訊部門及醫療管理部門。李先生亦為本集團若干其他成員公司的監事，包括(i)山西沃德投資(自2009年10月起)；(ii)太和堂(自2013年4月起)；(iii)重慶萬州和美醫院(自2013年12月起)；(iv)重慶涪陵和美醫院(自2013年12月起)；(v)北京和美醫院(自2013年12月起)；(vi)貴陽和美醫院(自2014年8月起)；及(vii)重慶現代女子醫院(自2014年4月起)。李先生於2010年9月取得清華大學繼續教育學院現代醫院管理結業證書。



## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED) 董事及高級管理人員(續)

**Mr. Ren Jinhui (任金輝)**, aged 41, is an assistant of the chairman of our Company who is primarily responsible for the Company's financial management. Mr. Ren joined our Group in March 2015 and has served as an assistant to the chairman of HarMoniCare Management and Consulting since March 2015, mainly responsible for assisting the chairman in discharging his duties. Mr. Ren served as an auditing director and a finance director of Bosheng Medical from December 2007 to December 2012 and from March 2013 to December 2014, respectively, mainly responsible for management of the auditing department and financial management department. Mr. Ren obtained two bachelor's degrees in economics and laws, respectively, from Jiangxi University of Finance and Economics (江西財經大學) in July 1999. Mr. Ren also obtained the qualification of registered public accountant from the Ministry of Finance in December 2002, and the qualification of registered practising tax agent from the Ministry of Personnel of the PRC and the State Administration of Taxation of the PRC (中華人民共和國國家稅務總局) in September 2002.

**任金輝先生**，41歲，為本公司主席助理，主要負責本公司財務管理。任先生於2015年3月加入本集團，自2015年3月起擔任和美管理諮詢的主席助理，主要負責協助主席履行職務。任先生由2007年12月至2012年12月及由2013年3月至2014年12月分別擔任博生醫療審計總監及財務總監，主要負責管理審計部門及財務管理部門。任先生於1999年7月獲得江西財經大學經濟及法律兩項學士學位，並於2002年12月獲得財政部的註冊會計師資格及於2002年9月獲得中華人民共和國人事部與中華人民共和國國家稅務總局的註冊稅務師執業資格。

## DIRECTORS' REPORT

### 董事會報告

The Directors are pleased to present this annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2016.

### PRINCIPAL ACTIVITIES

The Company, together with its subsidiaries, is mainly engaged in provision of high-quality healthcare services to women and children. Tai He Tang, our subsidiary, is engaged in distribution and sales of pharmaceuticals and medical devices (which include medical consumables) to associated companies and Independent Third Parties. The Company is an investment holding company and its subsidiaries are principally engaged in the healthcare industry specializing in ob-gyn and paediatrics.

A list of the Company's subsidiaries, together with their places of incorporation, principal activities and particulars of their issued shares/paid up capital, is set out in note 38 to the consolidated financial statements in this annual report.

### BUSINESS REVIEW

A review of the business of the Group during the year, a discussion on the Group's future business development and the financial and operational key performance indicators employed by the Directors in measuring the performance of our business are set out in the sections headed "Chairman's Statement" on pages 5 to 7 of this annual report, "Financial Summary" on pages 8 to 9 of this annual report, and "Management Discussion and Analysis — Business Overview and Outlook" on pages 11 to 14 of this annual report. The financial risk management objectives and policies of the Group are set out in note 39 to the consolidated financial statements in this annual report. Significant events that have an effect on the Group subsequent to the financial year ended 31 December 2016 are set out in note 41 to the consolidated financial statements in this annual report. Besides, principal risks and uncertainties faced by the Group, key relationship between the Group and its employees, customers and suppliers, environmental policies of the Group and compliance with the relevant laws and regulations which have significant impact are set out below.

董事欣然提呈本年報以及本集團截至2016年12月31日止年度的經審核綜合財務報表。

### 主要業務

本公司連同其附屬公司主要從事為婦女兒童提供高品質的醫療健康服務以及我們的附屬公司太和堂向聯營公司及獨立第三方分銷及銷售藥品與醫療設施(包括醫療耗材)。本公司為一間投資控股公司，其附屬公司主要從事婦兒專科醫療健康行業。

本公司附屬公司列表連同其註冊成立地點、主要業務及其已發行股份/繳足股本之詳情載於本年報中的綜合財務報表附註38。

### 業務審視

有關本集團年內業務的審視、對未來業務發展的論述及董事於計量本集團業務表現時所使用的財務及經營關鍵表現指標載於本年報第5至7頁的「主席報告」、本年報第8至9頁之「財務概要」及本年報第11至14頁之「管理層討論及分析—業務回顧及展望」。本集團的財務風險管理目標及政策載於本年報中的綜合財務報表附註39。截至2016年12月31日止財政年度後發生並對本集團有影響的重大事件載於本年報中綜合財務報表附註41。此外，有關本集團面臨的主要風險及不明朗因素、本集團與其僱員、顧客及供應商的重要關係、本集團的環保政策以及有重大影響的相關法律及規例之遵守情況載列如下。





## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### Key Risks and Uncertainties

The Group's results and operations are subject to various factors with the key risks summarised below:

#### Reputation risk

Our business depends significantly on the soundness of our reputation. Failure to develop, maintain and enhance our reputation, or any negative publicity or allegations in the media against us, may adversely affect the level of market recognition of, and trust in, our services, and failure to properly manage our physicians' or other medical staff's clinical activities may expose us to medical disputes, which could result in a material adverse impact on our business, financial condition and results of operations. Our reputation and business may be harmed accordingly.

In order to effectively protect the reputation of the Group, our department responsible for publicity monitors around the clock and swiftly reacts to public opinions and information, and actively collects feedback from our customers and employees, with a view to protecting their benefits and legal rights. In addition, all of our hospitals implement the procedures and management on complaints handling to improve satisfaction of our customers. The Group has an anti-corruption policy in place and relevant departments assess risk of corruption regularly.

#### Customer risk

As we provide mid-to-high-end healthcare services, our business, financial condition and results of operations are subject to changes in patient preference, consuming power, consumer confidence index and general economic conditions in our respective markets.

Adhering to the customer-oriented principle, we actively satisfy our customers' demands for high-quality healthcare services by providing one-stop and variable services. Meanwhile, we collect the opinions and suggestions of our customers from various channels to improve the quality of our healthcare services. In the course of business operation, we conduct market analysis on existing and potential customers to fully understand the change of preference, consumption power and other indicators of customers.

#### Talent risk

If we are unable to attract, train and retain a sufficient number of qualified physicians, management staff and other hospital personnel, our hospital operations could be materially and adversely affected. Please refer to the section headed "Staff" in page 34 of this annual report for our policies regarding recruiting and retaining our staff members.

### 主要風險及不確定性因素

本集團的業績及業務運營受多個因素的影響，主要風險概述如下：

#### 聲譽風險

我們的業務主要倚賴本身良好的聲譽，未能建立、保持並提高聲譽或任何負面宣傳或媒體對我們的指控可能會使市場對我們服務的認可及信任程度產生不利影響，以及未能妥善管理醫師或其他醫療人員的診療工作可能令我們牽涉醫療糾紛，進而對我們的業務、財務狀況及經營業績產生重大不利影響。我們的聲譽及業務或會因此受損。

為有效保障本集團聲譽，我們負責處理公眾信息的工作部門輪值監測並及時應對相關輿論信息，積極收集客戶及員工反饋，保障客戶及員工的利益及合法權益。另外，各醫院均執行《客戶投訴處理管理程序》以提升客戶滿意度。集團建立了《反舞弊管理制度》，定期組織相關部門開展舞弊風險排查。

#### 客戶風險

由於我們提供中高端醫療服務，我們的業務、財務狀況及經營業績受病人偏好變化、消費能力、消費者信心指數及各市場的整體經濟狀況影響。

我們秉承「一切以客戶為中心」的宗旨，通過提供一站式和差異化的服務，積極滿足客戶對高品質醫療服務的各項需求。同時透過多樣化的渠道徵詢客戶的意見和建議，不斷提升集團的醫療服務質量，並在業務經營中，對現有客戶及潛在的消費群體進行針對性的市場分析，以充分瞭解客戶的偏好、消費能力及各項指標的變化。

#### 人才風險

若我們無法吸引、培訓及挽留足夠的合資格醫師、管理人員及其他醫務人員，我們醫院的業務可能會受到一定的影響。有關我們招聘及挽留員工的政策，請參閱本年報第34頁「員工」一節。

## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

See the section headed "Staff" on page 34 of this annual report for further details regarding the measures we undertake to attract, retain and develop talents.

### Key Relationships

The Group ardently believes that employees, customers and partners are key to our sustainable and stable development. We are committed to establishing a close relationship with our employees, enhancing cooperation with our partners and providing high-quality services to our customers so as to ensure the Group's sustainable development.

### Staff

Our staff is regarded as one of the most important resources of the Group. The Group has been endeavouring to provide our staff with a fair and harmonious workplace where individuals with diverse cultural backgrounds are treated equally. We offer a competitive remuneration package and opportunities for career advancement based on employees' performance. The Group grants share options to outstanding employees to recognise and reward the employees who have contributed to the Group's development. The Group also provides our staff with regular trainings, including internal trainings and courses offered by professional organisations, so as to keep them abreast of the latest development of the Company, medical industry and various businesses.

### Customers

In order to provide high-quality and safe medical services to customers, we strictly abide by the health policy for national medical and health industry and the international standards promulgated by the JCI and adhere to our "customer-oriented" service philosophy. We provide every patient with experienced medical staff and advanced technologies and facilities for diagnosis and treatment to best satisfy the medical needs of our customers. Meanwhile, we value feedback from customers and always seek to understand their thoughts through services feedback and customer satisfaction surveys. In addition, we also set up a customer service hotline to respond to any feedback and complaints from customers.

We generally do not extend any credit period to our patients. We allow a credit period of approximately 60 to 180 days for the hospital services provided to the patients which are settled by and due from medical and commercial insurance programs, and less than 90 days for the supply of pharmaceuticals and medical devices after issuing invoice. For an aging analysis of our trade receivable, please refer to note 23 to the consolidated financial statements in this annual report.

有關我們採取引進、僱用和培養人才措施之詳情，請參照本年報第34頁之「員工」一節的描述。

### 重要關係

本集團深明員工、顧客和合作夥伴是我們持續穩定發展的關鍵。我們致力與員工建立緊密聯繫，與合作夥伴協力同心，為顧客提供優質的服務，以實現集團的可持續發展。

### 員工

本集團視員工為最重要的資源之一，為員工提供公平和諧的工作環境，並提倡多元文化。本集團提供具競爭力的薪酬待遇，並根據員工的表現，提供不同的晉升機會。本集團向表現優秀的員工授予購股權，以表揚及獎勵對本集團的發展做出貢獻的員工。本集團為員工提供定期培訓，包括內部培訓和由專業機構提供的培訓課程，從而使員工對公司內部、醫療行業及各項業務的最新發展有所了解。

### 客戶

為了給顧客提供優質安全的醫療服務，我們嚴格貫徹執行國家醫療衛生行業衛生政策和JCI國際標準，秉承顧客至上的服務理念，為每一位病人配備經驗豐富的醫護人員，運用先進的診療技術及設備，最大程度的滿足客戶的醫療需求。此外，我們非常重視顧客的意見，因此透過服務反饋和顧客滿意度調查了解他們的想法。此外，我們亦設立客戶服務熱線，用於處理顧客反饋和投訴。

我們通常不對病人提供信貸期，但病人以醫療及商業保險計劃支付醫療服務可獲約60至180天的信貸期，而開具發票後供應藥品及醫療設施有少於90天的信貸期。有關貿易應收款項的賬齡分析，請參閱載於本年報中的綜合財務報表附註23。



## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### Suppliers

We firmly believe that our suppliers are equally important in providing high-quality medical services. When selecting suppliers, we consider, among other things, their product range, pricing, reputation, service quality and delivery schedule. We require our suppliers to maintain requisite licenses and permits to operate their business, such as business licenses and GMP certificates and/or GSP certificates. We proactively communicate with our suppliers to ensure they are committed to delivering high-quality and high-standard medical equipment and drugs, and adopt a centralised procurement system to better control the quality of the medical supplies. We clearly state our professional integrity and specify various requirements including regulatory compliance, anti-corruption and other business ethics in each contract we entered into with our suppliers.

Trade payables represent outstanding amounts due to our suppliers and other third parties. Trade payables are non-interest bearing and are normally granted on a 0 to 90 day credit term. For an aging analysis of our trade payables, please refer to note 27 to the consolidated financial statements in this annual report.

### Environmental Policies

We are subject to various PRC laws, rules and regulations with regard to environmental matters, including hospital sanitation, disease control, disposal of medical waste, and discharge of wastewater, pollutants and radioactive substances. We have established systems and procedures in place concerning environmental protection, such as requiring all our hospitals to engage qualified service providers to dispose of medical waste and radioactive substances. For further details regarding various environmental policies applicable to us and our compliance measures, please refer to the Environmental, Social and Governance Report contained on pages 68 to 77 of this annual report. During the Review Period, our businesses were in compliance with all the relevant laws and regulations with regard to environmental protection in all material aspects.

### Compliance with Laws and Regulations

The Group's operations are mainly carried out by the Company's subsidiaries in the PRC while the Company is a holding company incorporated in the Cayman Islands with its shares listed on the Main Board of the HKEx. Our establishments and operations accordingly should comply with relevant laws and regulations in the PRC, the Cayman Islands and Hong Kong. During the Review Period, our businesses were in compliance with all relevant laws and regulations in the PRC, the Cayman Islands and Hong Kong in all material aspects.

### 供應商

我們堅信若要提供優質的醫療服務，供應商的角色亦同樣重要。在甄選供應商時，我們會考慮供應商的產品種類、價格、聲譽、服務質量及交貨時間，我們要求供應商取得營業執照及GMP及／或GSP認證等彼等經營業務必要的牌照及許可。我們積極與供應商溝通，以確保彼等提供高品質、高規格的醫療器械與藥品，並通過集中採購更好地控制醫療物資的質量。我們與供應商訂立合同時，均向合作方表述我們的職業操守，並明確各項要求，包括遵守法規、防止貪污賄賂等商業道德守則。

貿易應付款項指應付我們的供應商及其他第三方的款項。貿易應付款項為不計息並通常附帶0至90日止信貸期，有關貿易應付款項的賬齡分析，請參閱載於本年報中的綜合財務報表附註27。

### 環保政策

我們須遵守多項有關環保事項的中國法律、規則及法規，包括醫院衛生、疾病防治、醫療廢物處理以及廢水、污染物及放射性物質排放。我們已制定環境保護相關制度、建立相關流程，如規定旗下所有醫院均委聘合資格服務供應商處理醫療廢物及放射性物質。有關我們適用的環保政策以及我們的合規措施的進一步詳情，請參見載於本年報第68至77頁中的環境、社會及管治報告。於回顧期間，我們的業務在所有重大方面均遵守環保相關法律及法規。

### 遵守法律及法規

本集團的業務主要由本公司於中國內地的附屬公司開展，而本公司為於開曼群島註冊成立的控股公司，且本公司股份於香港交易所主板上市。因此，我們的成立及運營須遵守中國內地、開曼群島及香港的有關法律及法規。於回顧期間，我們的業務在所有重大方面均已遵守中國內地、開曼群島及香港的有關法律及法規。

## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### RESULTS AND DIVIDEND

The results of the Group for the year ended 31 December 2016 are set out in the section headed "Consolidated Statement of Profit or Loss and Other Comprehensive Income" on pages 85 to 86 of this annual report. The Board recommended the payment of a final dividend of RMB5.0 cents per Share for FY2016 (FY2015: RMB5.5 cents).

### SHARE CAPITAL

Details of the movements in the share capital of the Company for the year ended 31 December 2016 are set out in note 30 to the consolidated financial statements in this annual report.

### RESERVES

Details of the movements in the reserves of the Group for the year ended 31 December 2016 are set out in the section headed "Consolidated Statement of Changes in Equity" on pages 89 to 90 of this annual report. As at 31 December 2016, the Company had a share premium balance of approximately RMB1,302 million, which shall be available for distribution to the Shareholders subject to passing of an ordinary resolution at the forthcoming AGM for such distribution.

### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the Group's property, plant and equipment during the Review Period are set out in note 15 to the consolidated financial statements in this annual report.

### FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out in the section headed "Financial Summary" on pages 8 to 9 of this annual report.

### 業績及股息

本集團截至2016年12月31日止年度的業績載於本年報第85至86頁的「綜合損益及其他全面收益表」一節。董事會建議派發2016年財年的末期股息每股人民幣5.0分(2015年財年：人民幣5.5分)。

### 股本

本公司截至2016年12月31日止年度的股本變動詳情載於本年報中的綜合財務報表附註30。

### 儲備

本集團截至2016年12月31日止年度的儲備變動詳情載於本年報第89至90頁的「綜合權益變動表」一節。於2016年12月31日，本公司有股份溢價結餘約人民幣13.02億元可供分派予股東，惟須待有關該分派之普通決議案於應屆股東周年大會上獲批准。

### 物業、廠房及設備

於回顧期間本集團物業、廠房及設備的變動詳情載於本年報中的綜合財務報表附註15。

### 財務概要

本集團於過去五個財政年度的業績以及資產和負債概要載於本年報第8至9頁的「財務概要」一節。



## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### DONATIONS

Charitable and other donations made by the Group during the Review Period amounted to RMB23,000 (2015: RMB89,552).

### 捐贈

本集團於回顧期間作出之慈善及其他捐贈為人民幣23,000元(2015年：人民幣89,552元)。

### PLEDGE OF ASSETS

As at 31 December 2016, there was no charge on the assets of the Company.

### 資產抵押

於2016年12月31日，本公司之資產概無抵押。

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2016, no individual patient has contributed over 5% of our total revenue. During the Review Period, our five largest customers were corporate customers engaged in the supply of pharmaceuticals and medical devices business, who in aggregate contributed to less than 5% of our revenue during the Review Period.

### 主要客戶及供應商

截至2016年12月31日止年度，概無單個病人佔我們收益總額的5%以上。於回顧期間，我們的五大客戶為藥品及醫療設施供應業務的企業客戶，合共貢獻我們回顧期間收益比例低於5%。

Purchases from the Group's five largest suppliers in aggregate accounted for approximately 19.0% (2015: 24.1%) of the total purchases of the Group for the Review Period and purchases from the largest supplier accounted for approximately 7.7% (2015: 5.7%) of our total purchases.

向本集團五大供貨商的採購額合共佔本集團於回顧期間的採購總額約19.0%(2015年：24.1%)，以及向最大供貨商的採購額佔我們採購總額的約7.7%(2015年：5.7%)。

To the best knowledge of the Directors, none of the Directors or any of their close associates (as defined in the Listing Rules) or Shareholders that owned more than 5% of the issued Shares had any direct or indirect interest in the five largest customers or the five largest suppliers of the Group during the Review Period.

據董事所深知，於回顧期間，概無董事或彼等之任何緊密聯繫人(定義見上市規則)或擁有5%以上已發行股份的股東直接或間接擁有本集團的五大客戶或五大供貨商的權益。

### DIRECTORS

The Directors during the Review Period and up to the date of this Directors' Report are as follows:

#### Executive Directors

Mr. Lin Yuming (*Chairman and President*)  
Mr. Fang Zhifeng (*Vice President*)  
Mr. Zhao Xingli (*Vice President*)

### 董事

於回顧期間及截至本董事會報告日期的董事如下：

#### 執行董事

林玉明先生(*主席兼總裁*)  
方志鋒先生(*副總裁*)  
趙興力先生(*副總裁*)



## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### Non-executive Directors

Mr. Lin Yuguo  
Mr. Qiu Jianwei (appointed on 21 December 2016)  
Mr. Xu Jun (appointed on 21 December 2016)  
Mr. Wang Lin (resigned on 21 December 2016)

### Independent Non-executive Directors

Mr. Kong Aiguo  
Ms. Fang Lan  
Mr. Cai Jiangan

In accordance with article 84(1) of the Articles of Association, Mr. Lin Yuming, Mr. Fang Zhifeng and Mr. Zhao Xingli shall retire as Directors at the forthcoming AGM, and Mr. Qiu Jianwei and Mr. Xu Jun who were appointed by the Board during the Review Period shall hold office only until the forthcoming AGM pursuant to article 83(3) of the Articles of Association. All of the above retiring Directors are eligible for re-election and will offer themselves for re-election thereat.

## THE BIOGRAPHY OF THE DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and the senior management of the Company are set out in the section headed "Directors and Senior Management" on pages 25 to 31 of this annual report.

## SERVICE CONTRACTS OF THE DIRECTORS

Each of the executive Directors has entered into a three-year service contract with the Company effective from the Listing Date, subject to termination before expiry by either party giving not less than one month notice in writing to the other.

Each of the non-executive Directors and independent non-executive Directors has entered into a letter of appointment with the Company which commenced from the Listing Date for an initial term of three years and shall be terminable by either party giving not less than one month notice in writing to the other.

None of the Directors proposed for re-election at the forthcoming AGM has a service contract with any member of the Group which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

### 非執行董事

林玉國先生  
邱建偉先生(於2016年12月21日獲委任)  
徐軍先生(於2016年12月21日獲委任)  
王霖先生(於2016年12月21日辭任)

### 獨立非執行董事

孔愛國先生  
方嵐女士  
蔡江南先生

根據章程細則第84(1)條，林玉明先生、方志鋒先生及趙興力先生須於應屆股東周年大會上退任董事職務，而根據章程細則第83(3)條於回顧期間獲董事會委任的邱建偉先生及徐軍先生將僅任職至應屆股東周年大會為止。所有上述退任董事均符合資格重選並願意於應屆股東周年大會上膺選連任。

## 董事及高級管理人員簡歷

本公司董事及高級管理人員簡歷詳情載於本年報第25至31頁的「董事及高級管理人員」一節。

## 董事服務合約

每名執行董事皆與本公司訂立自上市日期生效為期3年的服務合約，但任何一方可透過提前至少一個月向另一方發出書面通知在期滿前終止服務合約。

每名非執行董事及獨立非執行董事皆與本公司訂立自上市日期生效初步為期3年的委任書，但任何一方可透過提前至少一個月向另一方發出書面通知終止委任書。

概無擬於應屆股東周年大會上膺選連任的董事已與本集團任何成員公司訂立僱主若不支付賠償金(法定賠償除外)則不得於一年內終止的服務合約。



## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### REMUNERATION OF THE DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the Directors' remuneration and the five highest paid individuals in the Group are set out in note 12 to the consolidated financial statements in this annual report.

### REMUNERATION POLICY

As of 31 December 2016, the Group had 3,277 employees (31 December 2015: 3,149), of which 3,241 employees (31 December 2015: 3,113) were involved in the general hospital services and management sector and 36 employees (31 December 2015: 36) in the supply of pharmaceuticals and medical devices sector. Total staff remuneration expenses including Directors' remuneration for the Review Period amounted to RMB306.9 million (the Corresponding Period: RMB297.9 million). Remuneration is determined with reference to performance, skills, qualifications and experience of the staff concerned and in accordance with the prevailing industry practice. On top of salary payments, other staff benefits include a state-managed retirement pension scheme, a discretionary bonus program and the Share Option Scheme.

The Group has adopted the Share Option Scheme to provide incentive or reward to eligible participants for their contribution or potential contribution to the Group.

The Group also organises professional and vocational trainings to its employees.

The remuneration of the Directors is reviewed by the Remuneration Committee and approved by the Board. The relevant Director's experience, duties and responsibilities, time commitment, the Company's performance and the prevailing market conditions are taken into consideration in determining the emolument of the Directors.

### INDEPENDENCE OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company believes that all of the independent non-executive Directors are independent in accordance with the guidelines set out in the Listing Rules.

### 董事酬金及五位最高薪人士

董事酬金及本集團五位最高薪人士的詳情載於本年報中的綜合財務報表附註12。

### 僱員和薪酬政策

截至2016年12月31日，本集團擁有3,277名僱員(2015年12月31日：3,149名)，其中3,241名僱員(2015年12月31日：3,113名)涉及一般醫院服務及管理領域，36名僱員(2015年12月31日：36名)涉及藥品及醫療器械供應領域。於回顧期間，總員工薪酬支出(包括董事薪酬)為人民幣3.069億元(同期：人民幣2.979億元)。薪酬乃經參考有關員工的表現、能力、資歷及經驗並根據現行行業情況釐定。除工資外，其他員工福利包括國家退休金計劃、酌情花紅計劃及購股權計劃。

本集團已採納購股權計劃，以向合資格參與者就彼等對本集團之貢獻或潛在貢獻提供激勵或獎勵。

本集團亦為僱員組織專業性和職業性的培訓。

董事酬金由薪酬委員會審閱，並經董事會批准。於釐定董事酬金時會考慮有關董事的經驗、職責及責任、所貢獻的時間、本公司的經營業績及現行市場情況。

### 獨立非執行董事的獨立性

本公司已經根據上市規則第3.13條收到每名獨立非執行董事就其獨立性而作出的年度確認函。本公司認為，根據上市規則所載的指引，全體獨立非執行董事皆為獨立人士。

## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### NON-COMPETITION UNDERTAKINGS

As disclosed in the Prospectus, Mr. Lin Yuming and Homecare, our then Controlling Shareholders, have undertaken to the Company in a deed of non-competition that, subject to and except as mentioned in the Prospectus, they would not, and would procure that none of their associates (other than any member of the Group) will directly or indirectly engage in any business which, directly or indirectly, competes or may compete with the Group's business in the PRC or any other places in which the Group carries on business. Each of them has confirmed in writing to the Company of their compliance with the deed of non-competition for disclosure in this annual report during the year ended 31 December 2016. No new business opportunity was informed by them as at 31 December 2016.

The independent non-executive Directors have reviewed the implementation of the deed of non-competition and are of the view that the non-competition undertakings have been complied with by Mr. Lin Yuming and Homecare for the year ended 31 December 2016.

### DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Saved as disclosed in this annual report, as of 31 December 2016, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or may compete with the business of the Group.

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 December 2016, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) to be recorded in the register required to be kept pursuant to Section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

### 不競爭承諾

如招股章程所披露，當時的控股股東林玉明先生及Homecare已於不競爭契據中向本公司承諾，在招股章程所述者規限下及除該等所述者外，彼等將不會及將促使彼等之聯繫人(除本集團任何成員公司外)不會於中國或本集團開展業務所在的任何其他地方從事任何直接或間接與本集團業務構成競爭或可能構成競爭的業務。彼等已各自向本公司書面確認，彼等於截至2016年12月31日止年度已遵守本年報所披露的不競爭契據。於2016年12月31日，彼等並無知會新業務機會。

獨立非執行董事已審閱不競爭契據的落實情況，並認為林玉明先生及Homecare於截至2016年12月31日止年度已遵守不競爭承諾。

### 董事於競爭業務中之權益

除本年報所披露者外，截至2016年12月31日，概無董事或彼等各自之聯繫人從事任何與本集團業務構成競爭或可能構成競爭的業務，或於其中擁有任何權益。

### 董事及主要行政人員於本公司或其相聯法團之股份、相關股份及債券之權益及淡倉

於2016年12月31日，董事及本公司最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所(包括彼等根據證券及期貨條例之該等條文被視為或被當作擁有的權益及淡倉);或(b)記錄於按證券及期貨條例第352條須存置之登記冊內;或(c)根據標準守則須知會本公司及聯交所之權益及淡倉如下:

## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### (a) Long positions in Shares

### (a) 於股份的好倉

Name of Director 董事姓名	Nature of interest 權益性質	Number of Shares held 持有股份數目	Approximate percentage of shareholding 持股概約百分比 %
Mr. Lin Yuming <sup>(Note)</sup> 林玉明先生 <sup>(附註)</sup>	Interest of controlled corporation 受控法團權益	218,252,390	28.78

Note:

These Shares are held by Homecare, the 100% equity interest of which is owned by Mr. Lin Yuming. Therefore, Mr. Lin Yuming is deemed to be interested in these Shares.

附註：

該等股份由Homecare持有，而林玉明先生擁有該公司100%股權，因此，林玉明先生被視為擁有該等股份的權益。

### (b) Long positions in underlying Shares

### (b) 於相關股份的好倉

Name of Director 董事姓名	Nature of interest 權益性質	Number of underlying Shares held under Share Option Scheme 購股權計劃項下持有的相關股份數目	Approximate percentage of shareholding 持股概約百分比 %
Mr. Fang Zhifeng 方志鋒先生	Beneficial owner 實益擁有人	672,000	0.09
Mr. Zhao Xingli 趙興力先生	Beneficial owner 實益擁有人	532,000	0.07

Save as disclosed above, as at 31 December 2016, so far as is known to the Directors or chief executive of the Company, none of the Directors or chief executive of the Company had interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

除上述披露者外，於2016年12月31日，據董事或本公司最高行政人員所知，概無董事或本公司最高行政人員於本公司或其相關法團之股份、相關股份及債券中擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所(包括彼等根據證券及期貨條例之該等條文被視為或被當作擁有權益及淡倉)；或(b)須記錄於按證券及期貨條例第352條存置之登記冊內；或(c)根據標準守則須知會本公司及聯交所之權益或淡倉。

## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### SHARE OPTION SCHEME

The Share Option Scheme was conditionally adopted pursuant to a resolution passed by the Shareholders on 9 June 2015, and became effective on the Listing Date.

#### 1. Purpose

The purpose of the Share Option Scheme is to provide an incentive or reward for Eligible Participants (defined below) for their contribution or potential contribution to the Company and/or any of its Subsidiaries.

#### 2. Eligible participants

Subject to and in accordance with the provisions of the Share Option Scheme and the Listing Rules, the Board may at its sole discretion grant options to any full-time or part-time employees of the Company, its subsidiaries or any entities in which the Group holds any equity interest, including (a) any executive and non-executive directors (including independent non-executive directors) of the Company, its subsidiaries or invested entities, (b) any executives (including president, senior vice president, vice president of the Group), central management (including general manager, director, deputy general manager and deputy director), management of president's office (including officer and deputy officer), department managers of divisions under respective centres, general managers and department managers of commercial management companies, senior management (including general manager and deputy general manager) of project companies and persons holding managerial positions of respective departments of the Company, its subsidiaries or invested entities.

#### 3. Life of the Share Option Scheme

The Share Option Scheme shall be valid for a period of six years from 9 June 2015.

#### 4. Total number of Shares available for issue

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme shall not, in aggregate, exceed 76,722,908, being 10% of the total issued Shares as of the Listing Date (without taking into account the partial exercise of the over-allotment option) representing 10.12% of the total issued shares as at the date of this annual report. As at the date of this annual report, the number of outstanding share options of the Share Option Scheme is 3,954,615 representing 0.52% of the total number of issued shares of the Company when shares are to be issued in relation thereof.

### 購股權計劃

購股權計劃於2015年6月9日根據股東通過之決議案獲有條件採納，並於上市日期生效。

#### 1. 目的

購股權計劃旨在激勵或獎勵為本公司及／或其任何附屬公司作出貢獻或可能作出貢獻的合資格參與者(定義見下文)。

#### 2. 合資格參與者

根據購股權計劃和上市規則的條文，董事會可全權酌情將購股權授予本公司、其附屬公司或本集團持有任何股權的企業的任何僱員(全職或兼職)，包括(a)本公司、其附屬公司或投資公司的任何執行董事與非執行董事(包括獨立非執行董事)、(b)本公司、其附屬公司或投資公司的任何高層(包括集團總裁、高級副總裁、副總裁)、中心管理層(包括總經理、總監、副總經理、副總監)、總裁辦管理層(包括主任、副主任)、各中心下屬部分部門經理、商業管理公司總經理及部門經理、項目公司高層管理人員(包括總經理、副總經理)及部門經理崗位的任職人員。

#### 3. 購股權計劃的期限

購股權計劃的期限為自2015年6月9日起為期六年。

#### 4. 可發行股份總數

於根據購股權計劃授出的所有購股權獲行使後可能發行的股份最高數目，合共不得超過76,722,908股股份，即於上市日期已發行股份總數的10%(不計及部分行使超額配股權)佔於本年報日期已發行股份總數10.12%。於本年報日期，購股權計劃項下有3,954,615份未行使購股權，相關可發行的股份數目佔本公司已發行股份總數的0.52%。





## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### 5. Maximum entitlement of each participant

Unless approved by the Shareholders, the total number of Shares issued and to be issued upon exercise of options granted to any participant (including exercised and outstanding options) under the Share Option Scheme in any 12-month period up to the date of grant shall not exceed 1% of the total Shares in issue.

### 6. Offer period and amount payable for options

An offer of the grant shall remain open for acceptance by the eligible participant for a period of not more than 15 days from the date on which it is made. A nominal consideration of HK\$1.00 is payable upon acceptance of the grant of option which the Company has subsequently waived.

### 7. Minimum period for which an option must be held before it can be exercised

The minimum period during which an option must be held before it can be exercised in accordance with the terms of the Share Option Scheme shall be one year after the date on which the option is granted. The Board may in its absolute discretion impose further restrictions on the exercise of the option.

### 8. Period within which the Shares must be taken up

Subject to the discretion of the Board who may impose restrictions on the exercise of the option, any option may be exercised one year after the date on which the option is granted and shall expire on the earlier of the last day of (i) a six-year period from the date of such grant; and (ii) the expiration of the Share Option Scheme.

### 9. Basis of determining the subscription price

The price per Share at which a grantee may subscribe for Shares upon exercise of an option (the "Exercise Price") shall be a price determined by the Board but in any event shall be at least the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheets on the date on which the option is granted (must be a business day);

### 5. 各參與者可獲授權益的上限

除非獲股東批准，否則於截至授出日期止任何12個月期間，於根據購股權計劃授予任何參與者的購股權(包括已行使及尚未行使的購股權)獲行使後已發行及將予發行的股份總數不得超過已發行股份總數的1%。

### 6. 提呈期及購股權的應付金額

提呈授出購股權可由提呈日期起計不多於15日之期間供合資格參與者接納。於接納授出購股權時應支付名義代價1.00港元而本公司其後已經豁免該代價。

### 7. 行使購股權前必須持有的最短期限

根據購股權計劃條款行使購股權前必須持有的最短期限為購股權授出之日起計一年。董事會可全權酌情對購股權的行使施加進一步限制。

### 8. 須認購股份之期限

購股權可於購股權授出之日起計一年後行使，直至(i)授出之日起計滿六年期間；及(ii)購股權計劃屆滿之日(以較早者為準)為止，惟董事會可酌情對購股權的行使施加限制。

### 9. 認購價釐定基準

承授人因行使購股權而認購股份的每股股份價格(「行使價格」)應由董事會決定，但在任何情況下不得低於以下最高者：

- (i) 在授予購股權日期(必須為營業日)股份在聯交所日報表上的收市價；

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

- (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date on which the option is granted; while if the Company has been listed for less than five business days, the new issue price shall be regarded as the closing price for the business day in any period prior to the listing; and
- (ii) 緊接授予購股權日期前五個營業日在聯交所日報表上的收市價之平均價；如本公司已上市不足五個營業日，新發行價應作為上市前任何期間營業日的收市價；及
- (iii) the current nominal value of the each Shares.
- (iii) 每一股現有的面值。

On 13 July 2015, an aggregate of 16,113,800 share options were granted by the Company. The share options granted include certain financial performance target of the Company and performance appraisal of the eligible participants. The financial performance target conditions of the Company for the share options becoming vested are:

於2015年7月13日，本公司已授出合共16,113,800份購股權。授出之購股權包括若干本公司財務業績目標及合資格參與者的績效考核。使購股權歸屬之本公司財務業績目標條件為：

Assessment period 考核期	Growth of revenue 營業收入增長率	Growth of net profit 淨利潤增長率	Exercise period 行權期
2015.1.1–2015.12.31	5% YoY 環比增長5%	20% YoY 環比增長20%	From 2016.7.13 to 2021.6.8 自2016.7.13至2021.6.8
2016.1.1–2016.12.31	10% YoY 環比增長10%	25% YoY 環比增長25%	From 2017.7.13 to 2021.6.8 自2017.7.13至2021.6.8
2017.1.1–2017.12.31	15% YoY 環比增長15%	30% YoY 環比增長30%	From 2018.7.13 to 2021.6.8 自2018.7.13至2021.6.8

As the 2016 annual results of the Company do not fulfill the required financial performance target, the share options falling under the assessment period of 1 January 2016 to 31 December 2016 will not be vested. Pursuant to the relevant terms of grant of the share options and requirements under the Share Option Scheme, such share options not becoming vested shall lapse and shall be cancelled by the Company.

由於本公司2016年年度業績未達到所要求之財務業績目標，因此於2016年1月1日至2016年12月31日之評估期內的購股權將不會歸屬。根據購股權計劃項下的相關條款及規定，該等未歸屬之購股權將立即失效並將由本公司註銷。

## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

The summary below sets out the details of movement of options granted during the year ended 31 December 2016 pursuant to the Share Option Scheme:

根據購股權計劃授出之購股權於截至2016年12月31日止年度的變動詳情概述如下：

Category/Name 類別/名稱	Date of grant 授出日期	Exercise price (HK\$) 行使價 (港元)	Number of share options 購股權數目				Balance as at 31 December 2016 於2016年12月31日結餘
			Balance as at 1 January 2016 於2016年1月1日結餘	Granted during the year 於年內授出	Exercised during the year 於年內行使	Cancelled/lapsed during the year 於年內註銷/失效	
<b>Directors</b> 董事							
Zhao Xingli 趙興力	13 July 2015 2015年7月13日	7.1	1,064,000	—	N/A 不適用	(532,000)	532,000
Fang Zhifeng 方志鋒	13 July 2015 2015年7月13日	7.1	1,344,000	—	N/A 不適用	(672,000)	672,000
<b>Senior Management</b> 高級管理層							
So Kin Ching <sup>(1)</sup> 蘇建清 <sup>(1)</sup>	13 July 2015 2015年7月13日	7.1	1,995,000	—	N/A 不適用	(1,995,000)	—
Li Wenfeng 李文鳳	13 July 2015 2015年7月13日	7.1	1,059,520	—	N/A 不適用	(529,760)	529,760
Ren Jinhui 任金輝	13 July 2015 2015年7月13日	7.1	616,000	—	N/A 不適用	(308,000)	308,000
Chen Longzhen 陳隆禎	13 July 2015 2015年7月13日	7.1	459,200	—	N/A 不適用	(229,600)	229,600
<b>Subtotal 小計</b>			6,537,720	—		(4,266,360)	2,271,360
Other employees of the Group 本集團其他僱員	13 July 2015 2015年7月13日	7.1	4,645,690	—	N/A 不適用	(2,962,435)	1,683,255
<b>Total 總計</b>			11,183,410	—		(7,228,795)	3,954,615

Notes:

- Mr. So Kin Ching resigned as Vice President of the Company on 30 June 2016.
- Each of the grantees to whom the above share options have been conditionally granted under the Share Option Scheme will be entitled to exercise:
  - as to 30%, from the date of the first anniversary of the date of grant, i.e. 13 July 2016, to the date the Share Option Scheme will expire, i.e. 8 June 2021 (both dates inclusive);
  - as to 35%, from the date of the second anniversary of the date of grant, i.e. 13 July 2017, to the date the Share Option Scheme will expire, i.e. 8 June 2021 (both dates inclusive); and
  - as to 35%, from the date of the third anniversary of the date of grant, i.e. 13 July 2018, to the date the Share Option Scheme will expire, i.e. 8 June 2021 (both dates inclusive).
- All the share options granted to the grantees on 13 July 2015 are subject to certain conditions including the automatic lapse of options if the grantees' employment with the Group terminates before the share options are vested and the fulfillment of the vesting conditions as stipulated on page 44 of this annual report regarding the performance target of the Company. Of the share options granted on 13 July 2015, 3,274,180 share options lapsed because employee left the Group in 2016, and an aggregate of 3,954,615 share options were not vested because the performance target of the Company for the year 2016 has not been fulfilled and were thus cancelled.

附註：

- 蘇建清先生於2016年6月30日辭任為本公司副總裁。
- 已根據購股權計劃有條件獲授上述購股權的各承授人將有權：
  - 自授出日期的第一個周年日(即2016年7月13日)起至購股權計劃到期日(即2021年6月8日)(包括首尾兩日)行使30%；
  - 自授出日期的第二個周年日(即2017年7月13日)起至購股權計劃到期日(即2021年6月8日)(包括首尾兩日)行使35%；及
  - 自授出日期的第三個周年日(即2018年7月13日)起至購股權計劃到期日(即2021年6月8日)(包括首尾兩日)行使35%。
- 於2015年7月13日向承授人授出之所有購股權須待若干條件(包括倘承授人與本集團之僱傭關係於購股權歸屬前終止，則購股權自動失效及達成本年報第44頁所載有關本公司表現目標之歸屬條件)獲達成後方可作實。於2015年7月13日授出之購股權中，3,274,180份購股權由於2016年僱員離開本集團而失效，而合共3,954,615份購股權由於本公司2016年的表現目標未獲達成故並未正式歸屬因此被註銷。

## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2016, so far as was known to any Director or chief executive of the Company, the following persons (other than the Directors and chief executive of the Company) had interests and/or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company under section 336 of the SFO.

#### Long positions in Shares

### 主要股東於本公司股份及 相關股份之權益及淡倉

於2016年12月31日，據本公司董事或主要行政人員所知，以下人士（不包括本公司董事及主要行政人員）於股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露或記錄於本公司根據證券及期貨條例第336條規定須存置之登記冊內之權益及／或淡倉。

#### 於股份的好倉

Name of Shareholder 股東姓名／名稱	Nature of interest 權益性質	Number of Shares held 持有股份數目	Approximate percentage of shareholding 持股概約 百分比 %
Homecare <sup>(1)</sup>	Beneficial owner 實益擁有人	218,252,390	28.78
Ms. Zhang Qing Hua <sup>(2)</sup> 張慶華女士 <sup>(2)</sup>	Interest of spouse 配偶權益	218,252,390	28.78
Honeycare International Investment Limited	Beneficial owner 實益擁有人	61,824,518	8.15
CDH Harmony <sup>(3)</sup>	Beneficial owner 實益擁有人	78,621,620	10.37
CDH Jiagen <sup>(3)</sup> 鼎暉健良 <sup>(3)</sup>	Interest of controlled corporation 受控法團權益	78,621,620	10.37
Beijing Taikang Investment Management Co., Ltd. <sup>(3)</sup> 北京泰康投資管理有限公司 <sup>(3)</sup>	Interest of controlled corporation 受控法團權益	78,621,620	10.37
Taikang Assets Management Co., Ltd. <sup>(3)</sup> 泰康資產管理有限責任公司 <sup>(3)</sup>	Interest of controlled corporation 受控法團權益	78,621,620	10.37
Taikang Insurance Group Inc. <sup>(3)</sup> 泰康保險集團股份有限公司 <sup>(3)</sup>	Interest of controlled corporation 受控法團權益	78,621,620	10.37
Harmony Care <sup>(4)</sup>	Beneficial owner 實益擁有人	121,875,507	16.07
Mr. Lin Yuhua <sup>(4)</sup> 林玉華先生 <sup>(4)</sup>	Beneficial owner 實益擁有人	46,243,975	6.10
Mr. Lin Yurong <sup>(4)</sup> 林玉榮先生 <sup>(4)</sup>	Interest of controlled corporation 受控法團權益	46,243,975	6.10
Mr. Lin Yurong <sup>(4)</sup> 林玉榮先生 <sup>(4)</sup>	Interest of controlled corporation 受控法團權益	46,243,975	6.10



## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### Notes:

1. Homecare is wholly owned by Mr. Lin Yuming.
2. Ms. Zhang Qing Hua is the wife of Mr. Lin Yuming and is therefore deemed to be interested in the Shares that Mr. Lin Yuming is interested.
3. CDH Harmony is directly wholly-owned by CDH Jiangen. Beijing Taikang Investment Management Co., Ltd. is the General Partner of CDH Jiangen, and is owned as to 80% by Taikang Assets Management Co., Ltd., which is, in turn, owned as to 99.41% by Taikang Insurance Group Inc. Taikang Insurance Group Inc. as Limited Partner owns 99.99% interests in CDH Jiangen. Therefore, each of CDH Jiangen, Beijing Taikang Investment Management Co., Ltd., Taikang Assets Management Co., Ltd. and Taikang Insurance Group Inc. is deemed to be interested in the Shares held by CDH Harmony.
4. As far as was known to the Directors, Harmony Care is owned as to 56.56% by Mr. Lin Yurong and 43.44% by Mr. Lin Yuhua. Therefore, each of Mr. Lin Yurong and Mr. Lin Yuhua is deemed to be interested in the Shares held by Harmony Care.

Other than as disclosed above, as at 31 December 2016, the Directors have not been notified by any person (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which shall be disclosed to the Company pursuant to Division 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept pursuant to Section 336 of the SFO.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the Share Option Scheme, at no time during the year ended 31 December 2016 was the Company or any of its subsidiaries or fellow subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of Shares in or debentures of the Company or any other body corporate.

### 附註：

1. Homecare由林玉明先生全資擁有。
2. 張慶華女士為林玉明先生的配偶，因此被視為於林玉明先生擁有權益的股份中擁有權益。
3. CDH Harmony由鼎暉健良直接全資擁有。北京泰康投資管理有限公司為鼎暉健良的普通合夥人，並由泰康資產管理有限責任公司擁有80%之權益，而泰康資產管理有限責任公司由泰康保險集團股份有限公司擁有99.41%之權益。泰康保險集團股份有限公司作為有限合夥人擁有鼎暉健良99.99%之權益。因此，鼎暉健良、北京泰康投資管理有限公司、泰康資產管理有限責任公司及泰康保險集團股份有限公司被視為於CDH Harmony所持有之股份中擁有權益。
4. 據董事所知，Harmony Care由林玉榮先生與林玉華先生分別持有56.56%及43.44%權益。因此，林玉榮先生與林玉華先生各自被視為於Harmony Care所持有之股份中擁有權益。

除上述披露者外，於2016年12月31日，董事並無知悉任何人士（不包括本公司董事及主要行政人員）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露或記載於本公司根據證券及期貨條例第336條規定須存置之登記冊內的權益或淡倉。

### 董事收購股份或債權證的權利

除於購股權計劃項下所披露者外，於截至2016年12月31日止年度任何時間，本公司或其任何附屬公司或同系附屬公司概無訂立任何安排令董事可透過收購本公司或任何其他法團之股份或債權證而獲益。



## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACT OF SIGNIFICANCE

Save as disclosed in this annual report, no transaction, arrangement or contract of significance subsisted in which a Director or an entity connected with a Director was materially interested, whether directly or indirectly, during or at the end of the Review Period.

### CONNECTED TRANSACTIONS

#### 1. Acquisition of 16% Equity Interest in Fuzhou Modern Woman Hospital

On 9 September 2016, Guiyang HarMoniCare Hospital entered into an equity transfer agreement with each of the then five individual shareholders of Fuzhou Modern Woman Hospital, namely Mr. Chen Jianhua (陳建華), Mr. Li Feng (李峰), Ms. Yang Yiqiong (楊益瓊), Ms. Ma Huanzhi (馬環芝) and Mr. Zeng Zhemin (曾哲民). Pursuant to the equity transfer agreements, Guiyang HarMoniCare Hospital purchased, and the Vendors sold, in aggregate, 16% of the equity interest in Fuzhou Modern Woman Hospital at an aggregate consideration of RMB28,800,000 in cash. Upon completion of the said transactions, Guiyang HarMoniCare Hospital holds 99% of Fuzhou Modern Woman Hospital. The Directors were of the view that the acquisition would further strengthen its overall management and control of Fuzhou Modern Woman Hospital. For details of the transactions, please refer to the Company's announcement made on 9 September 2016 on the respective websites of HKEX and the Company.

### 董事於重大交易、安排或合約的權益

除本年報所披露者外，於回顧期間內或期末，概無董事或與董事有關連的實體，於仍然存續的重大交易、安排或合約中直接或間接擁有重大權益。

### 關連交易

#### 1. 收購福州現代婦產醫院 16%股權

於2016年9月9日，貴陽和美醫院與福州現代婦產醫院之五名當時個人股東(即陳建華先生，李峰先生，楊益瓊女士，馬環芝女士及曾哲民先生)訂立股權轉讓協議。根據股權轉讓協議，貴陽和美醫院購買而賣方出售福州現代婦產醫院合共16%股權，總代價為現金人民幣28,800,000元。於上述交易完成後，貴陽和美醫院於福州現代婦產醫院的股權將增至99%。董事認為收購事項將進一步加強本集團對福州現代婦產醫院的整體管理及控制。有關該交易之詳情，請參閱本公司於香港交易所及本公司網站刊發之日期為2016年9月9日之公告。



## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### 2. Acquisition of 95% Equity Interest in Heilongjiang HarMoniCare Hospital

On 21 December 2016, Guiyang HarMoniCare Hospital entered into an equity transfer agreement with Mr. Chen Jun Shan (陳俊山), pursuant to which Guiyang HarMoniCare Hospital purchased, and Mr. Chen sold, 95% of the equity interest in Heilongjiang HarMoniCare Hospital at a cash consideration of RMB5,000,000. Mr. Chen was deemed to be a connected person of the Company (as defined under Rule 14A.07(6) of the Listing Rules) by the Stock Exchange pursuant to Rule 14A.19 of the Listing Rules. As such, the acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Upon completion of the acquisition, Heilongjiang HarMoniCare Hospital is held as to 95% by Guiyang HarMoniCare Hospital and is now an indirect subsidiary of the Company. Given the improved and increased profitability of Heilongjiang HarMoniCare Hospital, the Directors were of the view that the acquisition would be conducive to the business development and extension into upstream and downstream industries of the Group in Heilongjiang Province of the PRC. For details of the transaction, please refer to the Company's announcements made on 21 December 2016 on the respective websites of HKEX and the Company.

During the Review Period, there was no connected transaction of the Group which has to be disclosed in accordance with the Listing Rules, save for the foregoing.

Related party transactions that occurred during the Review Period, as set out in Notes 37(a) and (c) to the consolidated financial statements in this annual report, also fall under the definition of connected transactions under Chapter 14A of the Listing Rule and are fully exempt from shareholders' approval, annual review and all disclosure requirements.

## MANAGEMENT CONTRACTS

The Company has not entered into any contract with any individual, firm or body corporate to manage or administer the whole or any substantial part of any business of the Group during the Review Period.

### 2. 收購黑龍江和美婦產醫院 95%股權

於2016年12月21日，貴陽和美醫院與陳俊山先生訂立股權轉讓協議，據此，貴陽和美醫院已收購，而陳先生已同意出售黑龍江和美婦產醫院之95%股權，現金代價為人民幣5,000,000元。根據上市規則第14A.19條，陳先生被聯交所視為本公司之關連人士(定義見上市規則第14A.07(6)條)。因此，根據上市規則第14A章，收購事項構成本公司之一項關連交易。於收購事項完成後，黑龍江和美婦產醫院由貴陽和美醫院持有95%股權，且現為本公司之間接附屬公司。鑒於黑龍江和美婦產醫院的盈利能力有所改善及提升，董事認為，收購事項將有利於本集團在中國黑龍江省的業務發展及上下游產業延伸。有關該交易之詳情，請參閱本公司於香港交易所及本公司網站刊發之日期為2016年12月21日之公告。

於回顧期間內，除上文所述者外，本集團概無根據上市規則須予披露之關連交易。

本年報中的綜合財務報表附註37(a)及(c)所載於回顧期間發生之關聯方交易亦符合上市規則第14A章所界定之關連交易，並獲完全豁免遵守股東批准、年度審閱及所有披露規定。

## 管理合約

本公司於回顧期間內概無與任何個人、公司或法人團體訂立管理或處理本集團任何業務的全部或任何重大部分的任何合約。

## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### DIRECTORS' PERMITTED INDEMNITY PROVISION

Under the Articles of Association, every Director or officer of the Company acting in relation to any of the affairs of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs and damages which he may incur or sustain in or about the execution of the duties of his office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group.

### EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme as disclosed on pages 42 to 45 of this annual report, no equity-linked agreements were entered into by the Company, or existed during the Review Period.

### EVENT AFTER THE REVIEW PERIOD

As at the date of this annual report, there was no significant event after the Review Period.

### PRE-EMPTIVE RIGHTS

There are no provision for pre-emptive rights under the Articles of Association or the relevant laws of the Cayman Islands where the Company is incorporated which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

### DIVIDEND

The Directors recommended the declaration of a final dividend of RMB5.0 cents per Share for FY2016 (FY2015: RMB5.5 cents per Share), payable to Shareholders whose names appear on the register of members of the Company on Friday, 23 June 2017. Based on the number of issued Shares as at 31 December 2016, this represents a total distribution of approximately RMB37.92 million (FY2015: RMB42.06 million). Subject to the approval by Shareholders at the AGM to be held on Thursday, 15 June 2017, it is expected that the final dividend will be paid on or before Wednesday, 5 July 2017.

### 董事的獲准許彌償條文

根據章程細則，凡就本公司任何事務而行使的各董事或本公司高級人員可獲本公司資產及溢利作為彌償，使其不會因於或就履行其職責過程中或與此有關的其他原因而引致或遭受的任何訴訟、費用及損害而蒙受損害。本公司已就本集團董事及高級人員投購適當的董事及高級人員責任保險。

### 股權掛鈎協議

除本年報第42至45頁所披露的購股權計劃外，本公司於回顧期間內並無訂立或訂有任何股權掛鈎協議。

### 回顧期間後事項

於本年報日期，回顧期間後概無發生任何重大事件。

### 優先購股權

章程細則或本公司註冊成立地開曼群島相關法律並無載有優先購股權之規定，規定本公司須按比例向現有股東發售新股份。

### 股息

董事建議向於2017年6月23日(星期五)已登記於本公司股東名冊內之股東宣派2016年財年的末期股息每股人民幣5.0分(2015年財年：每股人民幣5.5分)。根據於2016年12月31日的已發行股份數目，本次合共派發約人民幣3,792萬元(2015年財年：4,206萬元)。預期末期股息將於2017年7月5日(星期三)或之前派發，惟須待於2017年6月15日(星期四)將予舉行之股東周年大會上獲股東批准。



## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### AGM AND CLOSURES OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 12 June 2017 to Thursday, 15 June 2017, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, non-registered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 9 June 2017.

For determining the entitlement to the proposed final dividend (subject to approval by the Shareholders at the AGM), the register of members of the Company will be closed from Wednesday, 21 June 2017 to Friday, 23 June 2017, both dates inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed final dividend, non-registered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 20 June 2017.

### CORPORATE GOVERNANCE

The Corporate Governance Report is set out on pages 54 to 67 of this annual report.

### 股東周年大會及暫停辦理股份過戶登記

為釐定出席股東周年大會及於會上投票的資格，本公司將於2017年6月12日(星期一)至2017年6月15日(星期四)(包括首尾兩日)暫停辦理股份過戶登記手續，期間將不會登記任何股份過戶。為符合股東資格出席股東周年大會及於會上投票，未登記股份持有人務請確保將所有過戶文件連同有關股票於2017年6月9日(星期五)下午4時30分前，送交本公司的香港股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)進行登記。

為釐定獲得建議的末期股息(須待股東於股東周年大會上批准)的資格，本公司將於2017年6月21日(星期三)至2017年6月23日(星期五)(包括首尾兩日)暫停辦理股份過戶登記手續，期間將不會登記任何股份過戶。為符合資格享有建議的末期股息，未登記的股份持有人務請確保將所有過戶文件連同有關股票於2017年6月20日(星期二)下午4時30分前，送交本公司的香港股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)進行登記。

### 企業管治

企業管治報告載於本年報第54至67頁。

## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

### 購買、出售或贖回本公司上市證券

During the year ended 31 December 2016, the Company repurchased its own ordinary Shares on market through the Stock Exchange as follows:

於截至2016年12月31日止年度，本公司透過聯交所於市場中購回其自身普通股如下：

Month of repurchase 購回月份	Number of ordinary shares repurchased 購回普通股數目	Price per share repurchased 購回每股價格		Aggregate consideration paid 已付總代價 HK\$'000 千港元	
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元		
May	5月	5,650,000	6.05	5.59	32,498
July	7月	6,256,000	4.53	3.89	26,898
Total	總計	11,906,000			59,396
Present as	呈列為				RMB'000 人民幣千元 50,428

The Directors were of the view that the repurchase of the Shares would enhance the earnings per Share, and benefit the Company and the Shareholders as a whole. All the repurchased Shares were subsequently cancelled.

董事認為，購回股份能夠提升本公司每股股份盈利，並且整體而言會令本公司及本公司股東受惠。所有購回之股份已於稍後註銷。

Saved as disclosed herein, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Review Period.

除上文所披露者外，於回顧期間，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

### SUFFICIENCY OF PUBLIC FLOAT

### 足夠的公眾持股量

Based on the information publicly available to the Company and to the best of the Directors' knowledge, information and belief, the Company has always maintained sufficient public float as required under the Listing Rules throughout the Review Period.

根據本公司公開可獲得的資料及據董事會所深知、盡悉及確信，於回顧期間，本公司一直根據上市規則規定維持足夠的公眾持股量。





## DIRECTORS' REPORT (CONTINUED) 董事會報告(續)

### TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's listed securities.

### AUDITOR

The Company has appointed Deloitte Touche Tohmatsu as the auditor of the Company for the year ended 31 December 2016. A resolution will be proposed for approval by Shareholders at the forthcoming AGM to re-appoint Deloitte Touche Tohmatsu as the auditor of the Company.

On behalf of the Board

**Lin Yuming**

*Chairman, executive Director and President*

Hong Kong, 22 March 2017

### 稅務減免

董事並不知悉任何因股東持有本公司上市證券而享有的稅務減免。

### 核數師

截至2016年12月31日止年度，本公司已委任德勤•關黃陳方會計師行為本公司的核數師。本公司將於應屆股東周年大會上提呈一項決議案供股東批准，以續聘德勤•關黃陳方會計師行為本公司核數師。

代表董事會

主席、執行董事兼總裁

**林玉明**

香港，2017年3月22日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining high corporate governance standards. The Board believes that good corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has applied the principles as set out in the CG Code contained in Appendix 14 to the Listing Rules.

In the opinion of the Directors, throughout the Review Period, the Company has complied with all applicable code provisions as set out in the CG Code, save and except for code provision A.2.1 which states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual, details of which are set out in the section headed "Chairman and Chief Executive Officer" in this Corporate Governance Report.

### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its code of conduct for securities transactions by the Directors.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the Review Period.

The Company has also established the Written Guidelines on terms no less exacting than the Model Code for securities transactions by employees who are likely to possess unpublished price-sensitive information of the Company. No incident of non-compliance of the Written Guidelines by the employees was noted by the Company.

### 企業管治常規

董事會致力維持高水平的企業管治標準。董事會相信，良好的企業管治標準對本集團而言屬不可或缺的框架，以保障股東利益，提升企業價值，制定業務策略及政策以及提升透明度及問責性。

本公司已採納上市規則附錄十四企業管治守則所載之原則。

董事認為，於回顧期間，本公司一直遵守企業管治守則所載之所有適用守則條文，惟守則條文第A.2.1條要求主席及行政總裁的角色必須分開，且不應由同一人擔任除外。有關詳情載於本企業管治報告「主席及行政總裁」一節。

### 證券交易的標準守則

本公司已採納標準守則作為其有關董事進行證券交易的行為守則。

本公司已向全體董事作出具體查詢，董事確認彼等於回顧期間均一直遵守標準守則。

本公司亦已就可能擁有本公司未公佈之價格敏感資料的有關僱員進行證券交易制訂不比標準守則條款寬鬆的書面指引。本公司並無發現僱員違反書面指引的事件。

## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### BOARD OF DIRECTORS

The Board oversees the Group's businesses, strategic decisions and performance and takes decisions objectively in the best interests of the Company.

The Board regularly reviews the contribution required from the Directors to perform their responsibilities to the Company, and whether the Directors are spending sufficient time in performing them.

### Board Composition

The Board currently comprises nine members as follows:

#### Executive Directors

- Mr. Lin Yuming (*Chairman, President and Chairman of the Nomination Committee*)  
Mr. Fang Zhifeng (*Vice President*)  
Mr. Zhao Xingli (*Vice President and Member of the Remuneration Committee*)

#### Non-executive Directors

- Mr. Lin Yuguo (*Member of the Remuneration Committee*)  
Mr. Qiu Jianwei (*Member of the Audit Committee*)  
Mr. Xu Jun (*Member of the Nomination Committee*)

#### Independent Non-executive Directors

- Mr. Kong Aiguo (*Chairman of the Remuneration Committee and Member of the Audit Committee and the Nomination Committee*)  
Ms. Fang Lan (*Chairman of the Audit Committee and Member of the Remuneration Committee and the Nomination Committee*)  
Mr. Cai Jiangnan (*Member of the Audit Committee, the Remuneration Committee and the Nomination Committee*)

The biographical details of the Directors are set out in the section headed "Directors and Senior Management" on pages 25 to 31 of this annual report. The relationships between the members of the Board are also disclosed under the same section.

### 董事會

董事會監管本集團之業務、策略決策及表現並以本公司之最佳利益作出客觀決定。

董事會定期審閱各董事向本公司履行其職責時須作出之貢獻，及董事是否就履行有關職責付出足夠時間。

### 董事會組成

董事會現時由以下九名成員組成：

#### 執行董事

- 林玉明先生 (主席、總裁兼提名委員會主席)  
方志鋒先生 (副總裁)  
趙興力先生 (副總裁及薪酬委員會成員)

#### 非執行董事

- 林玉國先生 (薪酬委員會成員)  
邱建偉先生 (審核委員會成員)  
徐軍先生 (提名委員會成員)

#### 獨立非執行董事

- 孔愛國先生 (薪酬委員會主席以及審核委員會及提名委員會成員)  
方嵐女士 (審核委員會主席以及薪酬委員會及提名委員會成員)  
蔡江南先生 (審核委員會、薪酬委員會及提名委員會成員)

董事之履歷資料載於本年報第25頁至第31頁之「董事及高級管理人員」一節。董事會成員之間的關係亦披露於該節。

## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### Chairman and Chief Executive Officer

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lin Yuming is the Chairman and President (equivalent to chief executive officer) of the Company. Mr. Lin is the founder of the Group and has been responsible for managing the operation and overall strategic planning of the Group since its establishment. The Directors believe that vesting the roles of both the Chairman and President in Mr. Lin is beneficial to the business outlook and management of the Group and can ensure consistent leadership within the Group for more effective and efficient overall strategic planning for the Group. After considering all the corporate governance measures that have been taken, the Board considers that the balance of power and authority will not be impaired by the present arrangement, and the current structure will enable the Company to make and implement decisions more promptly and effectively. Thus, the Company does not segregate the roles of Chairman and President. The Board will continue to review the situation and consider splitting the roles of Chairman and President of the Company in due course after taking into account of the then overall circumstances of the Group.

### Independent Non-executive Directors

During the Review Period, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his/her independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

### Appointment and Re-election of Directors

Code provision A.4.1 of the CG Code stipulates that non-executive directors shall be appointed for a specific term, subject to re-election, whereas code provision A.4.2 states that all directors appointed to fill a casual vacancy shall be subject to election by shareholders at the first general meeting after appointment and that every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

Each of the executive Directors is appointed under a services contract and each of the non-executive Directors and independent non-executive Directors is appointed under a letter of appointment for a term of three years which is terminable by either party by giving one month's written notice to the other party.

### 主席及行政總裁

企業管治守則之守則條文第A.2.1條規定主席及行政總裁的角色必須分開，且不應由同一人擔任。林玉明先生為本公司主席兼總裁(相當於行政總裁)。林先生為本集團創始人，自本集團創立以來一直負責管理本集團業務及整體策略規劃。董事認為將主席及總裁的角色授予林先生有利於本集團業務前景及管理，可確保本集團內部領導貫徹一致，使本集團的整體策略規劃更有效及更具效率。經考慮我們實行的所有企業管治措施，董事會認為，現行安排不會使權力和授權平衡受損，現行架構可讓本公司迅速及有效地制定及落實決策。因此，本公司並無分開主席及總裁的角色。董事會將繼續進行檢討，並會在計及本集團屆時整體情況後考慮適時將本公司主席與總裁的角色分開。

### 獨立非執行董事

於回顧期間，董事會一直遵守上市規則有關規定，委任至少三名獨立非執行董事，佔董事會三分之一，其中一名獨立非執行董事須具備適當專業資格或會計或相關財務管理專業知識。

本公司已接獲各獨立非執行董事根據上市規則第3.13條所載之獨立性指引，有關彼之獨立性之年度書面確認書。本公司認為，全體獨立非執行董事均為獨立。

### 董事委任及重選

企業管治守則之守則條文第A.4.1條規定，非執行董事之委任須有指定任期，並須接受重選，而守則條文第A.4.2條指出，所有獲委任填補臨時空缺之董事應在獲委任後之首次股東大會上接受股東重新選舉，且每位董事(包括按指定任期委任之董事)須至少每三年輪值退任一次。

各執行董事根據服務合約獲委任，而各非執行董事及獨立非執行董事根據委任函獲委任，服務年期為期三年，可由任何一方發出一個月書面通知予以終止。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

In accordance with the Articles of Association, all Directors are subject to retirement by rotation and re-election at AGM at least once every three years. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting and any Director appointed by the Board as an addition to the Board shall hold office until the next following AGM after his/her appointment and they will be subject to re-election at such meeting.

### Responsibilities, Accountabilities and Contributions of the Board and Management

The Board should assume responsibility for leadership and control of the Company; and is collectively responsible for directing and supervising its affairs. Directors take decisions objectively in the interests of the Company.

The Board directly, and indirectly through its committees, provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company as well as the services and advice from the senior management. The Directors may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his responsibilities to the Company.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

根據章程細則，全體董事均須至少每三年在股東周年大會上輪值退任及膺選連任。任何獲董事會委任以填補臨時空缺的董事將任職至彼獲委任後首屆股東大會，而任何獲董事會委任加入董事會的新增董事將任職至於彼獲委任後下屆股東周年大會，屆時彼等將須於有關大會上膺選連任。

### 董事會及管理層之職責、問責及貢獻

董事會負責領導及控制本公司；並共同負責指導及監管本公司之事務。董事以本公司之利益作出客觀決定。

董事會直接及間接透過其委員會指導管理層，其工作包括制定策略及監察管理層推行策略、監督本集團營運及財務表現，以及確保本集團設有良好的內部監控及風險管理系統。

全體董事(包括非執行董事及獨立非執行董事)均為董事會帶來多種領域之寶貴業務經驗、知識及專長，使其高效及有效地運作。

獨立非執行董事負責確保對本公司作出高水平的監管匯報並於董事會內提供制衡作用，務求有效行使對企業行動及營運的獨立判斷。

全體董事均可全面並及時獲得本公司所有資料以及要求高級管理層提供服務及意見。在適當情況下董事可要求尋求獨立專業意見，以向本公司履行其職責，費用由本公司承擔。

董事須向本公司披露彼等擔任之其他職務之詳情，而董事會定期審閱各董事向本公司履行其職責時須作出之貢獻。

董事會負責決定所有重要事宜，當中涉及政策事宜、策略及預算、內部監控及風險管理、重大交易(特別是涉及利益衝突者)、財務資料、委任董事及本公司其他重大營運事宜。有關執行董事會決策、指導及協調本公司日常營運及管理之職責則轉授予管理層。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### Continuous Professional Development of Directors

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant.

Every newly appointed Director has received formal and comprehensive induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for Directors would be arranged and reading materials on relevant topics would be provided to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

During the Review Period, the Company organized a training session conducted by lawyer for the newly appointed Directors, Mr. Qiu Jianwei and Mr. Xu Jun, focusing on corporate governance, director's duties, responsibilities and obligations under the Listing Rules and The Codes on Takeovers and Mergers and Share Buybacks. Mr. Lin Yuming attended two courses of China CEO Program organized by Cheung Kong Graduate School of Business covering a wide range of topics including globalization strategy; innovative strategy under the new norm; analysis on China's economic trend and hot issues; psychodynamic model of entrepreneurs; global economy; financial innovation and capital market; opportunities for green economy and studies on motivation, leadership and exploration. Mr. Lin Yuming also read articles on international experience of reforms of medical and healthcare systems and personal health reform under the big data era. Ms. Fang Lan has attended a course organized by the Shenzhen Stock Exchange on Training to Independent Directors of Listed Issuers.

Relevant reading materials including legal and regulatory update have been provided to the Directors for their reference and studying.

### 董事之持續專業發展

董事應及時了解監管的发展及變動以有效履行彼等的職責並確保彼等在具備全面資訊及切合所需之情況下對董事會作出貢獻。

各新委任董事將於其首次接受委任時接受正式及全面的入職介紹，以確保彼適當了解本公司的業務及營運並全面知悉上市規則及相關法律規定項下的董事責任及義務。

董事須參與合適的持續專業發展以發展並更新其知識及技能，本公司將在適當情況下為董事安排在內部舉辦簡介會並向董事發出相關主題的閱讀材料。本公司鼓勵全體董事出席相關培訓課程，有關費用由本公司支付。

於回顧期間，本公司委聘律師為新任董事邱建偉先生及徐軍先生組織培訓會，專注於上市規則及收購、合併及股份回購守則項下之企業管治、董事職責、責任及義務。林玉明先生出席由長江商學院舉辦之中國總裁課程的兩次課程，課程涵蓋之議題相當廣闊，包括全球化戰略；新常态下的戰略創新；中國經濟走勢及熱點問題分析；企業家心理動力模型；世界經濟概論；金融創新及資本市場；綠色經濟之機遇以及有關動機、領導力及探索的研究。林玉明先生亦閱讀若干文章，包括醫療衛生體制改革的國際經驗及顛覆醫療：大數據時代的個人健康革命。方嵐女士已出席由深圳證券交易所舉辦之《上市公司獨立董事培訓》課程。

相關閱讀材料包括法律及監管最新資料已提供予董事以供彼等參考及學習。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee for overseeing particular aspects of the Company's affairs. All Board committees are established with defined written terms of reference. The terms of reference of the Board committees are posted on the Company's website ([www.hemeiyi.com](http://www.hemeiyi.com)) and HKEx's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and are available to Shareholders upon request.

The majority of the members of each Board committee are independent non-executive Directors and the list of the chairman and members of each Board committee is set out under "Board of Directors" in this Corporate Governance Report.

#### Audit Committee

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code.

The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems, effectiveness of the internal audit function, scope of audit and appointment of external auditors, and arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Audit Committee held two meetings to review, in respect of the Review Period, the interim and annual financial results and reports and significant issues on the financial reporting, operational and compliance controls, the effectiveness of the risk management and internal control systems and internal audit function, appointment of external auditors and relevant scope of works, and arrangements for employees to raise concerns about possible improprieties.

The Audit Committee also met the external auditors twice during the Review Period.

### 董事委員會

董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會，以監察本公司事務的特定領域。所有董事委員會均訂有書面職權範圍。董事委員會之職權範圍已登載於本公司網站([www.hemeiyi.com](http://www.hemeiyi.com))及香港交易所網站([www.hkexnews.hk](http://www.hkexnews.hk))，亦可應股東要求提供。

各董事委員會的大部分成員為獨立非執行董事，各董事委員會之主席及成員名單載於本企業管治報告「董事會」項下。

#### 審核委員會

審核委員會之職權範圍之嚴格程度不遜於企業管治守則所載之條款。

審核委員會之主要職責為協助董事會審閱財務資料及申報流程、風險管理及內部監控系統、內部審核功能的有效性、審核範圍及委任外部核數師，以及有關本公司僱員可就本公司財務申報、內部監控或其他事項可能發生不當之行為提請關注之安排。

審核委員會舉行兩次會議，以審閱回顧期間中期及年度財務業績及報告，以及有關財務匯報、經營及合規監控的重大問題、風險管理及內部監控系統以及內部審核功能的有效性、委任外部核數師及相關工作範圍，以及有關僱員就可能發生不當之行為提請關注之安排。

於回顧期間，審核委員會亦與外部核數師舉行兩次會議。

## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### Remuneration Committee

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code.

The primary functions of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration packages of individual executive Directors and senior management, the remuneration policy and structure for all Directors and senior management; and establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration.

The Remuneration Committee met twice during the Review Period to review and make recommendation to the Board on the remuneration policy and structure of the Company, and the remuneration packages of the executive Directors, senior management and the newly appointed non-executive Directors and other related matters.

Details of the remuneration of the senior management by band are set out in note 12 to the consolidated financial statements in this annual report.

### Nomination Committee

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code.

The principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessing the independence of independent non-executive Directors.

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board Diversity Policy, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience etc. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

### 薪酬委員會

薪酬委員會之職權範圍之嚴格程度不遜於企業管治守則所載之條款。

薪酬委員會之主要職能包括審閱個別執行董事及高級管理層的薪酬待遇、全體董事及高級管理層之薪酬政策及架構，並就此向董事會提供建議，以及設立透明的程序以完善有關薪酬政策及架構，從而確保概無董事或其任何聯繫人可參與釐定其自身之薪酬。

於回顧期間，薪酬委員會舉行兩次會議，以審閱及向董事會建議本公司之薪酬政策及架構，以及執行董事、高級管理層以及新任非執行董事的薪酬待遇以及其他有關事項。

有關高級管理層薪酬等級之詳情載於本年報中的綜合財務報表附註12。

### 提名委員會

提名委員會之職權範圍之嚴格程度不遜於企業管治守則所載之條款。

提名委員會之主要職責包括審閱董事會的組成、完善及制定提名及委任董事的相關程序、就董事委任及繼任計劃向董事會提供建議，以及評估獨立非執行董事的獨立性。

於評估董事會的組成時，提名委員會將考慮本公司董事會成員多元化政策所載有關董事會成員多元化的多個方面及因素，包括但不限於性別、年齡、文化及教育背景、專業資格、技能、知識以及業內及地區經驗。提名委員會將商討並協定達成董事會多元化之可計量目標(如必要)，並向董事會提供建議，供其採納。

於物色及選定合適的董事人選時，提名委員會將於向董事會提供建議前考慮候選人之性格、資格、經驗、獨立性及其他相關必要標準，以執行企業策略及達致董事會成員多元化(如適用)。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

The Nomination Committee met twice during the Review Period to review the structure, size and composition of the Board and the independence of the independent non-executive Directors, to consider the qualifications of the retiring Directors standing for election at the AGM and to consider and recommend to the Board on the appointment of Mr. Qiu Jianwei and Mr. Xu Jun as non-executive Directors. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained and has not set any measurable objective implementing the Board diversity policy.

### Corporate Governance Functions

The Board is responsible for performing the functions set out in code provision D.3.1 of the CG Code.

During the Review Period, the Board had reviewed the Company's corporate governance policies and practices, training and continuous professional development of the Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, compliance of the Model Code and Written Guidelines, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

於回顧期間，提名委員會舉行兩次會議，以審閱董事會之架構、規模及組成以及獨立非執行董事的獨立性，並考慮將於股東周年大會參選之退任董事的資格，以及考慮委任邱建偉先生及徐軍先生為非執行董事並向董事會作出推薦建議。提名委員會認為董事會在多元化方面已維持適當平衡，並無制定為執行董事會多元化政策的任何可計量目標。

### 企業管治職能

董事會負責執行載於企業管治守則守則條文第D.3.1的職能。

於回顧期間，董事會已審閱本公司企業管治政策和常規、董事及高級管理層的培訓和持續職業發展與本公司遵守法律及法規規定的政策及常規、標準守則及書面指引的合規性，及本公司遵守企業管治守則及本企業管治報告的披露。

## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### ATTENDANCE RECORDS OF DIRECTORS

### 董事之出席記錄

The attendance record of each Director at the Board and Board committee meetings and AGM of the Company held during the Review Period is set out in the table below:

各董事出席本公司於回顧期間舉行之董事會及董事委員會會議及股東周年大會之出席記錄載列於下表：

Name of Director 董事姓名	Attendance/Number of Meetings 出席情況／會議次數				Annual General Meeting 股東 周年大會
	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	
<i>Executive Directors</i> 執行董事					
Mr. Lin Yuming 林玉明先生	4/4	N/A 不適用	N/A 不適用	2/2	1/1
Mr. Fang Zhifeng 方志鋒先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Zhao Xingli 趙興力先生	4/4	N/A 不適用	2/2	N/A 不適用	1/1
<i>Non-executive Directors</i> 非執行董事					
Mr. Wang Lin (Resigned on 21 December 2016) 王霖先生(於2016年12月21日辭任)	3/3	2/2	N/A 不適用	N/A 不適用	1/1
Mr. Lin Yuguo 林玉國先生	4/4	N/A 不適用	2/2	N/A 不適用	1/1
Mr. Qiu Jianwei (Appointed on 21 December 2016) 邱建偉先生(於2016年12月21日獲委任)	1/1	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Xu Jun (Appointed on 21 December 2016) 徐軍先生(於2016年12月21日獲委任)	1/1	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
<i>Independent Non-executive Directors</i> 獨立非執行董事					
Mr. Kong Aiguo 孔愛國先生	4/4	2/2	2/2	2/2	1/1
Ms. Fang Lan 方嵐女士	4/4	2/2	2/2	2/2	1/1
Mr. Cai Jiangnan 蔡江南先生	4/4	0/2	1/2	1/2	1/1

Apart from regular Board meetings, the Chairman also held a meeting with the non-executive Directors (including independent non-executive Directors) without the presence of executive Directors during the Review Period.

除定期舉行董事會會議外，於回顧期間，主席亦與非執行董事(包括獨立非執行董事)舉行一次並無執行董事出席的會議。





## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

The Company has developed and adopted various risk management procedures and guidelines with defined authority for implementation by key business processes and office functions, including project management, sales and leasing, financial reporting, human resources and information technology.

All divisions conducted internal control assessment regularly to identify risks that potentially impact the business of the Group and various aspects including key operational and financial processes, regulatory compliance and information security. Self-evaluation has been conducted to confirm that control policies are properly complied with by each division.

The management, in coordination with division heads, assessed the likelihood of risk occurrence, provide treatment plans, and monitor the risk management progress, and reported to the Audit Committee and the Board on all findings and the effectiveness of the systems.

### 風險管理及內部監控

董事會承認其有關風險管理及內部監控系統，以及檢討其成效之責任。該等系統乃旨在管理而非消除未能達成業務目標之風險，且僅能就不會有重大失實陳述或損失作出合理而非絕對保證。

董事會有整體責任評估及釐定本公司為達成戰略目標所願承擔的風險性質及程度，並制訂並維持合適且有效之風險管理及內部監控系統。

審核委員會協助董事會領導管理層並監督其設計、執行及監控風險管理及內部監控系統。

本公司已制定並採納多項風險管理流程及指引，當中訂明執行關鍵業務流程及辦公職能(包括項目管理、銷售及租賃、財務匯報、人力資源及資訊科技)的職權。

所有分部均定期進行內部監控評估以識別可能對本集團業務及多個方面(包括主要營運及財務流程、監管合規及信息安全)構成影響的風險。各分部已進行自我評估以確認其已妥為遵守監控政策。

管理層協同分部主管對出現風險的可能性進行評估、制定應對計劃、監控風險管理過程，並向審核委員會及董事會匯報所有評估結果及該系統的有效性。

## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

The Internal Audit Department is responsible for providing the internal audit function and performing independent review of the adequacy and effectiveness of the risk management and internal control systems. The Internal Audit Department examined key issues in relation to the accounting practices and all material controls and provided its findings and recommendations for improvement to the Audit Committee.

The management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the Review Period.

The Board, as supported by the Audit Committee as well as the management report and the internal audit findings, reviewed the risk management and internal control systems, including the financial, operational and compliance controls, for the Review Period, and considered that such systems are effective and adequate. The annual review also covered the financial reporting, internal audit function and staff qualifications, experiences and relevant resources.

Whistleblowing procedures are in place to facilitate employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Company has developed its disclosure policy which provides a general guide to the Directors, the Company's officers, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorized access and use of inside information are strictly prohibited.

內部審核部門負責提供內部審核功能並對風險管理及內部監控系統的充足性及有效性進行獨立審閱。內部審核部門審查有關會計常規及所有重大監控的關鍵問題，並向審核委員會提供其審查結果以及就改進作出推薦建議。

管理層已向董事會及審核委員會確認於回顧期間風險管理及內部監控系統的有效性。

董事會在審核委員會的協助下參考管理層報告及內部審核結果對於回顧期間的風險管理及內部監控系統(包括財務、經營及合規監控)進行審閱，並認為該等系統屬有效及充足。年度審閱範圍亦涵蓋財務報告、內部審核功能及員工資歷、經驗及相關資源。

本公司設有檢舉程序以便本公司僱員可以保密方式就本公司財務申報、內部監控或其他事項可能發生不當之行為提請關注。

本公司已制定披露政策，以向董事、本公司負責人員、高級管理層及相關僱員就處理保密資料、監控信息披露及回應查詢提供一般指引。本公司已執行監控程序以確保嚴格禁止未經授權獲取及使用內幕消息。

## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the Review Period.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 78 to 84 of this annual report.

### 董事有關財務報表之責任

董事知悉彼等編製本公司於回顧期間之財務報表之職責。

董事並不知悉任何重大不確定因素涉及可能對本公司持續經營能力造成重大疑惑之事件或情況。

本公司獨立核數師有關彼等就財務報表之申報責任之陳述載於本年報第78至84頁之獨立核數師報告內。

### AUDITOR'S REMUNERATION

An analysis of the remuneration paid to the external auditor of the Company, Messrs. Deloitte Touche Tohmatsu, for the Review Period is set out below:

### 核數師酬金

本公司就回顧期間向本公司外聘核數師德勤•關黃陳方會計師行支付之酬金分析載列如下：

Service Category 服務類別		Fees Paid/ Payable 已付/應付費用 RMB'000 人民幣千元
Audit Services	審核服務	2,900
Non-audit Services	非審核服務	—
		2,900

### COMPANY SECRETARY

Mr. Chen Wei, being the Vice President, and Ms. Ng Sin Yee Clare of Tricor Services Limited, external service provider, are the joint company secretaries of the Company. Ms. Ng's primary contact person at the Company is Mr. Chen Wei.

All Directors have access to the advice and services of the joint company secretaries on corporate governance and board practices and matters.

### 公司秘書

副總裁陳偉先生及外聘服務機構卓佳專業商務有限公司之吳倩儀女士為本公司之聯席公司秘書。吳女士於本公司之主要聯絡人士為陳偉先生。

全體董事均可就企業管治及董事會常規及事項獲聯席公司秘書提供建議及服務。

## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### SHAREHOLDERS' RIGHTS

The Company engages with Shareholders through various communication channels and a Shareholders' Communication Policy is in place to ensure that Shareholders' views and concerns are appropriately addressed. The policy is regularly reviewed to ensure its effectiveness.

To safeguard Shareholder interests and rights, separate resolution will be proposed for each substantially separate issue at general meetings, including the election of individual Directors. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and HKEx after each general meeting.

### Convening an Extraordinary General Meeting

Pursuant to Article 58 of the Articles of Association, any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

### Putting Forward Proposals at General Meetings

There are no provisions in the Articles of Association or the Companies Law of the Cayman Islands for putting forward proposals of new resolutions by Shareholders at general meetings. Shareholders who wish to move a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the preceding paragraph to consider the business specified in the requisition. For proposing a person for election as a Director, please refer to the "Procedures for Shareholders to Propose a Person for Election as a Director" posted on the Company's website.

### 股東權利

本公司以多種溝通渠道與股東聯繫，並制定股東溝通政策以確保適當處理股東的意見及關切。本公司定期審閱該政策以確保其有效性。

為保障股東權益及權利，本公司將就各重大個別事宜(包括選舉個別董事)於股東大會提呈獨立決議案。股東大會上提呈之所有決議案將根據上市規則進行投票表決，且投票表決之結果將於各股東大會結束後在本公司及香港交易所網站上刊載。

### 召開股東特別大會

根據章程細則第58條，於遞呈要求當日持有不少於本公司實繳股本(附有於本公司股東大會投票權利)十分之一的任何一名或以上的股東，有權於任何時間向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；該大會應於遞呈該要求後兩個月內舉行。倘於遞呈要求後二十一日內，董事會未有召開該大會，則遞呈要求人士可自行以同樣方式召開大會，而遞呈要求人士因董事會未有召開大會而產生的所有合理開支應由本公司向遞呈要求人士作出償付。

### 於股東大會上提呈建議

章程細則或開曼群島公司法並無載列任何有關股東在股東大會上提呈新決議案的條文。股東如欲動議決議案，可根據上段所載程序要求本公司召開股東大會以考慮要求中的指明事項。有關提名候選董事之事宜，請參閱本公司網站所登載之「股東提名候選董事的程序」。



## CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)

### Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

### Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: No. A2 Xiaoguan Beili, Beiyuan Road,  
Chaoyang District, Beijing, The People's Republic of China  
For the attention of the Joint Company Secretary  
Fax: 86 10 57960506  
Email: chenwei@hemeiyl.com/ir@hemeiyl.com

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

## COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through AGMs and other extraordinary general meetings. At the AGM, Directors (or their delegates as appropriate) are available to meet Shareholders and answer their enquiries.

During the Review Period, the Company has not made any changes to its Articles of Association. An up to date version of the Company's Articles of Association is available on the Company's website and HKEx's website.

### 向董事會作出查詢

向董事會作出任何查詢時，股東可向本公司發送書面查詢。本公司一般不會處理口頭或匿名查詢。

### 聯絡詳情

股東可將上文所述彼等的查詢或要求郵寄至以下地址：

地址：中華人民共和國北京朝陽區  
北苑路小關北里甲2號  
聯席公司秘書收  
傳真：86 10 57960506  
電郵：chenwei@hemeiyl.com/ir@hemeiyl.com

為免生疑，股東必須遞呈及寄送正式簽署的書面要求、通知或聲明或查詢(視情況而定)的正本至上述地址，並提供全名、聯絡詳情及身份證明文件，方告生效。股東資料可根據法律規定而予以披露。

## 與股東及投資者溝通／投資者關係

本公司認為，與股東有效溝通對加強投資者關係及讓投資者了解本集團業務表現及策略相當重要。本公司致力維持與股東的持續溝通，尤其是透過股東周年大會及其他股東特別大會。董事或其代表(如適用)將於股東周年大會與股東會面並解答查詢。

於回顧期間，本公司並無對其組織章程細則作出任何改動。本公司組織章程細則的最新版本可於本公司及香港交易所網站查閱。





**ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT**  
**環境、社會及管治報告**



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會及管治報告(續)

As the largest private obstetrics and gynecology specialty hospital group in the PRC, Harmonicare Medical Holdings Limited and its subsidiaries have been consistently dedicated to providing high quality healthcare services to women and children. Harmonicare adhered to the guiding principle of "Always Being Customer-oriented". Beijing HarMoniCare Hospital and Shenzhen HarMoniCare Hospital under the Group were both certified by JCI. Upholding the principle of ensuring patients' safety and improving our quality continuously, the Group continued to enhance its medical services, which were well recognized by its customers. In accordance with the requirements of the core system of the National Health and Family Planning Commission, Harmonicare prioritized resource allocation in various aspects including medical technology, medical environment and facilities, so as to guarantee health of the general public and safeguard public interests by providing safe, high-quality, efficient and environmental-friendly products and services to the public.

Fulfilling social responsibility actively is the obligation of Harmonicare to promote social development and also its commitment to achieving a sustainable development. We firmly believe that undertaking social responsibility as well as performing the duties as a corporate citizen provide strong guarantee for the Group's sustainable development. Therefore, while seeking to boost economic benefits, the Group laid emphasis on maintaining the interests of Shareholders and creditors, protecting the legal interest of our staff, treating suppliers, clients and consumers in good faith, reducing energy consumption and pollution emissions in the course of business, and actively participating in public affairs, in order to promote the development of the Group and the society.

In response to national policies and along with deepening reform of the medical system, the society sets higher requirements on social responsibilities of medical enterprises, which compels us to focus more on the health of the general public and patients' interest, proactively integrate corporate social responsibility into corporate governance and explore and fulfill the social responsibilities according to its own situation at a strategic level and for attaining a sustainable development. In 2016, under the leadership of the Board, the Group persisted in advancing product innovation and management promotion, consolidating the market position of its core products, pushing forward the development of various business lines steadily, implementing innovation in business modes and marketing methods, as well as centralizing the resource to develop its competitive business.

和美醫療控股有限公司與其附屬公司作為中國最大的私立婦產醫院集團，我們致力於為女性和兒童提供高品質的醫療健康服務。和美醫療秉承「一切以客戶為中心」的宗旨，本集團旗下的北京和美醫院、深圳和美醫院均獲得國際醫療衛生機構認證聯合委員會(JCI)認證，本集團秉承保障患者安全、持續質量改進的理念，持續提升醫療服務水平，得到患者較滿意的評價。和美融合國家衛生和計劃生育委員會核心制度要求，從醫療技術、就診環境、設施設備各方面提供頂級資源配置，為公眾提供安全、優質、高效、環保的產品和服務，做到切實保障公眾健康，維護社會公共利益。

積極履行社會責任，是和美醫療推動社會發展的義務，也是我們對自身持續發展的承諾。我們堅信，承擔社會責任，履行企業公民職責，是對本集團可持續發展的有力保障。因此，本集團在增加經濟效益的同時，注重維護股東與債權人利益，全面保護職工的合法權益，誠信對待供應商、客戶和消費者，全力降低服務過程中的能源消耗與污染排放，積極從事公共事業，從而促進本集團與社會的發展。

在國家政策及醫療體制深化改革的形勢下，社會對醫療企業的社會責任有了更高的要求，需要我們從戰略性的高度和企業可持續發展的目標出發，更多地關注公眾的健康和患者的利益，主動地將企業社會責任納入到治理範疇中，積極探索和實踐適合自身情況的社會責任行為。2016年，本集團在董事會的領導下，始終堅持產品創新和管理提升，鞏固提升核心產品的市場地位，穩步推進各項業務發展，創新業務模式和營銷手段，集中資源發展優勢業務。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會及管治報告(續)

### I. ENVIRONMENT

#### 1. Emission

The Group mainly provides medical service, during which our pollutants mainly include medical waste and medical wastewater. The Group strictly complies with “Medical Waste Management Regulations” (《醫療廢物管理條例》), “Medical Waste Management Measures for Medical and Health Institutions” (《醫療衛生機構醫療廢物管理辦法》), “Disinfection Management Measures” (《消毒管理辦法》) and relevant laws and regulations. Moreover, we strictly implement the cooperation agreement entered into with the local centralized disposal entities of medical waste. To effectively prevent and control the medical waste from causing hazard and spreading disease to the environment during its temporary storage at hospitals, transport and disposition, our hospitals drew up regulations such as “Contamination Control Regulation on Medical Waste Disposal” (《醫院廢棄物處理感染管制規程》) to prevent the spread of contagious disease and environmental pollution arising from medical waste. The regulations clearly define the classification of and collecting containers used for medical waste and the requirement and related process of storage, transfer and disposal of the same, which have been implemented strictly by our hospitals.

#### 2. Use of Resources

The Group pays attention to the efficient use of resources and implements various measures to encourage the staff to practice the concept of “Use Less, No Waste” during the ordinary course of business, such as installing energy-saving light pipes, reminding the staff to shut off the computers, office equipment and air conditioners if not in use, hosting conference calls/video conferences to reduce business travels, advocating paperless office and encouraging the staff to read and send file electronically to reduce file printing.

#### 3. Environment and Natural Resource

The Group upholds the principle of being responsible for the environment during its business operations. In aspects of wastewater discharge and disposal, the Group strictly abides by the relevant laws and regulations such as “Wastewater Discharge Standard of Medical Institutions” (《醫療機構水污染物排放標準》) (GB18466-2005) and “Disinfection Management Measures” (《消毒管理辦法》). Meanwhile, we disinfect wastewater and human waste of patients with contagious disease or patients with suspected contagious disease in accordance with regulations, so as to conduct safe disposal control that meets national standards. Our staff is also encouraged to take actions that are accountable to the environment in workplace. In 2016, there have been no related matters in the industry in which the Group operates that have significant impact on the environment and natural resource.

### 一、環境

#### 1. 排放物

本集團主營業務為醫療服務，在運營過程中主要產生的污染物為醫療廢物、醫療廢水，本集團嚴格遵守《醫療廢物管理條例》、《醫療衛生機構醫療廢物管理辦法》、《消毒管理辦法》等相關法律法規，並與當地醫療廢物集中處置單位簽訂合作協議嚴格按協議內容執行。為規範醫療廢物在醫院暫時存放、運送和處置過程中有效預防和控制其對環境產生危害、傳播疾病，有利保護人體健康和生命安全，醫院制定了《醫院廢棄物處理感染管制規程》等相關制度，防止因醫療廢物導致傳染病傳播和環境污染事故，規程中明確規定醫療廢物的分類及收集容器、存放、移交和處置內容及相關流程，並嚴格按照制度執行。

#### 2. 資源使用

本集團注重資源的有效使用，提倡全體員工將「減少使用、物盡其用」理念運用於日常業務活動中。如安裝具有能源效益的光管，提醒員工在非使用時關掉所有電腦、辦公設備和冷氣，使用電話／視頻會議以減少商務旅行，提倡無紙化辦公，鼓勵員工採用電子方式閱覽及發送文件以減少文件的打印。

#### 3. 環境及天然資源

本集團一直秉承對環境負責的方式經營業務，污水排放及治理方面，本集團嚴格遵守《醫療機構水污染物排放標準》(GB18466-2005)、《消毒管理辦法》等相關法律法規，對產生的污水、傳染病患者或者疑似傳染病患者的排泄物，嚴格按照規定進行消毒，達到國家規定進行安全處理管控，並鼓勵全體員工在工作場所中採取對環境負責的行為。本集團所在行業2016年並無相關事項對環境及天然資源造成重大影響。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會及管治報告(續)

### II. SOCIAL

#### 1. Employment

The Group regards employees as its most important and valuable assets for corporate development, and respects and protects the right of all our employees. We have always been strictly complying with the relevant laws and regulations such as Labour Law and Labour Contract Law. We seek to provide best working environment for employees in which they can work together without any form of discriminations or harassment. The Group is committed to creating a fair and diverse working environment by promoting equal rights among employees irrespective of their race, social status, age, nationality, religious beliefs, disability, gender, and sexual orientation. The Group has established the Remuneration Management System and the Labour Contract Management System which are strictly implemented. The Remuneration Management System contains rules on basic salary, performance salary, various allowance and benefits (including statutory and corporate benefits), leaves and year-end bonus, and the Labour Contract Management System contains rules on labour contract duration, probation period evaluation and conversion and renewal, amendment, claim, cancellation and termination of labour contracts. In 2016, the Group's number of employees remains stable expect for those recruited due to the natural growth of business and the implementation of our strategic plan.

### 二、社會

#### 1. 僱傭

本集團一直堅信員工是企業發展的寶貴資源和財富，尊重和保障每位員工的權益。我們嚴格遵守《勞動法》、《勞動合同法》等相關法律法規。我們力求為員工營造最佳工作環境，使僱員於無任何形式的歧視或騷擾下和諧合作。我們力求倡導員工平等與多元化，同時保障我們僱員的權利，不受種族、社會地位、年齡、國籍、宗教、殘障、性別或性取向影響。我們制定了《薪酬福利管理制度》、《勞動合同管理制度》等，其中薪酬福利管理制度中包括基本工資、考核工資、各類補貼、福利(法定福利、公司福利)、請休假、年終獎金等規則，勞動合同管理制度中包括勞動合同期限、試用期考核及轉正、勞動合同的續簽、變更及申訴、解除和終止等規則，並嚴格按照制度執行。2016年除業務自然增長及為推行戰略計劃而增聘人手外，本集團的僱員人數並無重大變更。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會及管治報告(續)

### 2. Health and Safety

The Group strives to ensure the health of its staff and provide a sound working environment through arranging various trainings and safety guidelines. Office workplaces are equipped with fire safety facilities, staff safety channels, power failure emergency equipment and other facilities. Various measures are also taken, such as inspecting and preventing fire hazards from time to time by installing sound fire-fighting facilities and keeping effective channels available, checking access control to guard against theft, investigating and removing suspicious persons, reminding medical staff, clients and their family members to take care of public property and their own properties, examining and dealing with slippery ground by giving warnings, isolating risky areas and notifying cleaners to clean, confirming the identity of the persons entering the wards, and strictly requiring medical staff to wear disposable protective equipment. In addition, the Group provides a variety of occupational health examinations and education counseling to its staff, as well as medical and accident insurances to its qualified staff with an aim to protecting its staff from work-related accidents or occupational hazards. We strictly abide by relevant laws and regulations, including the Administrative Measures on Radiotherapy (《放射診療管理規定》), the Prevention and Control of Occupational Diseases Law of the People's Republic of China (《中華人民共和國職業病防治法》), the Law on Licensed Physicians of the People's Republic of China (《中華人民共和國執業醫師法》) and the Tort Law of the People's Republic of China (《中華人民共和國侵權責任法》). In 2016, the Group was not prosecuted for any occupational health and safety matters.

### 2. 健康與安全

本集團通過安排各項培訓及安全指引，確保員工健康和具有良好的工作環境。辦公場所設有安全消防設施、員工安全通道及停電應急設備等，並通過不定期的火災危險巡查、排除、消防設施完備有效通道暢通；門禁檢查、防盜及可疑人員排查、清理，提醒醫護人員客戶及家屬保管好公共財物各人財物；檢查、處理濕滑地面溫馨提示、隔離風險區域、通知清潔人員打掃，對進入病區人員進行身份確認，同時嚴格要求醫護人員佩戴一次性防護用品等；以及向員工提供各種職業健康體檢及教育諮詢，提供醫療和意外保險給符合條件的員工，致力保護員工免受工傷事故或職業危害。我們嚴格遵守《放射診療管理規定》、《中華人民共和國職業病防治法》、《中華人民共和國執業醫師法》、《中華人民共和國侵權責任法》等相關法律法規。2016年本集團並無就職業健康及安全事宜遭檢控。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會及管治報告(續)

### 3. Development and Training

The Group recognizes the importance of attracting and training talents. In 2016, according to the requirement of development strategies and business development, the Group sped up the introduction of management personnel and expanded the management team and professional team, in order to optimize the talent structure. Meanwhile, the Group attaches great importance to the training and utilization of internal talents, and constantly selects individuals from key employees with excellent performance and development potential to serve important positions in the Group. The Group pays attention to staff training and develops various training programs for staff each year, including new employee orientation training, and carries out professional skills training and relevant follow-up education for physicians, nurses and other special positions from time to time, arranging them to participate in relevant industry seminars and technical exchanges according to the operations of the Company. In October 2016, the Group's subsidiary Shenzhen HarMoniCare Hospital held a maternity forum for domestic and international experts at the InterContinental Hotel in Shenzhen Overseas Chinese Town. The Group constantly encourages employees to continuously improve their quality through training, so as to build a high quality management team and professional team meeting the business development of the Group. The Group has developed the "Employee Handbook" and distributed it to its staff, setting out the Group's history, structure, future plan, concept of corporate culture and employee's code of conduct, rights, benefits and other important information.

### 3. 發展及培訓

本集團重視吸納和培養人才。2016年，本集團根據發展戰略和業務發展需要，加快引進管理人才，充實管理團隊和專業人才隊伍，優化人才結構。同時，本集團重視內部人才的培養使用，不斷從工作表現優良、具有發展潛力的骨幹員工中選拔人才到本集團的重要崗位任職。本集團重視員工培訓，每年度均為員工制定各項培訓計劃，含新員工入職培訓、醫生、護士等特殊崗位開展不定期的專業技能培訓、相關人員後續教育等，結合公司運營情況不定期參加相關行業研討會、技術交流會。本集團旗下深圳和美醫院在2016年10月深圳華僑城洲際酒店隆重舉行中外孕產專家高峰論壇。不斷鼓勵員工通過培訓持續提升自身質素，以打造一支適應本集團業務發展的高質素管理團隊和專業隊伍。本集團已制定《員工手冊》並分發予員工，《員工手冊》中列明本集團的發展歷程、架構、未來規劃、企業文化理念以及員工的操守、權利、福利等重要資訊。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會及管治報告(續)

### 4. Labor Standards

All the employees are voluntarily employed. The Group strictly abides by the Rules on Prohibition of Child Labor, Labor Law and other relevant laws and regulations, prohibiting the use of child labor and forced labor within the Group, and is committed to creating a working environment with full respect for human rights. The Group has developed the Recruitment Management System. According to the system, the department making the recruitment should fill in the Personnel Requirement Form in advance and seek approval in accordance with set responsibility and authority before submitting it to the recruitment department to arrange a unified recruitment. The recruitment department formulates recruitment plans according to the job description of the required positions and special requirements of departments, selects recruitment channel, implements entry approval procedures after layers of interviews, completes orientation procedures, and conducting a comprehensive review on the information of the new employees (including identity cards, academic certifications, and proof of departure from previous employment).

### 5. Supply Chain Management

The Group attaches great importance to managing the environmental and social risks of the supply chain. We strictly examine the qualification and related certification materials provided by upstream suppliers and manufacturers to make sure they meet relevant national requirements, including but not limited to the Good Supply Practices for Pharmaceutical Products (藥品經營質量管理規範(GSP)) Certificate, Quality Guarantee Covenant (質量保障協議書), Pharmaceutical Distribution Certificate (藥品經營許可證) and Medical Device Marketing Enterprise License (醫療器械經營企業許可證). In accordance with the Pharmaceutical Administration Law of the People's Republic of China (《中華人民共和國藥品管理法》), Administrative Measures on the Supervision of the Distribution of Pharmaceutical Products (《藥品流通監督管理辦法》), Regulations on the Supervision and Administration of Medical Devices (《醫療器械監督管理條例》) and other relevant laws and regulations, the Group has developed the Management System for Supplier Evaluation and the Management System for New Supplier and Category Approval. We also arrange relevant personnel to carry out annual evaluation of suppliers, including the objective evaluation of suppliers and enterprises in respect of their basic condition, performance of contracts, quality of the products supplied, logistics, after-sales service quality and other aspects, and utilize information technology to manage them effectively. In 2016, the Group was not aware of any significant risk or potential negative impact posed by any of the major suppliers on business ethics, environmental protection, human rights and labor measures, or any non-compliance in human rights encountered by any of them.

### 4. 勞工準則

本集團所有員工均屬自願受聘，本集團嚴格遵守《禁止使用童工規定》、《勞動法》等相關法律法規，禁止在集團內使用童工及強制性勞動，並致力於創建一個完全尊重人權的工作環境。本集團制定了《招聘管理制度》，制度中規定用人部門需提前填寫《人員需求表》根據職責權限完成審批後提交至招聘部門统一安排招聘，招聘部門依據所需職位的《崗位說明書》及部門特別要求制訂招聘計劃，選擇招聘渠道，經過層層面試後再進行錄用審批，辦理入職手續，對入職人員資料(含身份證、學歷證明、上家單位離職證明等)進行全面審核。

### 5. 供應鏈管理

本集團極為重視管理供應鏈的環境及社會風險，嚴格審核上游供應商及廠商提供符合國家相關要求的資質及其相關證明材料，包含有藥品經營質量管理規範(GSP)證書、質量保障協議書、藥品經營許可證、醫療器械經營企業許可證等。根據《中華人民共和國藥品管理法》、《藥品流通監督管理辦法》、《醫療器械監督管理條例》等相關法律法規，本集團制定了《供應商評價管理制度》、《新增供應商及品種審核管理制度》並組織相關人員進行年度供應商評價工作，對供應商企業基本情況、合同履行能力、供應品種的質量、物流、售後服務質量等各方面展開客觀評價，通過信息手段有效進行管控。2016年本集團並不知悉有任何主要供應商對商業道德、環境保護、人權及勞工措施造成任何重大危險及潛在的負面影響，又或者人權問題上出現不合規的事件。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會及管治報告(續)

### 6. Product Responsibility

The Group is committed to offering an excellent customer experience and ensuring the safety of our products and services, in strict compliance with the relevant laws and regulations such as the Advertisement Law (廣告法), the Interim Measures for the Administration of Internet Advertisement (互聯網廣告管理暫行辦法), the Administrative Measures on Medical Advertisement (醫療廣告管理辦法), the Law on Medical Practitioners of the People's Republic of China (中華人民共和國執業醫師法), the Administrative Measures on Medical Institutions (醫療機構管理條例) and the Measures for Sterile Management (消毒管理辦法). It is our aim for our customers to have confidence in our products and services, and sufficient information to make informed choices. The Group focuses on advertising its products and the placement of advertisements is subject to approval by the relevant government authorities of places where we operate in. Besides, both the medical products for sale and their promotion are required to be cross-inspected to ensure the accuracy of descriptions. We made efforts to ensure that our customers can make informed decisions on their purchase. We view data privacy and security as a key operating principle and the Group strictly adheres to the laws and regulations while establishing relevant systems such as management system of medical records and informed written consent related to medical services. In addition, our staff members were provided regular trainings on privacy and security, thereby customer's consent must be obtained before we can collect their personal data and provide further medical services. During the year of 2016, the Group did not have any non-compliance of the rules in relation to the provision and use of the Group's products and services, which would have material impacts on the Group.

### 7. Anti-corruption

The Group strictly adheres to relevant laws and regulations including the Law of the People's Republic of China on Anti-money Laundering, the Criminal Law of the People's Republic of China and the Law on Medical Practitioners of the People's Republic of China. The Group also set up an anti-corruption management system, the extent of which covers the definition of corruption, the definition of corrupt behavior, the classification on institution's rights and responsibilities, the prevention and control of corruption, the reporting of corruption case, relevant survey and report and etc.. We also prepare dedicated email and phone line for corruption report which are published on our Company's website and implement relevant procedure stringently by following relevant system. In 2016, the Group was exposed to no significant bribery risk, and there is no reported corruption incident related to or public lawsuit initiated against the Group and its employees. During the year, none of the contracts with our business partner was forced to be terminated or stopped performance due to corruption related non-compliance.

### 6. 產品責任

本集團致力提供卓越的客戶體驗，以確保我們的產品及服務安全。本集團嚴格遵守《廣告法》、《互聯網廣告管理暫行辦法》、《醫療廣告管理辦法》、《中華人民共和國執業醫師法》、《醫療機構管理條例》、《消毒管理辦法》等相關法律法規。我們的目標是讓客戶對我們的產品和服務抱有信心，並有足夠資料作出知情選擇。本集團關注產品的宣傳，投放的廣告均取得所在營運地區相關政府部門審批後進行投放，並確保銷售的醫療產品及推廣工作均經覆核檢查，致使描述無誤。我們致力確保我們的客戶能夠購買時作出知情的決定，我們認為資料私隱及安全是關鍵的經營原則，本集團嚴格遵守法律法規，同時也制定了相關制度，如病案管理制度及醫療服務相關的知情同意書等，我們的員工定期接受私隱及安全事宜的培訓，必先獲得客戶的同意，方可收集客戶的個人資料及進行進一步的醫療服務。2016年本集團並無任何違反有關提供及使用本集團產品和服務方面規則，並對本集團有重大影響的事件。

### 7. 反貪污

本集團嚴格遵守《中華人民共和國反洗錢法》、《中華人民共和國刑法》、《中華人民共和國執業醫師法》等相關法律法規。本集團制定了《反舞弊管理制度》，制度中包含舞弊的名詞解釋、舞弊行為、機構權責的劃分、舞弊的預防和控制、舞弊案件的舉報、調查、報告等，並建立了舞弊舉報郵箱、電話並在公司網站中進行公示，並嚴格按制度執行。2016年內無任何與賄賂有關的重大風險，亦無出現任何有關集團的已確認貪污事件或針對本集團或其僱員有關的公開法律訴訟。年內亦無發生業務合作夥伴的合約因貪污違規而遭終止或不再履約的已確認事件。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會及管治報告(續)

### 8. Community and Charity

Upholding the idea of “earning from the community and contributing to the community”, the Group is committed to contributing to the community, supporting education, culture and art and other charitable activities. Internally, the Group endeavors to establish a favorable platform for volunteer services. And externally, the Group spared no effort to facilitate a harmonious society by focusing on environmental protection, promoting the development on the well-being of mothers and infants and actively engaging in social activities for public welfare while always taking social responsibility and improving public health as key emphases for its development. In 2016, Beijing HarMoniCare Hospital together with China Women Daily (中國婦女報社) and the China Mother and Baby Healthcare Caring Club initiated a care action for “invisible moms” to call upon the society to pay more attention to “invisible moms”. As an organizer, Beijing HarMoniCare Hospital has provided early pregnancy medical checking service amounting to RMB 1.72 million for 1,000 early pregnancy mothers to show our love to “invisible moms” with action. The Group also arranged Hafu Mom Training Camp (哈弗媽媽訓練營) from time to time every week and dispatched experienced medical care personnel to conduct consulting activities on maternal and child health care for residents in neighboring community.

In 2016, the Group was awarded with the “Annual Responsible Brand Award” in the 6th China Charity Festival, which embodied recognitions on HarMoniCare from all social sectors.

Going forward, the Group will actively promote environmental protection, improve environmental awareness and enhance the sense of responsibility on environmental protection through integrating the concept and requirements of social responsibility with our development strategies and corporate culture, so as to protect the environment and serve the community.

### 8. 社區與公益

本集團本著「取諸社會、用諸社會」的態度，致力回饋社會，支持教育、文化藝術及其他公益活動。本集團對內努力為員工創造良好的志願服務平台，對外為社會和諧竭盡所能，專注於環境保護、推進母嬰健康事業發展，積極投身各項社會公益，始終把履行社會責任，提升人們健康水平作為企業發展的重要內容。曾由中國婦女報社、「中國關愛母嬰健康俱樂部」、北京和美醫院共同發起的2016「隱形媽媽」關愛行動，號召全社會來共同關注「隱形媽媽」，北京和美醫院作為承辦方通過向1000名早孕媽媽捐贈價值人民幣172萬元的早孕檢查醫療服務而切實為早孕期「隱形媽媽」獻出了一份愛心；每周不定期安排哈弗媽媽訓練營、且組織有經驗的醫護人員不定期到周邊社區居民區進行婦幼保健健康諮詢活動等。

本集團喜獲2016年度第六屆中國公益節「年度責任品牌獎」，是社會各界對和美品牌的高度認可。

未來，本集團繼續將社會責任理念和要求全面融入運營發展戰略和企業文化，積極宣傳環保知識，不斷提高環保意識，增強保護環境的責任感，積極為保護環境、服務社會努力。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED) 環境、社會及管治報告(續)

### ABOUT THE REPORT

This Environmental, Social and Governance Report (the “Report”) was prepared based on the Environmental, Social and Governance Reporting Guide under Appendix 27 of the Listing Rules. The Report is our first Environmental, Social and Governance Report which elaborated measures and developments made by Harmonicare with respect to the environment, society and governance during the Review Period.

Pursuant to the HKEX’s new disclosure requirements under the Environmental, Social and Governance Reporting Guide, the Group will continue to refine its daily management work of the information pertaining to the Environmental, Social and Governance Report so as to comply with the new disclosure requirements. The Group will analyze and compare relevant information on a regular basis by integrating its own situation to collect correlative indexes through information curing system with an aim to facilitating real-time monitoring by the management.

The Report has been reviewed and approved by the board of directors of Harmonicare.

### REPORTING SCOPE

The Report covers the Company and its subsidiary companies, excluding associated companies, joint ventures and joint-stock corporations. The Report highlights Harmonicare’s sustainability efforts in the following aspects:

Environmental Aspects: (emissions, use of resources, the environment and natural resources)

Social Aspects: (employment, health and safety, development and training, labor standards, supply chain management, product responsibility, anti-corruption and community investment)

For details of other information of environmental, social and governance are available in the Annual Report of the Group.

### 關於本報告

本環境、社會及管治報告(「本報告」)乃根據上市規則附錄27的環境、社會及管治報告指引編製。此乃我們編製的首份環境、社會及管治年度報告，其載述和美醫療於回顧期間就環境、社會及管治事宜採取的措施及其進度。

根據港交所的環境、社會及管治報告指引對報告新披露要求，本集團將繼續做好環境、社會及管治報告信息的日常管理工作，以遵守有關新披露要求。結合本集團自身情況計劃將相關指標收集工作借助信息化固化系統中，定期分析對比相關信息，便於管理層實時監控。

本報告經和美醫療董事會審閱及批准。

### 報告範疇

本報告呈報範圍為公司及附屬公司，不包括聯營、合營和參股公司，本報告重點列出和美醫療於下列各範疇可持續發展的努力：

環境層面：(排放物、資源使用、環境及天然資源)

社會層面：(僱傭、健康與安全、發展及培訓、勞工準則、供應鏈管理、產品責任、反貪污、社區與公益)

其他環境、社會及管治表現資料可於本集團年報中查詢。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

**TO THE MEMBERS OF HARMONICARE MEDICAL HOLDINGS LIMITED**  
(Incorporated in the Cayman Islands with limited liability)

致和美醫療控股有限公司股東  
(於開曼群島註冊成立之有限公司)

### OPINION

We have audited the consolidated financial statements of Harmonicare Medical Holdings Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 85 to 191, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the Hong Kong Institute of Certified Public Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Hong Kong Institute of Certified Public Accountants' Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 意見

吾等已審計列載於第85至191頁和美醫療控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於2016年12月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，該等綜合財務報表已根據國際財務報告準則真實而公平地反映 貴集團於2016年12月31日的綜合財務狀況及 貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港《公司條例》之披露規定妥為編製。

### 意見基準

吾等已根據香港會計師公會頒佈之香港核數準則進行審核。吾等於該等準則項下之責任乃於吾等之報告中核數師就審核綜合財務報表須承擔的責任一節進一步闡述。吾等根據香港會計師公會頒佈之專業會計師道德守則(「道德守則」)獨立於 貴集團，吾等亦已根據守則達致吾等之其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的審核意見提供基礎。



## INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### 關鍵審核事項

關鍵審核事項為就吾等之專業判斷而言，對吾等審核本期間之綜合財務報表最為重要的事項。該等事項是在吾等審核整體綜合財務報表及出具意見時進行處理的，且吾等不會對該等事項提供單獨的意見。

<b>Key audit matter</b> <b>關鍵審核事項</b>	<b>How our audit addressed the key audit matter</b> <b>吾等之審核如何處理關鍵審核事項</b>
<p><i>Fair value determination of intangible asset acquired in a business combination</i> 釐定於業務合併中收購之無形資產之公平值</p> <p>We identified the fair value determination of intangible asset acquired in the acquisition of Heilongjiang HarMoniCare Obstetrics and Gynecology Hospital Co., Ltd ("Heilongjiang HarMoniCare Hospital") as a key audit matter due to the significance of the recognised balance of the intangible asset and the judgements and assumptions involved in estimating the fair value of the intangible asset.</p> <p>The fair value of the intangible asset recognised at the acquisition date is disclosed in Notes 17 and 32 to the consolidated financial statements.</p> <p>Details of the significant judgements and assumptions in estimating the fair value of intangible asset are disclosed in Note 4 to the consolidated financial statements.</p> <p>Independent external valuation was obtained to assist management's estimation of the fair value of the intangible asset at the acquisition date.</p>	<p>Our procedures in relation to the fair value determination of intangible asset acquired in the acquisition of Heilongjiang HarMoniCare Hospital included:</p> <ul style="list-style-type: none"> <li>• Evaluating the independent external valuer's competence, objectivity and qualification;</li> <li>• Evaluating, with the assistance of our internal valuation specialists, the appropriateness of the valuation methodology and assumptions of discount rate used in valuing the intangible asset, based on market available data and specific risks of the Company; and</li> <li>• Evaluating the appropriateness of other key assumptions and inputs, including the financial forecast, by comparing them to historical performance and industry data.</li> </ul>

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### 獨立核數師報告(續)

<b>Key audit matter</b> <b>關鍵審核事項</b>	<b>How our audit addressed the key audit matter</b> <b>吾等之審核如何處理關鍵審核事項</b>
<p data-bbox="209 495 981 562"><i>Fair value determination of intangible asset acquired in a business combination</i> 釐定於業務合併中收購之無形資產之公平值</p> <p data-bbox="209 613 655 815">吾等判定釐定於收購黑龍江和美婦產醫院有限公司(「黑龍江和美婦產醫院」)時收購之無形資產之公平值為關鍵審核事項，原因為已確認無形資產結餘及估計無形資產公平值所涉及之判斷及假設的重大程度。</p> <p data-bbox="209 857 655 925">於收購日期確認之無形資產公平值披露於綜合財務報表附註17及32。</p> <p data-bbox="209 965 655 1055">於估計無形資產公平值時所作重大判斷及假設之詳情披露於綜合財務報表附註4。</p> <p data-bbox="209 1099 655 1167">已進行獨立外部估值以協助管理層估計無形資產於收購日期之公平值。</p>	<p data-bbox="671 613 1385 680">吾等就釐定於收購黑龍江和美婦產醫院時收購之無形資產之公平值進行之程序包括：</p> <ul data-bbox="671 719 1385 987" style="list-style-type: none"> <li>• 評估獨立外部估值師之勝任性、客觀性及資質；</li> <li>• 在吾等內部估值專業人士之協助下，根據市場可得數據及貴公司之特定風險評估估值方法及於無形資產估值時所用之貼現率之假設是否適當；及</li> <li>• 通過與歷史表現及行業數據進行比較而評估其他關鍵假設及輸入數據(包括財務預測)是否合適。</li> </ul>



## INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs, and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### 其他資料

貴公司之董事負責編製其他資料。其他資料包括年報所載之資料，惟不包括綜合財務報表及吾等就此之核數師報告。

吾等有關綜合財務報表之意見並不涵蓋其他資料，吾等亦並不就此發表任何形式之核證結論。

就吾等對綜合財務報表之審核而言，吾等之責任是閱讀上文所識別之其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或存在重大錯誤陳述。倘若吾等基於已完成的工作認為其他資料出現重大錯誤陳述，吾等須報告此一事實。吾等就此並無須報告事項。

### 董事及治理層就綜合財務報表須承擔的責任

貴公司董事負責根據國際財務報告準則及香港《公司條例》的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實董事認為編製綜合財務報表所必要的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製綜合財務報表時，董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項(如適用)。除非董事有意將貴集團清盤，或停止營運，或除此之外並無其他實際可行的辦法，否則董事須採用以持續經營為基礎的會計法。

治理層須負責監督貴集團的財務報告流程。

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

### 核數師就審核綜合財務報 表須承擔的責任

吾等的目標，是對整體綜合財務報表是否存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並根據委聘之協定條款僅向閣下(作為整體)出具包括吾等意見的核數師報告，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港核數準則進行的審核在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期彼等個別或匯總起來可能影響該等綜合財務報表使用者所作出的經濟決策，則有關的錯誤陳述可被視作重大。

吾等根據香港核數準則進行審核的工作之一，是運用專業判斷，在整個審核過程中抱持職業懷疑態度。吾等亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及取得充足和適當的審核憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的效能發表意見。
- 評價董事所採用會計政策的恰當性及所作出會計估計和相關披露資料的合理性。





## INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審核憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者對綜合財務報表中的相關披露資料的關注。倘有關的披露資料不足，則修訂吾等的意見。吾等的結論乃基於截至核數師報告日期止所取得的審核憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表(包括披露資料)的整體列報方式、結構及內容，以及綜合財務報表是否公允反映有關交易和事項。
- 就貴集團中實體或業務活動的財務資料獲取充分及適當的審核證據，以對綜合財務報表發表意見。吾等負責指導、監督及執行集團審核。吾等僅對吾等之審核意見承擔責任。

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

吾等與治理層溝通了(其中包括)計劃的審核範圍、時間安排、重大審核發現等事項，包括吾等在審核期間識別出內部控制的任何重大缺陷。

吾等亦向治理層提交聲明，說明吾等已符合有關獨立性的相關職業道德要求，並與彼等溝通所有可能合理地被認為會影響吾等獨立性的關係及其他事項，以及相關防範措施(倘適用)。

從與治理層溝通的事項中，吾等決定哪些事項對本期綜合財務報表的審核最為重要，因而構成關鍵審核事項。吾等會在核數師報告中描述這些事項，惟法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期在吾等的報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，吾等將不會在此等情況下在報告中溝通該事項。

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)

The engagement partner on the audit resulting in the independent auditor's report is Mak Chi Lung.

負責此審核項目與簽發獨立核數師報告的項目合夥人為麥志龍先生。

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong

德勤•關黃陳方會計師行  
執業會計師  
香港

22 March 2017

2017年3月22日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31 December 2016 截至2016年12月31日止年度

For the year ended  
31 December  
截至 12 月 31 日止年度

		Notes 附註	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Revenue	收益	5	859,701	909,362
Cost of sales and services	銷售及服務成本		(439,713)	(448,557)
Gross profit	毛利		419,988	460,805
Other income	其他收入	7	18,339	13,085
Other gains and losses	其他收益及虧損	8	27,258	22,483
Selling and distribution expenses	銷售及分銷開支		(214,931)	(218,172)
Administrative expenses	行政開支		(123,177)	(109,611)
Other expenses	其他開支	9	(2,768)	(26,623)
Share of losses of associates	應佔聯營公司虧損淨額		(823)	—
Profit before tax	除稅前利潤	10	123,886	141,967
Income tax expense	所得稅開支	11	(26,615)	(31,566)
<b>Profit for the year</b>	<b>年內利潤</b>		<b>97,271</b>	110,401
<b>Other comprehensive income</b>	<b>其他全面收入</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目：</i>			
Share of other comprehensive income of associates	應佔聯營公司其他全面收入		228	—
Other comprehensive income for the year, net of income tax	年內其他全面收入，扣除所得稅		228	—
<b>Total comprehensive income for the year</b>	<b>年內全面收入總額</b>		<b>97,499</b>	110,401

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED) 綜合損益及其他全面收益表(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

For the year ended  
31 December  
截至12月31日止年度

	Notes 附註	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Profit for the year attributable to:	以下各方應佔年內利潤：		
Equity holders of the Company	本公司權益持有人	95,708	106,173
Non-controlling interests	非控股權益	1,563	4,228
		97,271	110,401
Total comprehensive income for the year attributable to:	以下各方應佔年內全面 收入總額：		
Equity holders of the Company	本公司權益持有人	95,936	106,173
Non-controlling interests	非控股權益	1,563	4,228
		97,499	110,401
<b>Earnings per share</b>	<b>每股盈利</b>		
Basic and diluted (RMB cents per share)	基本及攤薄 (每股人民幣分)	14	12.53
			15.84

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2016 於2016年12月31日

As at 31 December  
於 12 月 31 日

		Notes 附註	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	253,262	229,370
Goodwill	商譽	16	49,302	—
Intangible assets	無形資產	17	95,793	33,860
Interests in associates	於聯營公司之權益	18	7,628	—
Prepaid rental	預交租金		1,222	1,956
Rental deposits	租金按金		9,281	9,482
Deferred tax assets	遞延稅項資產	19	33,080	27,781
Financial assets designated as at fair value through profit or loss ("FVTPL")	指定為按公平值計入損益之金融資產 (「按公平值計入損益」)	20	48,000	—
			<b>497,568</b>	302,449
Current assets	流動資產			
Inventories	存貨	21	24,583	22,253
Loan receivables	應收貸款	22	5,000	—
Trade receivables	貿易應收款項	23	29,086	38,094
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	24	56,327	42,287
Amounts due from related parties	應收關聯方款項	37	4,015	—
Certificates of deposit	存款證	25	—	320,984
Time deposits	定期存款	26	115,000	—
Cash and cash equivalents	現金及現金等價物	26	951,996	901,994
			<b>1,186,007</b>	1,325,612
Current liabilities	流動負債			
Trade payables	貿易應付款項	27	16,552	28,494
Other payables and accruals	其他應付款項及應計費用	28	141,300	134,252
Amount due to a related party	應付關聯方款項	37	70,253	—
Tax payables	應付稅項		24,087	20,816
Provision	撥備	29	1,053	822
			<b>253,245</b>	184,384
Net current assets	流動資產淨額		<b>932,762</b>	1,141,228



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

### 綜合財務狀況表(續)

As at 31 December 2016 於2016年12月31日

As at 31 December  
於 12 月 31 日

	Notes 附註	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Total assets less current liabilities	總資產減流動負債	<b>1,430,330</b>	1,443,677
Non-current liabilities	非流動負債		
Accrued rental expenses	應計租金開支	<b>31,438</b>	32,712
Deferred tax liabilities	遞延稅項負債	<b>15,511</b>	—
		<b>46,949</b>	32,712
Net assets	資產淨額	<b>1,383,381</b>	1,410,965
Capital and reserves	資本及儲備		
Share capital	股本	<b>598</b>	608
Share premium and reserves	股份溢價及儲備	<b>1,388,500</b>	1,408,301
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	<b>1,389,098</b>	1,408,909
Non-controlling interests	非控股權益	<b>(5,717)</b>	2,056
Total equity	總權益	<b>1,383,381</b>	1,410,965

The consolidated financial statements on pages 85 to 191 were approved and authorised for issue by the board of directors on 22 March 2017 and are signed on its behalf by:

第85頁至191頁之綜合財務報表乃經董事會於2017年3月22日批准及授權刊發並由以下董事代表簽署：

**Lin Yuming**

林玉明  
Director  
董事

**Zhao Xingli**

趙興力  
Director  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2016 截至2016年12月31日止年度

		Attribute to equity holders of the Company 本公司權益持有人應佔							Attribute to non-controlling interests		Total
		Share capital	Share premium	Other reserve (Note i)	Share option reserve	Translation reserve (Note ii)	Statutory surplus reserve (Note iii)	Retained profits (Accumulated losses)	Total	Total	
		股本	股份溢價	其他儲備 (附註 i)	購股權儲備	兌換儲備 (附註 ii)	法定盈餘儲備 (附註 iii)	保留溢利 (累計虧損)	總計	非控股權益應佔	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance at 1 January 2015	2015年1月1日的結餘	—	—	14,885	—	—	43,652	(155,816)	(97,279)	(2,219)	(99,498)
Profit and total comprehensive income for the year	年內利潤及全面收入總額	—	—	—	—	—	—	106,173	106,173	4,228	110,401
Appropriations	轉撥	—	—	—	—	—	7,622	(7,622)	—	—	—
Capital injection in the Company (Note iv)	對本公司的注資 (附註iv)	91	278,212	—	—	—	—	—	278,303	—	278,303
Capitalisation issue (Note v)	資本化發行 (附註v)	363	(363)	—	—	—	—	—	—	—	—
Issue of new shares on the global offering (Note vi)	全球發售新股 (附註vi)	154	1,160,888	—	—	—	—	—	1,161,042	—	1,161,042
Costs of issue of new shares (Note vi)	發行新股之成本(附註vi)	—	(43,966)	—	—	—	—	—	(43,966)	—	(43,966)
Expenses recognised on equity settled share-based payments (Note 31)	就以股權結算之股份支付確認之開支 (附註31)	—	—	—	4,636	—	—	—	4,636	47	4,683
Balance at 31 December 2015	2015年12月31日的結餘	608	1,394,771	14,885	4,636	—	51,274	(57,265)	1,408,909	2,056	1,410,965
Profit for the year	年內利潤	—	—	—	—	—	—	95,708	95,708	1,563	97,271
Other comprehensive income for the year	年內其他全面收入	—	—	—	—	228	—	—	228	—	228
Appropriations	轉撥	—	—	—	—	—	19,202	(19,202)	—	—	—
Dividends paid to non-controlling interests	支付予非控股權益的股息	—	—	—	—	—	—	—	—	(1,282)	(1,282)
Dividends recognised as distribution (Note 13)	確認為分派的股息(附註13)	—	(42,057)	—	—	—	—	—	(42,057)	—	(42,057)
Shares repurchased and cancelled (Note 30)	已購回及註銷之股份(附註30)	(10)	(50,418)	—	—	—	—	—	(50,428)	—	(50,428)
Transaction costs attributable to repurchase of ordinary shares	購回普通股應佔之交易成本	—	(209)	—	—	—	—	—	(209)	—	(209)
Expenses recognised on equity settled share-based payments (Note 31)	就以股權結算之股份支付確認之開支 (附註31)	—	—	—	20	—	—	—	20	5	25
Acquisition of non-controlling interest in Fuzhou Modern Woman Hospital Co., Ltd. ("Fuzhou Modern Woman Hospital") (Note vii)	收購福州現代婦產醫院有限公司(「福州現代婦產醫院」)的非控股權益(附註vii)	—	—	(23,073)	—	—	—	—	(23,073)	(5,727)	(28,800)
Acquisition of a non-wholly owned subsidiary (Note 32)	收購一間非全資附屬公司(附註32)	—	—	—	—	—	—	—	—	(2,332)	(2,332)
Balance at 31 December 2016	2016年12月31日的結餘	598	1,302,087	(8,188)	4,656	228	70,476	19,241	1,389,098	(5,717)	1,383,381

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

### 綜合權益變動表(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

Notes:

附註：

- |  |  |
|--|--|
| <p>(i) The other reserve as at 1 January 2015 represented the registered capital of subsidiaries, which were owned by Bosheng Medical Investment Co., Ltd. ("Bosheng Medical") and deducted by the consideration paid for the acquisition of the equity interest in those subsidiaries, which is accounted for as deemed distribution to the then shareholders of those subsidiaries.</p>  | <p>(i) 於2015年1月1日的其他儲備指附屬公司的註冊資本，該等儲備由博生醫療投資股份有限公司(「博生醫療」)擁有並就收購該等附屬公司的股權所付代價(入賬為向該等附屬公司當時股東作出的視作分配)作出扣減。</p>  |
| <p>(ii) Exchange differences arising on foreign currency translation of a foreign associate acquired in 2016 are recognised in other comprehensive income.</p>   | <p>(ii) 換算2016年收購之一間海外聯營公司之匯兌差額於其他全面收益內確認。</p>   |
| <p>(iii) According to the People's Republic of China (the "PRC") Company Law and the Articles of Association of the PRC subsidiaries of the Group, these companies are required to transfer 10% of their respective after-tax profits, calculated in accordance with the PRC GAAP, to the statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The statutory surplus reserve can be utilized, upon approval of the relevant authorities, to offset accumulated losses or to increase registered capital of these companies, provided that such fund is maintained at a minimum of 25% of the registered capital.</p> | <p>(iii) 根據中華人民共和國(「中國」)公司法及本集團中國附屬公司的組織章程細則，該等公司須將按中國公認會計準則計算之彼等各自稅後利潤的10%轉撥至法定盈餘儲備，直至儲備結餘達至其註冊資本的50%。經相關機構批准後，法定盈餘儲備可用於抵銷該等公司的累計虧損或增加註冊資本，惟該儲備不得低於註冊資本的25%。</p>  |
| <p>(iv) As part of the reorganisation in December 2014, the Company issued 90,152,787 shares to Homecare International Investment Limited ("Homecare"), 9,206,705 shares to Mighty Sky Investments Limited ("Mighty Sky") at a total consideration of RMB240,304,000, which was fully paid on 16 March, 2015.</p>  | <p>(iv) 作為2014年12月重組的一部分，本公司向Homecare International Investment Limited (「Homecare」)及Mighty Sky Investments Limited (「Mighty Sky」)分別發行90,152,787股及9,206,705股股份，總代價人民幣240,304,000元已於2015年3月16日悉數支付。</p>              |
| <p>In January 2015, Concord Glory Limited ("Concord Glory") acquired Galaxy Power Solution Limited (Galaxy Power) and Concord Glory injected share capital amounting to United States Dollar ("USD") 6.2 million (equivalent to RMB37,999,000) into Galaxy Power. Subsequent to the cash injection, the Company acquired 100% equity interest in Galaxy Power, and in exchange, the Company newly issued 15,724,324 ordinary shares to Concord Glory.</p>  | <p>於2015年1月，Concord Glory Limited (「Concord Glory」)收購Galaxy Power Solution Limited (Galaxy Power)並向Galaxy Power作出6.2百萬美元(相當於人民幣37,999,000元)的股本注資。現金注資後，本公司向Concord Glory新發行15,724,324股普通股以換取Galaxy Power的全部股權。</p> |
| <p>The cash proceeds from the above share issuance were used to settle consideration payable for acquisition of HarMoniCare Management and Consulting Co., Ltd. ("HarMoniCare Management and Consulting").</p>   | <p>上述股份發行所得現金款項已用於清償就收購和美管理諮詢有限公司(「和美管理諮詢」)應付的代價。</p>  |
| <p>(v) On 9 June 2015, the Company increased its authorised share capital to Hong Kong Dollar ("HKD") 1,140,000 divided into 1,140,000,000 shares of HKD0.001 each. Immediately following the global offering becoming unconditional, 460,335,268 shares are allotted and issued, credited as fully paid, to shareholders pursuant to the capitalisation issue.</p>  | <p>(v) 於2015年6月9日，本公司將其法定股本增至1,140,000港元，分為1,140,000,000股每股面值0.001港元的股份。緊隨全球發售成為無條件後，本公司根據資本化發行向股東配發及發行460,335,268股入賬列作繳足的股份。</p>  |
| <p>(vi) On 7 July 2015, the Company completed the global offering consisted of 191,810,000 offer shares in total with the nominal value is HKD0.001 per share at the offer price of HKD7.55. On 30 July 2015, the over-allotment option has been partially exercised in respect of an aggregate of 3,095,000 shares with the nominal value of HKD0.001 each at the offer price of HKD7.55. The aggregate net proceeds from the global offering were calculated at the offer price of HKD7.55 after deducting the underwriting fee RMB35,150,000 and the listing expenses amounting to RMB40,936,000 in connection with the global offering.</p>            | <p>(vi) 於2015年7月7日，本公司按發售價7.55港元完成合共191,810,000股每股面值0.001港元發售股份的全球發售。於2015年7月30日，超額配股權已按發售價7.55港元就合共3,095,000股每股面值0.001港元的股份予以部分行使。全球發售總所得款項淨額經扣除包銷費用人民幣35,150,000元及與全球發售有關的上市開支人民幣40,936,000元後根據發售價7.55港元計算。</p>  |
| <p>(vii) On 9 September 2016, Guiyang HarMoniCare Hospital Co., Ltd ("Guiyang HarMoniCare Hospital") acquired 16% non-controlling interest of Fuzhou Modern Woman Hospital at a consideration of RMB28,800,000. The consideration was fully paid in October 2016.</p>  | <p>(vii) 於2016年9月9日，貴陽和美婦產醫院有限公司(「貴陽和美醫院」)收購福州現代婦產醫院16%之非控股權益，代價為人民幣28,800,000元。該代價已於2016年10月悉數支付。</p>   |

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2016 截至2016年12月31日止年度

For the year ended  
31 December  
截至12月31日止年度

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Profit before tax	除稅前利潤	123,886	141,967
Adjustments for:	就以下各項作出調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	39,471	35,172
Amortisation of intangible assets	無形資產攤銷	4,201	3,660
Share of losses of associates	應佔聯營公司虧損	823	—
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備的虧損淨額	918	250
Impairment recognised on trade and other receivables	貿易及其他應收款項確認的減值	111	215
Foreign exchange gains	匯兌收益	(22,184)	(22,195)
Expenses recognised on equity settled share-based payments	就以股權結算之股份支付確認之開支	25	4,683
Interest income from bank deposits	銀行存款之利息收入	(15,374)	(10,654)
Interest income from certificates of deposit	存款證之利息收入	(628)	(654)
Gain on disposal of bank financial products	出售銀行理財產品之收益	(5,771)	(753)
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	125,478	151,691
Movements in working capital	營運資金變動		
Increase in inventories	存貨增加	(408)	(2,422)
Decrease (increase) in trade receivables	貿易應收款項減少(增加)	8,343	(24,359)
Decrease (increase) in prepayments, deposits and other receivables	預付款、按金及其他應收款項減少(增加)	3,730	(13,672)
(Increase) decrease in amounts due from related parties	應收關聯方款項(增加)減少	(15)	16
(Decrease) increase in trade payables	貿易應付款項(減少)增加	(12,786)	12,130
(Decrease) increase in other payables and accruals	其他應付款項及應計費用(減少)增加	(5,842)	20,573
Increase (decrease) in amounts due to a related party	應付關聯方款項增加(減少)	655	(1,602)
Decrease (increase) in rental deposits	租賃按金減少(增加)	201	(431)
(Decrease) in accrued rental expenses	應計租金開支(減少)	(612)	(190)
Increase (decrease) in provision	撥備增加(減少)	231	(578)
Cash generated from operations	經營所得現金	118,975	141,156
Income taxes paid	已付所得稅	(28,643)	(25,389)
Interest received from bank deposits	已收銀行存款之利息	15,560	9,627

## CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

### 綜合現金流量表(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

		For the year ended 31 December 截至12月31日止年度	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
	Note 附註		
Net cash generated from operating activities	經營活動所得現金淨額	105,892	125,394
Cash flows from investing activities	投資活動所得現金流量		
Purchases of property, plant and equipment	購置物業、廠房及設備	(46,288)	(61,844)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	93	16
Purchase of intangible assets	購置無形資產	(4,019)	(33,210)
Proceeds on the disposal of investments in associates	出售於聯營公司之投資所得款項	—	800
Purchase of certificates of deposit	購入存款證	(523,291)	(314,417)
Interest income from certificates of deposit	存款證之利息收入	628	654
Redemption of certificates of deposit	贖回存款證	848,160	—
Purchase of bank financial products	購入銀行理財產品	(1,133,440)	(70,000)
Redemption of bank financial products	贖回銀行理財產品	1,139,211	70,753
Placement of time deposits	存放定期存款	(115,000)	—
Investments in associates	於聯營公司之投資款項	(8,223)	—
Advance to Heilongjiang HarMoniCare Obstetrics and Gynecology Hospital Co., Ltd ("Heilongjiang HarMoniCare Hospital")	向黑龍江和美婦產醫院有限公司(「黑龍江和美婦產醫院」)支付往來款項	(11,000)	—
Net cash inflow on acquisition of a subsidiary	收購一間附屬公司之現金流入淨額	12,756	—
Deposit paid for a proposed acquisition of a business	收購一項業務之已付按金	(9,000)	—
Loan to a third party	向第三方提供貸款	(5,000)	—
Payments to acquire financial assets designated as at FVTPL	收購指定為按公平值計入損益之金融資產付款	(48,000)	—
Loan to an associate	向一間聯營公司提供貸款	(4,000)	—
Net cash generated from (used in) investing activities	投資活動所得(所用)現金淨額	93,587	(407,248)



## CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) 綜合現金流量表(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

**For the year ended  
31 December  
截至12月31日止年度**

		<b>2016</b>	2015
		<b>RMB'000</b>	RMB'000
		人民幣千元	人民幣千元
Cash flows from financing activities	融資活動所得現金流量		
Consideration paid for acquisition of non-controlling interest in a subsidiary	收購於附屬公司之非控股權益已付代價	<b>(28,800)</b>	—
Dividend paid	已付股息	<b>(43,698)</b>	(423)
Repayments to related parties	還款予關聯方	<b>(45,000)</b>	(1,862)
Capital injection by the shareholders in the Company	本公司股東的注資	—	259,334
Consideration paid for acquisition of subsidiaries as part of reorganisation	於重組時收購附屬公司已付代價	—	(277,358)
Proceeds from new shares issuance on the global offering	全球發售發行新股之所得款項	—	1,161,042
Expenses incurred in connection with the global offering	全球發售產生之開支	—	(43,966)
Repurchase of ordinary shares, including transaction costs	購回普通股(包括交易成本)	<b>(50,637)</b>	—
Net cash (used in) generated from financing activities	融資活動(所用)所得現金淨額	<b>(168,135)</b>	1,096,767
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	<b>31,344</b>	814,913
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物	<b>901,994</b>	72,063
Effect of foreign exchange rate changes, net	匯率變動之影響淨額	<b>18,658</b>	15,018
Cash and cash equivalents at the end of the year represented by bank balances and cash	年末現金及現金等價物 (銀行結餘及現金)	<b>951,996</b>	901,994

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 1. GENERAL INFORMATION

Harmonicare Medical Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands on 26 August 2014. The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and its principal place of business is located in the PRC. The Company is an investment holding company and its subsidiaries (collectively referred to as “the Group”) are principally engaged in provision of specialised hospital services, especially in obstetrics and gynaecology and supply chain business in the PRC.

On 7 July 2015, the Company was listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

### 1. 一般資料

和美醫療控股有限公司(「本公司」)於2014年8月26日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限責任公司。本公司註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands，主要經營地點位於中國。本公司為投資控股公司，及其附屬公司(統稱「本集團」)主要在中國從事專科醫院服務，尤其是婦產科及供應鏈業務。

於2015年7月7日，本公司於香港聯合交易所有限公司(「聯交所」)上市。

綜合財務報表乃以人民幣(「人民幣」)呈列，人民幣亦為本公司之功能貨幣。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

#### Amendments to IFRSs that are mandatorily effective for the current year

The Group has applied for the first time in the current year the following amendments to IFRSs issued by the International Accounting Standards Board (“IASB”).

Amendments to IFRS 11	Accounting for acquisitions of Interests in Joint Operations
Amendments to IAS 1	Disclosure Initiative
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants
Amendments to IAS 27	Equity Method in Separate Financial Statement
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to IFRSs	Annual Improvements to IFRSs 2012 – 2014 Cycle

The application of the amendments to IFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)

#### 於本年度強制生效的國際財務報告準則修訂本

本集團已於本年度首次應用國際會計準則理事會(「國際會計準則理事會」)頒佈的下列國際財務報告準則之修訂本。

國際財務報告準則第11號(修訂本)	取得共同經營中權益的會計處理
國際會計準則第1號(修訂本)	披露計劃
國際會計準則第16號及國際會計準則第38號(修訂本)	對可接受的折舊與攤銷方法的澄清
國際會計準則第16號及國際會計準則第41號(修訂本)	農業：生產性植物
國際會計準則第27號(修訂本)	獨立財務報表之權益法
國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第28號(修訂本)	投資實體：實施合併例外規定
國際財務報告準則(修訂本)	2012年至2014年周期之年度改進

於本年度應用國際財務報告準則修訂本並未對本集團於本年度及過往年度的財務表現及狀況及／或該等綜合財務報表載列的披露資料造成重大影響。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

#### New and revised IFRSs in issue but not yet effective

The Group has not early applied the following new and revised IFRSs that have been issued but are not yet effective.

IFRS 9	Financial Instruments <sup>1</sup>
IFRS 15	Revenue from Contracts with Customers <sup>1</sup>
IFRS 16	Leases <sup>2</sup>
IFRIC 22	Foreign Currency Transactions and Advance Consideration <sup>1</sup>
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions <sup>1</sup>
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts <sup>1</sup>
Amendments to IFRS 15	Clarifications to IFRS 15 Revenue from Contracts with Customers <sup>1</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to IAS 7	Disclosure Initiative <sup>4</sup>
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses <sup>4</sup>
Amendments to IAS 40	Transfers of Investment Property <sup>1</sup>
Amendments to IFRSs	Annual Improvements to IFRS Standards 2014–2016 Cycle <sup>5</sup>

### 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

#### 已頒佈但尚未生效之新訂及經修訂國際財務報告準則

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂國際財務報告準則。

國際財務報告準則第9號	金融工具 <sup>1</sup>
國際財務報告準則第15號	與客戶之合約收益 <sup>1</sup>
國際財務報告準則第16號	租賃 <sup>2</sup>
國際財務報告詮釋委員會詮釋第22號	外幣交易與預付代價 <sup>1</sup>
國際財務報告準則第2號(修訂本)	以股份為基礎的付款交易之分類及計量 <sup>1</sup>
國際財務報告準則第4號(修訂本)	採用國際財務報告準則第4號保險合約同時一併應用國際財務報告準則第9號金融工具 <sup>1</sup>
國際財務報告準則第15號(修訂本)	澄清國際財務報告準則第15號與客戶之合約收益 <sup>1</sup>
國際財務報告準則第10號及國際會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間資產的出售或投入 <sup>3</sup>
國際會計準則第7號(修訂本)	披露計劃 <sup>4</sup>
國際會計準則第12號(修訂本)	就未變現虧損確認遞延稅項資產 <sup>4</sup>
國際會計準則第40號(修訂本)	轉讓投資物業 <sup>1</sup>
國際財務報告準則(修訂本)	國際財務報告準則2014年至2016年周期之年度改進 <sup>5</sup>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (Continued)

#### New and revised IFRSs in issue but not yet effective (Continued)

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2018
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2019
- <sup>3</sup> Effective for annual periods beginning on or after a date to be determined
- <sup>4</sup> Effective for annual periods beginning on or after 1 January 2017
- <sup>5</sup> Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate

Except as described below, the directors of the Company do not anticipate that the application of the above mentioned new and amendments to IFRSs issued but not yet effective will have a material effect on the Group's consolidated financial statements.

### 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

#### 已頒佈但尚未生效之新訂及經修訂國際財務報告準則(續)

- <sup>1</sup> 於2018年1月1日或之後開始的年度期間生效
- <sup>2</sup> 於2019年1月1日或之後開始的年度期間生效
- <sup>3</sup> 於將釐定之日期或之後開始的年度期間生效
- <sup>4</sup> 於2017年1月1日或之後開始的年度期間生效
- <sup>5</sup> 於2017年1月1日或2018年1月1日(如適用)或之後開始的年度期間生效

除下文所述者外，本公司董事預期應用以上已頒佈但尚未生效之新訂國際財務報告準則及修訂本不會對本集團之綜合財務報表造成重大影響。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (Continued)

#### New and revised IFRSs in issue but not yet effective (Continued)

##### IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

The directors of the Company anticipate that the application of IFRS 15 in the future may have an impact on the amounts reported and disclosures made in the Group's consolidated financial statements. The Group is in the process of allocating the transaction price to the performance obligations in the contracts.

### 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

#### 已頒佈但尚未生效之新訂及經修訂國際財務報告準則(續)

##### 國際財務報告準則第15號來自客戶合約的收益

國際財務報告準則第15號已獲頒佈，其制定一項單一全面模式供實體用作將來自客戶合約所產生的收益入賬。於國際財務報告準則第15號生效後，其將取代現時之收入確認指引，包括國際會計準則第18號收益、國際會計準則第11號建築合約及相關詮釋。

國際財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓承諾貨品或服務的收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得的代價。尤其是，該準則引入確認收益的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中的履約責任
- 第五步：於實體完成履約責任時(或就此)確認收益

根據國際財務報告準則第15號，實體於完成履約責任時(或就此)確認收益，即於特定履約責任相關的貨品或服務的「控制權」移交客戶之時。國際財務報告準則第15號已就具體情況的處理方法加入更明確的指引。此外，國際財務報告準則第15號要求更詳盡的披露。

本公司董事預期，於未來應用國際財務報告準則第15號可能對本集團綜合財務報表中呈報之金額及作出之披露造成影響。本集團正在評估交易價在不同履約責任之間的分配。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (Continued)

#### New and revised IFRSs in issue but not yet effective (Continued)

##### IFRS 16 Leases

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede IAS 17 Leases and the related interpretations when it becomes effective.

IFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Under the IFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

### 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

#### 已頒佈但尚未生效之新訂及經修訂國際財務報告準則(續)

##### 國際財務報告準則第16號租賃

國際財務報告準則第16號同時為出租人及承租人引入一個用以識別租賃安排及會計處理之全面模式。於國際財務報告準則第16號生效時，其將取代國際會計準則第17號租賃及相關詮釋。

國際財務報告準則第16號根據所識別資產是否由客戶控制區分租賃及服務合約。經營租賃及融資租賃之差異自承租人會計處理中撤銷，並由承租人須就所有租賃確認使用權資產及相應負債之模式替代，惟短期租賃及低價值資產租賃則除外。

使用權資產初步乃按成本計量，其後按成本(除若干例外情況外)減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債按於該日尚未支付的租金現值初始計量。其後，租賃負債就(其中包括)利息及租金以及租賃修訂的影響作出調整。就現金流量的分類而言，本集團目前將預付租金呈列為與留作自用的租賃土地及分類為投資物業有關之投資現金流量，而其他經營租賃付款則確認為經營現金流量。根據國際財務報告準則第16號，有關租賃負債的租金將分類為本金及利息部分，並將分別呈列為融資及經營現金流量。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs") (Continued)

#### New and revised IFRSs in issue but not yet effective (Continued)

##### IFRS 16 Leases (Continued)

Under IAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is a lessee. The application of IFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by IFRS 16.

As at 31 December 2016, the Group has non-cancellable operating lease commitments in respect of premises leased for hospitals and offices amounted to RMB451 million as disclosed in note 33. A preliminary assessment indicates that these arrangements will meet the definition of a lease under IFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of part of these leases unless they qualify for low value or short-term leases upon the application of IFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above.

### 2. 應用新訂及經修訂國際財務報告準則(「國際財務報告準則」)(續)

#### 已頒佈但尚未生效之新訂及經修訂國際財務報告準則(續)

##### 國際財務報告準則第16號租賃(續)

根據國際會計準則第17號，本集團已確認融資租賃安排的一項資產及相關融資租賃負債，以及租賃土地(本集團為承租人)的預付租賃款項。應用國際報告準則第16號可能導致該等資產在分類上的潛在變動，取決於本集團個別或在擁有對應相關資產情況下該等資產呈列的同一項目內呈列使用權資產。

與承租人會計處理相反，國際財務報告準則第16號大致轉承國際會計準則第17號之出租人會計處理規定，並繼續規定出租人將其租賃分類為經營租賃或融資租賃。

此外，國際財務報告準則第16號要求更詳盡的披露。

於2016年12月31日，本集團有關醫院及辦公場所租賃物業的不可撤銷經營租賃承擔為人民幣451,000,000元載於附註33。初步評估顯示該等安排將符合國際財務報告準則第16號項下租賃的定義，因此，本集團將就所有該等租賃確認使用權資產及相應負債，惟其於應用國際財務報告準則第16號後屬低價值或短期資產則除外。此外，應用新規定可能導致計量、呈列及披露出現上文所述的變動。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

### 3. 主要會計政策

#### Statement of compliance

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

#### Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 *Share-based Payment*, leasing transactions that are within the scope of IAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets*.

A fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

#### 合規聲明

該等綜合財務報表已根據國際會計準則理事頒佈的國際財務報告準則編製。此外，該等綜合財務報表已載列香港聯合交易所有限公司證券上市規則及香港公司條例規定之適用披露資料。

#### 編製基準

綜合財務報表按歷史成本基準編製，惟下文所載之會計政策所述之若干金融工具按公平值計量。

歷史成本通常乃根據換取貨品及服務所付出的代價之公平值計算。

公平值是指市場參與者之間於計量日進行的有序交易中出售一項資產所收取的價格或轉移一項負債所支付的價格，無論該價格為直接觀察到的結果或採用其他估值技術作出的估計。於對資產或負債之公平值作出估計時，本集團計及市場參與者於計量日為該資產或負債定價時將予考慮之特徵。就該等綜合財務報表中計量及／或披露之公平值乃根據該基礎釐定，惟國際財務報告準則第2號範圍內的以股份為基礎之支付的交易、國際會計準則第17號範圍內的租賃的交易，以及與公平值類似但並非公平值的計量（例如，國際會計準則第2號中存貨的可變現淨值或國際會計準則第36號中資產減值的使用價值）除外。

非金融資產的公平值計量計及市場參與者通過最大限度使用該資產達致最佳用途，或將該資產出售予將最大限度使用該資產達致最佳用途的其他市場參與者以產生經濟利益的能力。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of preparation (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policy are set out below.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

### 3. 主要會計政策(續)

#### 編製基準(續)

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一級、第二級及第三級，詳情如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

主要會計政策載於下文。

#### 綜合基準

綜合財務報表包括本公司及本公司控制之實體(及其附屬公司)之財務報表。倘屬以下情況，則本公司獲得控制權：

- 可對投資對象行使權力；
- 因參與投資對象而可獲得或有權獲得可變回報；及
- 有能力行使其權力影響該等回報。

倘有事實或情況顯示上述三項控制因素中，有一項或以上出現變數，本集團會重新評估其是否控制投資對象。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains controls until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

#### Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

### 3. 主要會計政策(續)

#### 綜合基準(續)

於本集團獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止綜合入賬。具體而言，於本年度內購入或出售之附屬公司之收入及開支，按自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入綜合損益及其他全面收益表內。

損益及其他全面收益之各項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收入總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

附屬公司之財務報表於有需要情況下作出調整，以使其會計政策與本集團會計政策一致。

所有集團內公司間資產、負債、權益、收入、支出及現金流量(與本集團成員公司間之交易有關)均於綜合賬目時予以全數對銷。

#### 本集團於現有附屬公司的擁有權權益的變動

並無導致本集團失去附屬公司控制權的本集團於附屬公司的擁有權權益變動，乃按權益交易入賬。本集團的儲備及非控股權益相關部分的賬面金額，乃予以調整以反映彼等於附屬公司相關權益的變動。經再分配後調整之非控股權益金額及已付或已收取代價之公平值間之任何差額，乃於權益直接確認，並歸本公司擁有人。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Changes in the Group's ownership interests in existing subsidiaries (Continued)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified that to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs).

#### Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 *Employee Benefits* respectively;

### 3. 主要會計政策(續)

#### 本集團於現有附屬公司的擁有權權益的變動(續)

倘本集團失去一間附屬公司之控制權，有關收益或虧損計入損益，並計算為以下兩者的差額(i)已收代價之公平值與任何保留權益之公平值總和；及(ii)有關資產(包括商譽)的賬面值，以及本公司擁有人應佔附屬公司的負債。過往於其他全面收益中就有關附屬公司確認的所有金額，猶如本集團已直接處置該附屬公司的相關資產或負債之方式入賬(即按適用國際財務報告準則所指定/允許而重新分類至損益或轉移至另一類別的權益)。

#### 業務合併

收購業務採用收購法入賬。業務合併之轉撥代價按公平值計量，而計算方法為本集團所轉讓之資產、本集團向被收購方原擁有人產生之負債及本集團於交換被收購方之控制權發行之股權於收購日期之公平值總額。有關收購成本於產生時一般於損益中確認。

於收購日期，已收購可識別資產及承擔負債按其公平值確認，惟下文所述者外：

- 遞延稅項資產或負債及與僱員福利安排有關的資產或負債，分別根據國際會計準則第12號所得稅及國際會計準則第19號僱員福利確認並計量；

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Business Combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after reassessment, the net amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

#### Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

### 3. 主要會計政策(續)

#### 業務合併(續)

商譽是以所轉撥之代價、非控股權益於被收購方中所佔金額、及收購方以往持有被收購方權益之公平值(如有)之總和，減所收購之可識別資產及所承擔之負債於收購日期之淨值後，所超出之差額計值。倘經過重估後，所收購之可識別資產與所承擔負債之淨額高於轉撥之代價、非控股權益於被收購方中所佔金額及收購方以往持有被收購方權益之公平值(如有)之總和，則差額即時於損益內確認為議價收購收益。

屬現時擁有之權益且於清盤時讓持有人有權按比例分佔有關附屬公司淨資產之非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類的非控股權益乃按其公平值計量。

#### 商譽

收購一項業務產生之商譽乃按於業務收購日期(見上文會計政策)所確立之成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽乃分配至預期從合併之協同效應中獲利之本集團各現金產生單位(或現金產生單位組別)，此乃就內部管理而言的監控商譽最低層級且並不大於經營分部。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Goodwill (Continued)

A cash-generating unit (or groups of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or groups of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit (or groups of cash-generating units).

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

#### Investment in subsidiaries

Investment in subsidiary is stated as cost less any identified impairment loss on the statement of financial position of the Company. The result of subsidiary is accounted for on the basis of dividend received and receivable.

### 3. 主要會計政策(續)

#### 商譽(續)

已獲分配商譽之現金產生單位(或現金產生單位組別)每年或當有跡象顯示單位可能出現減值時更頻繁測試減值。對於某個報告期之收購所產生之商譽，已獲分配商譽之現金產生單位(或現金產生單位組別)於該報告期期末前測試減值。如現金產生單位之可收回金額少於其賬面值時，減值虧損首先減少該單位獲分配之任何商譽之賬面值，其後以單位(或現金產生單位組別)各資產之賬面值為基準按比例分配至該單位之其他資產。

出售相關現金產生單位時，釐定出售損益金額時計入應佔商譽金額。

#### 於附屬公司投資

於附屬公司的投資按成本減任何可識別減值虧損於本公司財務狀況表入賬。附屬公司業績按已收及應收股息基準入賬。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

### 3. 主要會計政策(續)

#### 於聯營公司之投資

聯營公司指本集團對其行使重大影響力的實體。重大影響力指有權參與投資對象的財務及經營決策，但並非控制或共同控制該等政策。

聯營公司的業績及資產與負債採用權益會計法納入本綜合財務報表。擬作權益會計用途的聯營公司財務報表按與本集團於類似情況下就同類交易及事件採用的相同會計政策編製。根據權益法，於聯營公司的投資初步按成本在綜合財務狀況表確認，其後作出調整以確認本集團應佔該聯營公司的損益及其他全面收益。倘本集團應佔聯營公司的虧損超過其所持該聯營公司權益(包括實質屬本集團於聯營公司投資淨額部分的任何長期權益)時，則本集團終止確認其應佔的其他虧損。本集團僅於產生法定或推定責任或須代聯營公司付款時方確認額外虧損。

聯營公司的投資自被投資方成為聯營公司當日起以權益法入賬。收購於聯營公司的投資時，任何投資成本超出本集團應佔被投資方的可識別資產及負債公平淨值的差額，均確認為商譽，並計入該項投資的賬面值內。本集團應佔可識別資產及負債的公平淨值超出投資成本的任何數額經重新評估後，即時於收購該項投資的期間於損益內確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investment in associates (Continued)

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts received or receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Hospital service income is recognised when the related services are rendered and when it is probable that the economic benefits from the service rendered will flow to the Group and such benefit could be reliably measured. Advanced receipts in respect of certain package for which the relevant services have yet to be rendered are deferred.

Provision of hospital services in package is accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated to each kind of services under the package. Such consideration is not recognised as revenue at the time of the initial sale transaction but is deferred and recognised as revenue when the Group's obligations have been fulfilled.

### 3. 主要會計政策(續)

#### 於聯營公司之投資(續)

國際會計準則第39號之規定適用於釐定是否須就本集團於聯營公司的投資確認任何減值虧損。必要時，投資之全部賬面值(包括商譽)會根據國際會計準則第36號資產減值作為單一資產進行減值測試，方法為將其可收回金額(即使用價值與公平值減出售成本之較高者)與其賬面值進行比較，任何已確認減值虧損屬投資賬面值的一部分。倘該項投資的可收回金額其後增加，有關減值虧損之任何撥回根據國際會計準則第36號確認。

#### 收益確認

收益按已收或應收代價公平值計量，指在日常業務過程中出售貨物及提供服務之已收或應收款項減折扣及銷售相關稅項。

收益乃於收益金額能夠可靠計量時確認，即就本集團的各業務活動而言未來極有可能有經濟利益將流入本集團及特定條件已獲達成，如下文所述。

醫院服務收入於提供相關服務及所提供服務的經濟利益很可能流入本集團且相關利益能可靠計量時確認。尚未提供相關服務之若干服務組合的預收款延遲確認。

按組合提供的醫院服務作為多元收益交易入賬，已收或應收代價的公平值則分配至該組合的各類服務。有關代價在首次銷售交易時不確認為收益，而遞延在本集團履行責任時方確認為收益。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition (Continued)

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

### 3. 主要會計政策(續)

#### 收益確認(續)

銷售貨品收益於貨品交付且所有權轉移即符合下列所有條件時確認：

- 本集團已將貨品擁有權之重大風險及回報轉移予買方；
- 本集團對已銷售貨品並無保留一般與擁有權有關之持續管理權或實際控制權；
- 收益金額能夠可靠地計量；
- 與交易相關之經濟利益很可能流入本集團；及
- 有關交易產生或將產生之成本能夠可靠地計量。

利息收入參考未償還本金及適用的實際利率按時間基準累計計算，實際利率指於金融資產預計使用年期將估計未來現金收入準確貼現至該資產初步確認時的賬面淨值的利率。

#### 租賃

倘租賃條款將所有權的絕大部分風險及回報轉讓予承租人，則有關租賃分類為融資租賃，所有其他租賃則分類為經營租賃。

#### 本集團作為承租人

經營租賃付款於租期內按直線基準確認為開支。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid rental" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

### 3. 主要會計政策(續)

#### 租賃土地及樓宇

當租賃包括土地及樓宇部分，本集團基於評估各部分所有權附帶的絕大部分風險及回報是否轉移至本集團而評估將其分別劃分為融資租賃或經營租賃的分類模式，除非肯定兩個部分均屬經營租賃，於此情況下，整份租約歸類為經營租賃。具體而言，最低租賃付款(包括任何一筆過預付款項)於租約訂立時按租賃土地部分及樓宇部分中的租賃權益相關公平值比例於土地與樓宇部分間分配。

在租賃付款能可靠分配的情況下，列為經營租賃的租賃土地權益於綜合財務狀況表呈列為「預交租金」，並於租期內以直線基準攤銷。倘租賃付款無法於土地與樓宇部分間可靠分配，則整份租約一般分類為融資租賃並入賬列為物業、廠房及設備。

#### 外幣

編製各個別集團實體之財務報表時，以實體功能貨幣以外之貨幣(外幣)進行的交易按交易日當時的匯率確認。於報告期末，以外幣列值之貨幣項目按報告期末當時之匯率重新換算。以外幣列值並按歷史成本計量之非貨幣項目不會重新換算。

結算貨幣項目及換算貨幣項目所產生匯兌差額於產生期間於損益確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

#### Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

#### Retirement benefit costs

The employees of the Group are members of state-managed retirement benefit schemes, the obligations of the Group under which are equivalent to those arising in a defined contribution retirement benefit plan. Payments to state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contribution.

### 3. 主要會計政策(續)

#### 外幣(續)

就呈報綜合財務報表而言，本集團海外業務之資產及負債按報告期末之現行匯率換算為本集團之呈報貨幣(即人民幣)。收入及費用均按該年度之平均匯率換算。所產生的匯兌差額(如有)均計入其他全面收益並累積計入匯兌儲備項下之權益(歸屬於非控股權益(如適用))。

#### 政府補助

可合理確保本集團將符合政府補助的附帶條件及會獲取有關補助時，方會確認政府補助。

政府補助於本集團將補助擬補償的相關成本確認為開支的期間系統地於損益確認。

倘應收政府補助用作補償已產生之開支或虧損，或為向本集團提供即時財務支援而授出，且無未來相關成本，則在應收期間於損益確認。

#### 退休福利成本

本集團僱員為國家管理的退休福利計劃成員，因此本集團的責任是向定額供款退休福利計劃供款。當僱員提供服務而享有供款時，向國家管理的退休福利計劃供款確認為開支。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

#### Share-based payment arrangements

##### Equity-settled share-based payment transaction

##### *Share options granted to employees*

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimate, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained earnings.

### 3. 主要會計政策(續)

#### 短期僱員福利

短期僱員福利乃按預期於僱員提供福利時將予支付的福利的折現金額確認。所有短期僱員福利均確認為開支，除非另一國際財務報告準則規定或允許將該福利計入一項資產之成本。

僱員福利(例如工資及薪金、年假及病假)於扣除任何已支付金額後確認負債。

#### 以股份為基礎的付款安排

##### 以股權結算以股份為基礎的付款交易

##### *向僱員授出購股權*

向僱員作出以股權結算以股份為基礎的付款按授出日期權益工具的公平值計量。

於授出日期釐定的以股權結算以股份為基礎的付款的公平值，根據本集團對最終將會歸屬的權益工具的估計於歸屬期內以直線法支銷，同時相應調增權益(購股權儲備)。於各報告期末，本集團均會修訂其對預期將會歸屬的權益工具估計數目。修訂原先估計的影響(如有)乃於損益中確認，致令累計開支反映經修訂估計，並相應調整購股權儲備。

於購股權獲行使時，先前於購股權儲備確認的金額將轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日期仍未獲行使，則先前於購股權儲備確認的金額將轉撥至保留盈利。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

### 3. 主要會計政策(續)

#### 稅項

所得稅開支指應付即期稅項與遞延稅項的總和。

#### 即期稅項

應付即期稅項按年內的應課稅利潤計算。由於應課稅利潤不包括於其他年度應課稅或可扣減的收支項目，亦不包括毋須課稅或不可扣減的項目，故應課稅利潤與合併損益及其他全面收益表呈列的「除稅前利潤」不同。本集團按報告期末已實行或實質已實行的稅率計算即期稅項。

#### 遞延稅項

遞延稅項按綜合財務報表中資產及負債賬面值與計算應課稅利潤所採用相應稅基兩者的暫時差額確認。一般就所有應課稅暫時差額確認遞延稅項負債。倘可能有應課稅利潤可用以抵銷可動用的可扣減暫時差額，則通常就所有可扣減暫時差額確認遞延稅項資產。倘暫時差額因商譽或初步確認(業務合併時除外)一項既不影響應課稅利潤亦不影響會計利潤的交易的其它資產及負債而產生，則有關遞延稅項資產及負債不予確認。此外，倘暫時性差額乃於初始確認商譽時產生，則遞延稅項不予確認。

就與於附屬公司投資相關的應課稅暫時差額確認遞延稅項負債，惟倘本集團可控制暫時差額的撥回且暫時差額於可見將來不大可能撥回則除外。與該等投資相關的可扣減暫時差額所產生的遞延稅項資產，僅在可能有足夠應課稅利潤用作抵銷暫時差額利益並預期於可見將來撥回時確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

##### Deferred tax (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

##### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### Property, plant and equipment

Property, plant and equipment other than construction in progress as described below are stated at cost or revalued amount less subsequent accumulated depreciation and accumulated impairment losses, if any.

Construction in progress is carried at cost, less any recognised impairment loss. Construction in progress is classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property, plant and equipment, commences when the assets are ready for their intended use.

### 3. 主要會計政策(續)

#### 稅項(續)

##### 遞延稅項(續)

遞延稅項資產的賬面值於各報告期末檢討，並在不可能有足夠應課稅利潤可收回全部或部分資產時調減。

遞延稅項負債及資產按預期清償負債或變現資產期間適用的稅率，基於報告期末前已實行或實質已實行的稅率(及稅法)計量。

遞延稅項負債及資產的計量反映本集團預期於報告期末收回或清算資產及負債賬面值的方式所產生的稅務影響。

##### 年內即期稅項及遞延稅項

即期稅項及遞延稅項於損益確認，惟倘與在其他全面收入確認或直接於權益確認的項目相關則除外，在此情況下，即期稅項及遞延稅項亦分別於其他全面收入或直接於權益確認。倘業務合併的初步會計入賬產生即期稅項或遞延稅項，則稅務影響計入業務合併的會計賬目。

#### 物業、廠房及設備

物業、廠房及設備(下述在建工程除外)均以成本減後續累計折舊及累計減值虧損(如有)列賬。

在建工程按成本減任何已確認減值虧損列賬。在建工程竣工並可投入擬定用途時，會分類至適當的物業、廠房及設備類別。該等資產在可投入擬定用途時按與其他物業、廠房及設備相同的基準開始計提折舊



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property, plant and equipment (Continued)

Depreciation is recognised so as to write off the cost or valuation of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### Intangible assets

##### Intangible assets acquired separately

Intangible assets with finite useful lives representing trademark and software that are acquired separately are carried at costs less accumulated amortization and any accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

##### Intangible assets acquired in a business combination

The intangible assets acquired in a business combination is a medical license and recognised separately from goodwill is initially recognised at its fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, the intangible asset acquired in a business combination with finite useful lives is reported at cost less accumulated amortization and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

##### Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss when the asset is derecognised.

### 3. 主要會計政策(續)

#### 物業、廠房及設備(續)

折舊以直線法撇銷物業、廠房及設備項目(在建工程除外)的成本減彼等估計可使用年期內剩餘價值確認。估計可使用年期、剩餘價值及折舊方法於報告期末檢討，而估計任何變動之影響以預先計提之基準列賬。

物業、廠房及設備項目於出售時或預期日後不會自持續使用該資產獲得經濟利益時終止確認。物業、廠房及設備項目出售或報廢時產生之任何收益或虧損按資產出售所得款項與賬面值的差額釐定，並在損益確認。

#### 無形資產

##### 單獨收購的無形資產

具有有限可使用年期的無形資產(指單獨收購的商標及軟件)以成本減累計攤銷和任何累計減值虧損列賬。無形資產的攤銷在其估計可使用年期按直線法確認。

估計可使用年期及攤銷方法在各報告期末檢討，估計任何變更之影響將按預先計提之基準入賬。

##### 於業務合併收購的無形資產

於業務合併收購並獨立於商譽確認的無形資產為醫療執照，將按其收購日期的公平值(被視為其成本)初始確認。

於初始確認後，於業務合併收購的具有有限可使用年期的無形資產乃按成本減累計攤銷及任何累計減值虧損呈報，基準與單獨收購之無形資產相同。

##### 終止確認無形資產

無形資產在出售時或預期使用或出售無法產生未來經濟利益時終止確認。無形資產終止確認產生的收益或虧損按出售所得款項淨額與資產賬面值之間的差額計量，並於資產終止確認時在損益確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment of tangible and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### 3. 主要會計政策(續)

#### 有形及無形資產減值(商業除外)

於報告期末，本集團檢討具有有限可使用年期之有形及無形資產的賬面值，以確定有否任何跡象顯示該等資產產生減值虧損。倘存在該等跡象，則估計資產的可收回金額，以確定減值虧損程度(如有)。倘無法估計個別資產的可收回金額，則本集團將估計資產所屬現金產生單位的可收回金額。倘可識別合理及一致的分配基準，公司資產亦可分配至各現金產生單位，或該等資產將另行分配至可識別合理及一致的分配基準的最小現金產生單位組別。

可收回金額為公平值減出售成本與使用價值之較高者。評估使用價值時，會使用稅前貼現率將估計未來現金流量貼現至其現值，該貼現率反映當前市場對貨幣時間價值及尚未調整估計未來現金流量之資產特定風險的評估。

倘資產(或現金產生單位)的可收回金額估計少於其賬面值，則該資產(或現金產生單位)的賬面值將減至其可收回金額。分攤減值虧損時，應當先抵減商譽的賬面價值(如適用)，再根據資產組中除商譽之外的其他各項資產的賬面值所佔比重，按比例抵減其他各項資產的賬面值。抵減後的各資產的賬面值不得低於以下三者之中最高者：該資產的公平值減去處置費用後的淨額(如可確定的)、該資產的使用價值和零。分攤至資產之減值虧損金額，應當按照相關資產組中其他資產所佔比例進行分攤。減值虧損於損益即時確認。

倘減值虧損隨後撥回，資產(或現金產生單位)的賬面值增加至經修訂的估計可收回金額，但調高的賬面值不得超過該資產(或現金產生單位)在過往年度並無確認減值虧損而應釐定的賬面值。撥回的減值虧損即時於損益確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Inventories

Inventories are stated at the lower of cost and net realizable value. Cost of inventories are determined on a first-in first-out method. Net realizable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

#### Provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### 3. 主要會計政策(續)

#### 存貨

存貨以成本與可變現淨值的較低者列賬。成本使用先進先出法計算。可變現淨值指存貨的估計售價扣除完成銷售的所有估計成本。

#### 撥備

倘本集團因過往事件須承擔現行責任(法定或推定)，而本集團很可能需履行有關責任，且責任金額能可靠估計時，則會確認撥備。

所確認撥備金額為考慮責任所涉風險及不確定因素按報告期末履行現時責任所需代價的最佳估計。倘撥備採用履行現時責任所需估計現金流量計算，則(在貨幣時間價值影響重大的情況下)其賬面值為該等現金流量之現值。

在預計可從第三方收回履行撥備所需的部分或全部經濟利益的情況下，倘基本確定將獲得償付且能夠可靠計量應收款項，則此等應收款項確認為資產。

#### 金融工具

當集團實體成為工具合約條款的訂約方時，會確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量。初步確認時，收購或發行金融資產及金融負債(按公平值計入損益之金融資產或金融負債除外)直接應佔的交易成本計入金融資產或金融負債(如適用)之公平值或自彼等公平值扣除。收購按公平值計入損益之金融資產或金融負債直接應佔的交易成本即時於損益確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets

The Group's financial assets are classified into the following specified categories: financial assets at FVTPL, available-for-sale financial assets ("AFS") and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

##### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

##### *Financial assets at FVTPL*

Financial assets are classified as at FVTPL when the financial assets is (i) held for trading, or (ii) it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產

本集團之金融資產分類為以下指定類別：按公平值計入損益之金融資產、可供出售金融資產以及貸款及應收款項。分類視乎金融資產的性質及用途於初步確認時釐定。

##### *實際利率法*

實際利率法為計算金融資產攤銷成本及於有關期間分配利息收入的方法。實際利率指將金融資產之估計未來現金收入(包括屬實際利率不可分割部分的所有已付或已收費用、交易成本及其他溢價或折讓)於其預計使用年期或較短期間(如適用)準確貼現至初步確認時賬面淨值的利率。

就債務工具而言，利息收入按實際利率法確認，惟分類為按公平值計入損益之金融資產除外，其利息收入計入收益或虧損淨額。

##### *按公平值計入損益之金融資產*

當金融資產(i)持作買賣，或(ii)指定為按公平值計入損益的金融資產時，分類為按公平值計入損益的金融資產。

一項金融資產將分類為持作買賣，倘：

- 收購該資產時主要的目的是為了近期銷售；或
- 初始確認為本集團集中管理的可識別金融工具組合的一部分，並且實際按照短期獲利方式進行管理；或
- 屬於不被指定的、有效對沖工具的衍生工具。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains and losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets and is included in the other gains and losses. Fair value is determined in the manner described in note 39.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

金融資產(持作買賣金融資產除外)可於下列情況下於初步確認時指定為按公平值計入損益：

- 該指定消除或大幅減少可能會出現的計量或確認方面的一致性；或
- 該金融資產構成一組金融資產或金融負債或金融資產及金融負債組合的一部分，而根據本集團制定的風險管理或投資策略，該項金融資產以公平值為基礎進行管理，其績效則以公平值為基礎進行評估，且有關分組之資料乃按此基準向內部提供；或
- 其構成包含一項或多項嵌入式衍生工具的合約的一部分，而國際會計準則第39號允許將整個組合合約(資產或負債)指定為按公平值計入損益。

按公平值計入損益的金融資產乃按公平值計量，而重新計量產生的任何盈虧則於損益中確認。於損益確認的盈虧淨額包括就金融資產所賺取的任何股息或利息並計入其他收益及虧損。釐定公平值的方法載於附註39。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *AFS financial assets*

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

AFS financial assets held by the Group are measured at fair value at the end of each reporting period. Changes in the carrying amount of AFS monetary financial assets relating to interest income calculated using the effective interest method, are recognised in profit or loss. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, other receivables, amounts due from related parties, loan receivables, certificates of deposit, time deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any identified impairment losses.

##### *Impairment of financial assets*

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *可供出售金融資產*

可供出售金融資產乃指定為可供出售或並無分類為(a)貸款及應收賬款、(b)持有至到期投資或(c)按公平值計入損益之金融資產之非衍生工具。

於各報告期末，本集團持有之可供出售金融資產按公平值計量。與使用實際利率法計算利息收入之有關可供出售貨幣性金融資產之賬面值變動於損益中確認。可供出售金融資產賬面值之其他變動於其他全面收益確認，並累計至投資重估儲備項下。當有關投資被出售或釐定為已減值時，先前於重估儲備中累計的累計收益或虧損重新分類至損益(請參閱下文有關金融資產減值之會計政策)。

##### *貸款及應收款項*

貸款及應收款項為有固定或可釐定付款而並無活躍市場報價的非衍生金融資產。於初始確認後，貸款及應收款項(包括貿易應收款項、其他應收款項、應收關聯方款項、存款證、定期存款以及銀行結餘及現金)使用實際利率法按攤銷成本減任何已識別減值虧損列賬。

##### *金融資產減值*

於各報告期末會評估金融資產(除按公平值計入損益之金融資產)有否減值跡象。當有客觀證據顯示金融資產的估計未來現金流量因初步確認該金融資產後發生的一項或多項事件而受到影響時，該金融資產將視為出現減值。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 3. 主要會計政策(續)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment of financial assets (Continued)*

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial Reorganisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

#### 金融工具(續)

##### 金融資產(續)

##### *金融資產減值(續)*

減值的客觀證據可能包括：

- 發行人或交易對手出現嚴重財務困難；或
- 違約，例如拖欠或未能繳付利息或本金；或
- 借款人有可能面臨破產或財務重組。

對於若干類別的金融資產(例如貿易應收款項)，獲評估為非個別減值的資產則須額外按整體基準進行減值評估。應收款項組合出現減值的客觀證據可能包括本集團的過往收款經驗、組合內延遲還款超過平均信貸期的次數增加，及與應收款項逾期有關的國家或地方經濟狀況出現明顯變動。

對於按攤銷成本列賬的金融資產，已確認減值虧損的金額為資產賬面值與按金融資產原實際利率貼現的估計未來現金流量現值之間的差額。

所有金融資產的減值虧損直接於金融資產的賬面值扣減，惟貿易應收款項除外，其賬面值通過使用撥備賬扣減。撥備賬的賬面值變動於損益確認。當貿易應收款項視為無法收回時，將於撥備賬撇銷。其後收回先前撇銷的款項將計入損益。

倘可供出售金融資產被視為出現減值，先前於其他全面收入內確認之累計收益及虧損於期內重新分類至損益。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment of financial assets (Continued)*

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

##### *Derecognition of financial assets*

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

#### Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *金融資產減值(續)*

就按攤銷成本計量之金融資產而言，倘隨後期間減值虧損金額減少，而減少客觀上可與確認減值虧損後發生的某一事件有關，則先前確認的減值虧損通過損益予以撥回，惟撥回減值當日金融資產的賬面值不得超越假設未確認減值時的攤銷成本。

##### *終止確認金融資產*

僅於資產現金流量之合約權利屆滿或轉讓金融資產並將是項資產所有權的絕大部分風險及回報轉讓予其他方時，本集團方會終止確認金融資產。

終止確認金融資產時，資產賬面值與所收及應收代價總和的差額於損益確認。

#### 金融負債及權益工具

集團實體發行的債務及權益工具根據所訂立合約安排之主旨及金融負債和權益工具之定義分類為金融負債或權益。

##### *權益工具*

權益工具指證明本集團在扣減所有負債後所擁有資產剩餘權益的任何合約。本公司發行的權益工具按已收所得款項(扣除直接發行成本)確認。

購回本公司自身權益工具直接於權益中確認及扣除。概無就購買、出售、發行或註銷本公司本身權益工具之溢利或虧損確認收益或虧損。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

##### *Financial liabilities*

The Group's financial liabilities (including trade payables, other payables and amounts due to a related party) are subsequently measured at amortised cost using the effective interest method.

##### *Derivative financial instruments*

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

##### *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *實際利率法*

實際利率法為計算金融負債攤銷成本及於有關期間分配利息開支的方法。實際利率指將金融負債之估計未來現金付款(包括屬實際利率不可分割部分的所有已付或已收費用、交易成本及其他溢價或折讓)於其預計使用年期或較短期間(如適用)準確貼現至初步確認時賬面淨值的利率。

利息開支按實際利率基準確認。

##### *金融負債*

本集團的金融負債(包括貿易應付款項、其他應付款項及應付關聯方款項)其後使用實際利率法按攤銷成本計量。

##### *衍生金融工具*

衍生工具初始按訂立衍生工具合約當日之公平值確認,其後按報告期末之公平值重新計量。由此產生之損益即時於損益內確認。

##### *終止確認金融負債*

本集團於且僅於本集團的責任解除、撤銷或屆滿時終止確認金融負債。終止確認金融負債之賬面值與已付及應付代價之差額於損益確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and the future periods if the revision affects both current and future periods.

#### Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Purchase price allocation in business combination

The business combination was related to the Group's acquisition of 95% equity interests in Heilongjiang HarMoniCare Hospital as disclosed in Note 32.

The purchase method of accounting for business combinations requires the Group to estimate the fair value of identifiable assets acquired and liabilities assumed. A significant amount of the intangible asset was recognised in the business combination in 2016 as disclosed in Notes 17 and 32.

Determination of the fair value of intangible asset and other items requires the use of management's judgements and assumptions on estimating the discount rate and financial forecast for intangible assets valuation.

Allocation of the purchase price affects the results of the Group as the finite lived intangible asset is subsequently amortized.

### 4. 估計不明朗因素的主要來源

應用本集團的會計政策(載於附註3)時,本公司董事須就難以從其他來源確定之資產及負債的賬面值作出判斷、估計及假設。估計及有關假設根據過往經驗及其他視為有關的因素作出。實際結果可能有別於該等估計。

估計及有關假設按持續經營基準審核。倘會計估計之修訂僅影響當期,則有關修訂會於修訂會計估計的期間確認,倘修訂同時影響當期及日後期間,則有關修訂會於修訂期間及日後期間確認。

#### 估計不明朗因素的主要來源

以下為各報告期末很可能導致資產及負債賬面值於下一個財政年度內作出重大調整的未來相關重要假設及估計不明朗因素的其他主要來源。

#### 收購價格於業務合併中之分攤

有關本集團收購黑龍江和美婦產醫院95%股權之業務合併載於附註32。

採用收購法對業務合併入賬要求本集團估計所收購可識別資產及所承擔負債之公平值。於2016年業務合併確認的重大無形資產金額披露於附註17及32。

釐定無形資產及其他項目之公平值要求管理層於估算無形資產估值的貼現率及財務預測時進行判斷及假設。

由於可使用年期有限的無形資產於其後攤銷,因此收購價格之分攤將影響本集團之業績。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Key sources of estimation uncertainty (Continued)

##### Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash-generating unit to which goodwill has been allocated, which is the higher of the value in use or fair value less costs of disposal. The fair value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash, a material impairment loss/further impairment loss may arise. As at 31 December 2016, the carrying amount of goodwill is RMB49,302,000 (no impairment loss was recognised). Details of the recoverable amount calculation are disclosed in Note 16.

##### Estimated useful lives and impairment of property, plant and equipment and intangible assets

The Group's management determines the estimated useful lives, residual values and the depreciation/amortisation method in determining the related depreciation/amortisation charges for its property, plant and equipment and intangible assets. This estimate is based on the management's experience of the actual useful lives of property, plant and equipment and intangible assets of similar nature and functions. Management will increase the depreciation/amortisation charge where the economic useful lives are estimated to be shorter than original expected or will write-off or write-down the carrying value of the items which are technically obsolete or non-strategic assets that have been abandoned. Actual economic useful lives may differ from estimated economic useful lives. Periodic review could result in a change in depreciation/amortisation period and therefore depreciation/amortisation charge in the future periods.

### 4. 估計不明朗因素的主要 來源(續)

#### 估計不明朗因素的主要來 源(續)

##### 估計商譽減值

釐定商譽是否減值須要估計獲分配有關商譽的現金產生單位的可收回金額，為使用價值或公平值減出售成本兩者中之較高者。計算使用公平值須要本集團對預期可自現金產生單位獲得的未來現金流量以及適合計算所得現值的折現率作出估計。倘實際未來現金流量較預期為少，或事實及情況有變導致未來現金出現下調，則可能產生重大減值虧損/進一步減值虧損。於2016年12月31日，商譽賬面值為人民幣49,302,000元，並無確認商譽減值虧損。有關計算可收回金額之詳情載於附註16。

##### 物業、廠房及設備以及無形 資產的估計可使用年期及減 值

於釐定物業、廠房及設備以及無形資產的相關折舊/攤銷費時，本集團管理層會釐定估計可使用年期、剩餘價值及折舊/攤銷方法。該估計基於管理層對性質及功能相若物業、廠房及設備以及無形資產的實際可使用年期的經驗作出。倘估計經濟可使用年期短於之前預計者，管理層將調高折舊/攤銷費，或撇銷或撇減技術上已過時或已報廢非策略資產項目的賬面值。實際經濟可使用年期可能與估計的經濟可使用年期不同。定期檢討可能導致折舊/攤銷期出現變動，因而致使未來期間產生折舊/攤銷費。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Key sources of estimation uncertainty (Continued)

##### Estimated useful lives and impairment of property, plant and equipment and intangible assets (Continued)

In addition, management assesses impairment whenever events or changes in circumstances indicate that the carrying amount of an item of property, plant and equipment and intangible assets may not be recoverable. When the recoverable amounts of property, plant and equipment and intangible assets differ from the original estimates, adjustment will be made and recognised in the period in which such event takes place. As at 31 December 2016, the carrying amounts of property, plant and equipment and intangible assets are approximately RMB253,262,000 (2015: RMB229,370,000) and RMB95,793,000 (2015: RMB33,860,000) respectively.

##### Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and deductible temporary differences to the extent that it is probable that taxable temporary difference and taxable profit will be available against which the losses can be utilised. Significant judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the timing and level of future taxable profits together with future tax planning strategies. As at 31 December 2016, the carrying amount of deferred tax assets are approximately RMB33,080,000 (2015: RMB27,781,000). Further details are contained in Note 19.

##### Impairment of trade receivables and other receivables

In determining whether there is objective evidence of impairment loss, the directors of the Company take into consideration of the financial strength of the counter parties, the credit history of the customers and the current market condition. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The directors of the Company reassess the adequacy of impairment on a regular basis. Where the actual cash flows are less than expected, material impairment loss may arise. The carrying amount of the trade and other receivables are disclosed in Notes 23 and 24.

### 4. 估計不明朗因素的主要來源(續)

#### 估計不明朗因素的主要來源(續)

##### 物業、廠房及設備以及無形資產的估計可使用年期及減值(續)

此外，倘發生事件或情況變動顯示物業、廠房及設備以及無形資產項目的賬面值可能無法收回，則管理層會評估有否減值。如物業、廠房及設備以及無形資產的可收回金額有別於原先估計者，則會作出調整並在發生相關事件的期間確認。於2016年12月31日，物業、廠房及設備以及無形資產的賬面值分別約為人民幣253,262,000元(2015年：人民幣229,370,000元)及人民幣95,793,000元(2015年：人民幣33,860,000元)。

##### 遞延稅項資產

倘可能有應課稅暫時差額及應課稅利潤可用以抵銷可動用的虧損，則就所有未動用稅項虧損及可扣減暫時差額確認遞延稅項資產。釐定可確認的遞延稅項資產金額時，須根據未來應課稅利潤的時間與水平及未來稅務規劃策略作出重要判斷。於2016年12月31日，遞延稅項資產的賬面值約為人民幣33,080,000元(2015年：人民幣27,781,000元)。進一步詳情載於附註19。

##### 貿易應收款項及其他應收款項的減值

確定是否存在減值虧損的客觀證據時，本公司董事會考慮交易對手的財務實力、客戶的信貸歷史及當前市況。減值虧損金額根據資產賬面值與估計未來現金流量按金融資產原實際利率貼現的現值之差額計量。本公司董事會定期重新評估減值的適合性。倘實際現金流量少於預期，可能會導致重大減值虧損。貿易及其他應收款項的賬面值披露於附註23及24。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Key sources of estimation uncertainty (Continued)

##### Provision for medical dispute claims

The Group may be subject to legal proceedings and claims that arise in the ordinary course of business, which primarily include medical dispute claims brought by the former patients. Provision for medical dispute claims is made based on the status of potential and active claims outstanding at the end of each reporting period, and the litigation history, the assessment and analysis of external lawyer and the likely outcome. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Based on the assessment, the provisions for the certain medical dispute claims existed at the end of each reporting period provided by the Group were disclosed in Note 29. The situation is closely monitored by the directors of the Company and provision will be made as appropriate. Where the final actual claims are greater than expected, a material dispute claims expense may arise, which would be recognised in profit or loss for the period in which such a claim takes place.

### 4. 估計不明朗因素的主要 來源(續)

#### 估計不明朗因素的主要來 源(續)

##### 醫療糾紛索償之撥備

本集團於日常業務過程中或會面對法律訴訟及索賠，主要包括先前的病人提起的醫療糾紛索賠。醫療糾紛索賠撥備乃基於各報告期末潛在及已發生未決索賠的情況、歷史期間的訴訟及外聘律師的評估與分析及可能的支出作出。倘未必會流出經濟利益或相關金額不能可靠計量，有關責任披露為或然負債，惟經濟利益流出的可能性極小則除外。或然負債乃因過往事件而承擔的潛在責任，其存在性只能憑一項或多項非本集團所能完全控制的不明朗未來事件的發生與否而確定。

基於評估，本集團就各報告期末發生的若干醫療糾紛索賠作出的撥備披露於附註29。本公司董事密切監控相關情況並將在適當時作出撥備。倘最終實際索賠超出預期，可能產生重大糾紛索賠費用，相關費用將於索賠發生期間於損益確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 5. REVENUE

Revenue represents the amount received or receivable from provision of specialised hospital services and supply of pharmaceuticals and medical devices business, net of discount and sales related taxes, are as follows:

### 5. 收益

收益指提供專科醫院服務及供應藥品及醫療設施業務的已收或應收款項減折扣及銷售相關稅項，載列如下：

		<b>For the year ended 31 December 截至12月31日止年度</b>	
		<b>2016 RMB'000 人民幣千元</b>	2015 RMB'000 人民幣千元
Specialised hospital services:	專科醫院服務：		
Provision of healthcare services	提供醫療服務	<b>745,876</b>	773,904
Sales of pharmaceuticals and medical devices	銷售藥品及醫療設施	<b>87,952</b>	100,329
Supply of pharmaceuticals and medical devices business	供應藥品及醫療設施業務	<b>25,873</b>	35,129
		<b>859,701</b>	909,362

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION

Mr. Lin Yuming, Mr. Zhao Xingli and Mr. Fang Zhifeng, the directors of the Company, are identified as the chief operating decision maker (the "CODM") of the Group for the purposes of resources allocation and performance assessment. The CODM reviews operating results and financial information on a company by company basis. This is also the basis upon which the Group is organised. Accordingly, each company is identified as an operating segment. When the group companies are operating in similar business model with similar target group of customers, and under the same regulatory environment, the Group's operating segment are aggregated and the Group's reportable segments for segment reporting purposes are as follows:

#### (i) Specialised hospital service

Revenue derived from specialised hospital services, especially in obstetrics and gynecology, provided at hospitals within the Group.

#### (ii) Supply of pharmaceuticals and medical devices business

Revenue derived from sales of pharmaceuticals and medical devices other than those supply as part of the specialised hospital services.

### 6. 分部資料

就為分配資源及評估表現而言，本公司董事林玉明先生、趙興力先生及方志鋒先生視為本集團的主要經營決策者(「主要經營決策者」)。主要經營決策者按公司基準審閱的經營業績及財務資料，此亦為組織本集團之基礎。因此，各公司均獲視為一個營運分部。倘集團公司採用類似業務模式營運，具有類似目標客戶群體且處於同等監管環境，本集團則合併該等營運分部。本集團就分部報告目的設立的可報告分部如下：

#### (i) 專科醫院服務

收益來源於專科醫院服務，尤其是本集團醫院提供的婦產科服務。

#### (ii) 供應藥品及醫療設施業務

收益來源於藥品及醫療設施的銷售(不包括屬於專科醫院服務組成部分的供應)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

Segment information about the Group's reportable segment is presented below.

### 6. 分部資料(續)

本集團可報告分部相關的分部資料呈列如下。

		Specialised hospital services 專科醫院服務 RMB'000 人民幣千元	Supply of pharmaceuticals and medical devices business 供應藥品及醫療設施業務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>For the year ended 31 December 2016</b>	<b>截至2016年12月31日止年度</b>			
External revenue	外界收益	833,828	25,873	859,701
Inter-segment revenue	內部收益	—	42,326	42,326
Segment revenue	分部收益	833,828	68,199	902,027
Eliminations	對銷			(42,326)
Consolidated revenue	綜合收益			859,701
Segment results	分部業績	110,331	7,375	117,706
Unallocated results	未分配業績			6,180
Profit before tax	除稅前利潤			123,886

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

### 6. 分部資料(續)

		Specialised hospital services 專科醫院服務	Supply of pharmaceuticals and medical devices business 供應藥品及醫療設施業務	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>			
Segment assets	分部資產	569,822	46,062	615,884
Goodwill	商譽	49,302	—	49,302
Unallocated assets	未分配資產			1,434,022
Elimination of inter-segment receivables	內部應收款項對銷			(415,633)
Consolidated assets	綜合資產			1,683,575
Segment liabilities	分部負債	575,771	31,758	607,529
Unallocated liabilities	未分配負債			108,298
Elimination of inter-segment payables	內部應付款項對銷			(415,633)
Consolidated liabilities	綜合負債			300,194
Other segment information	其他分部資料			
Amounts included in the measure of segment results:	計量分部業績計入的金額：			
Depreciation and amortisation	折舊及攤銷	39,312	939	40,251
Unallocated depreciation and amortization	未分配折舊及攤銷			3,421
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備的虧損淨額	823	95	918
Addition to non-current assets (Note)	非流動資產增加(附註)	173,187	4,278	177,465
Unallocated addition to non-current assets	未分配非流動資產增加			2,345
Amounts regularly provided to the CODM but not included in the measure of segment results:	定期向主要經營決策者提供但計量分部業績不計入的金額：			
Income tax expense	所得稅開支	24,742	1,873	26,615

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

### 6. 分部資料(續)

		Specialised hospital services 專科醫院服務 RMB'000 人民幣千元	Supply of pharmaceuticals and medical devices business 供應藥品及 醫療設施業務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>For the year ended 31 December 2015</b>	<b>截至2015年12月31日 止年度</b>			
External revenue	外界收益	874,233	35,129	909,362
Inter-segment revenue	內部收益	—	42,146	42,146
Segment revenue	分部收益	874,233	77,275	951,508
Eliminations	對銷			(42,146)
Consolidated revenue	綜合收益			909,362
Segment results	分部業績	153,150	7,893	161,043
Unallocated results	未分配業績			(19,076)
Profit before tax	除稅前利潤			141,967



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

### 6. 分部資料(續)

		Specialised hospital services 專科醫院服務 RMB'000 人民幣千元	Supply of pharmaceuticals and medical devices business 供應藥品及 醫療設施業務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at 31 December 2015</b>	<b>於2015年12月31日</b>			
Segment assets	分部資產	1,299,257	51,966	1,351,223
Unallocated assets	未分配資產			1,233,651
Elimination of inter-segment receivables	內部應收款項對銷			(956,813)
Consolidated assets	綜合資產			1,628,061
Segment liabilities	分部負債	1,134,954	36,719	1,171,673
Unallocated liabilities	未分配負債			2,236
Elimination of inter-segment payables	內部應付款項對銷			(956,813)
Consolidated liabilities	綜合負債			217,096
Other segment information	其他分部資料			
Amounts included in the measure of segment results:	計量分部業績計入 的金額：			
Depreciation and amortisation	折舊及攤銷	35,760	306	36,066
Unallocated depreciation and amortization	未分配折舊及攤銷			2,766
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備 的虧損淨額	250	—	250
Addition to non-current assets (Note)	非流動資產增加(附註)	55,628	8,012	63,640
Unallocated addition to non- current assets	未分配非流動資產增加			33,200
Amounts regularly provided to the CODM but not included in the measure of segment results:	定期向主要經營決策者 提供但計量分部業績 不計入的金額：			
Income tax expense	所得稅開支	29,538	2,028	31,566

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

Note: Non-current assets consist of property, plant and equipment, intangible assets and goodwill.

Segment revenue reported above represents revenue generated from both external and inter-segment customers. During the years ended 31 December 2016 and 2015, the inter-segment transactions are charged at cost plus margin basis for the sales of pharmaceutical and medical devices.

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment results represent the profit before tax earned by each segment, without allocation of interest income, foreign exchange gains, selling expenses, administrative expenses and listing expense not directly related to the respective segment, which represents the internally generated financial information regularly reviewed by the CODM. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

For the purposes of monitoring segment performances and allocating resources between segments, all assets, liabilities and expenses of the Company and other holding companies are presented as unallocated.

Income tax expenses have been allocated to segments as additional information regularly provided to the CODM but not included in the measure of segment result while the relevant deferred tax assets, deferred tax liabilities and tax payables have been allocated into the segment assets and liabilities.

No geographical information is presented as all of the Group's revenue is derived from activities in the PRC, and all of the Group's operations and major non-current assets are located in the PRC.

No revenue from individual external customer contributing over 10% of total revenue of the Group.

### 6. 分部資料(續)

附註：非流動資產包括物業、廠房及設備以及無形資產及商譽。

上文呈報的分部收益指來自外界客戶及內部客戶的收益。於截至2016年及2015年12月31日止年度，內部交易按銷售藥品及醫療設施的成本加成基準收費。

營運分部的會計政策與附註3所述本集團的會計政策一致。分部業績指各分部所賺未分配利息收入、外匯收益、銷售開支、行政開支及與各分部間接有關的上市開支的除稅前利潤，指主要經營決策者定期審閱的內部財務資料，此為就分配資源及評估分部表現向主要經營決策者呈報的方法。

為監控分部表現及分配分部間資源，本公司及其他控股公司之所有資產、負債及開支均列為未分配。

所得稅開支已分配至各分部，作為定期向主要經營決策者提供的補充資料，但計量分部業績時並無計入，而相關遞延稅項資產、遞延稅項負債及應付稅項則分配至分部資產及負債。

由於本集團全部收益來自中國的業務且本集團所有業務及主要非流動資產均位於中國，故並無呈列地區資料。

並無個別外界客戶貢獻的收益佔本集團總收益10%以上。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 7. OTHER INCOME

### 7. 其他收入

For the year ended  
31 December  
截至12月31日止年度

	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Interest income from bank deposits 銀行存款之利息收入	15,374	10,654
Government grants 政府補助	723	531
Interest income from certificates of deposit 存款證之利息收入	628	654
Others 其他	1,614	1,246
	<b>18,339</b>	13,085

### 8. OTHER GAINS AND LOSSES

### 8. 其他收益及虧損

For the year ended  
31 December  
截至12月31日止年度

	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Foreign exchange gains 匯兌收益	22,184	22,195
Net gain arising on bank financial products 銀行理財產品之收益淨額	5,771	753
Impairment recognised on trade and other receivables 貿易及其他應收款項確認之減值	(111)	(215)
Loss on disposal of property, plant and equipment, net 出售物業、廠房及設備的虧損淨額	(918)	(250)
Others 其他	332	—
	<b>27,258</b>	22,483

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 9. OTHER EXPENSES

### 9. 其他開支

		For the year ended 31 December 截至12月31日止年度	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Medical disputes expenditure	醫療糾紛開支	1,166	1,067
Penalty expenditure	罰款開支	518	192
Provision for medical disputes	醫療糾紛撥備	776	379
Expenses in relation to the listing	上市相關開支	—	24,727
Others	其他	308	258
		<b>2,768</b>	26,623

### 10. PROFIT BEFORE TAX

### 10. 除稅前利潤

The Group's profit for the year has been arrived at after charging:

本集團年內利潤已扣除下列各項：

		For the year ended 31 December 截至12月31日止年度	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Cost of inventories recognised as expense	確認為開支的存貨成本	124,345	144,453
Depreciation of property, plant and equipment	物業、廠房及設備折舊	39,471	35,172
Amortisation of intangible assets	無形資產攤銷	4,201	3,660
Total depreciation and amortisation	折舊及攤銷總額	43,672	38,832
Operating lease rentals in respect of rental premises	租賃物業相關的經營租賃租金	68,319	65,751
Directors' emoluments (Note 12)	董事薪酬(附註12)	2,384	2,796
Other staff costs	其他僱員成本		
Salaries and other allowance	薪金及其他津貼	276,516	264,115
Expenses on the Share Option Scheme (Notes 12 and 31)	購股權計劃開支(附註12及31)	(450)	3,615
Retirement benefit contribution	退休福利供款	28,443	27,386
Total staff costs	僱員成本總額	306,893	297,912
Auditor's remuneration	核數師酬金	2,900	2,000

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 11. INCOME TAX EXPENSE

### 11. 所得稅開支

For the year ended  
31 December  
截至12月31日止年度

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Enterprise income tax ("EIT")	企業所得稅(「企業所得稅」)		
Current tax in the PRC	中國即期稅項	31,457	27,225
Under provision in prior years	過往年度撥備不足	457	—
Deferred tax (Note 19)	遞延稅項(附註19)	(5,299)	4,341
Total income tax recognised in profit or loss	於損益確認的所得稅總額	<b>26,615</b>	31,566

The Company is a tax exempted company incorporated in the Cayman Islands.

本公司為於開曼群島註冊成立的獲豁免納稅公司。

No provision for Hong Kong Profits Tax has been made as the Group did not have assessable profit subject to Hong Kong Profits Tax during the reporting period (2015: Nil).

由於本集團於報告期間並無應繳納香港利得稅的應課稅利潤，故並無計提香港利得稅撥備(2015年：無)。

Under the Law of the PRC on Enterprise Income Tax ("EIT Law") and Implementation Regulation of the EIT Law, the statutory EIT rate of all other PRC subsidiaries in the Group is 25% (2015: 25%) except as stated below.

根據中國企業所得稅法(「企業所得稅法」)及其實施條例，除下文所述者外，本集團所有其他中國附屬公司的法定企業所得稅率為25%(2015年：25%)。

In accordance with the approval from the local taxation bureau of Yubei District, Chongqing City (重慶市渝北區地方稅務局) Yubeidishui nafushuitong No.[2017]1171(渝北地稅納服稅通[2017]1171號) (2015: Yubeidishui longshanshuitong No.[2015]1128 (渝北地稅龍山稅通[2015]1128號)), Chongqing Dushi Liren Hospital Co., Ltd. ("Chongqing Dushi Liren Hospital") was entitled the preferential income tax rate of 15% for the year ended 31 December 2016 (2015: 15%).

根據重慶市渝北區地方稅務局發出的批文渝北地稅納服稅通[2017]1171號(2015年：渝北地稅龍山稅通[2015]1128號)，重慶都市儷人醫院有限公司(「重慶都市儷人醫院」)於截至2016年12月31日止年度有權享受15%的優惠所得稅率(2015年：15%)。

In accordance with the approval from the local taxation bureau of Nan'an District, Chongqing City (重慶市南岸區地方稅務局) Nandishuinanshuitong No.[2016]2892 (南地稅南稅通[2016]2892號) (2015: Nandishuinanshuitong No.[2016]5 (南地稅南稅通[2016]5號)), Chongqing Modern Woman Hospital Co., Ltd. ("Chongqing Modern Woman Hospital") was entitled the preferential income tax rate of 15% for the year ended 31 December 2016 (2015: 15%).

根據重慶市南岸區地方稅務局發出的批文南地稅南稅通[2016]2892號(2015年：南地稅南稅通[2016]5號)，重慶現代女子醫院有限公司(「重慶現代女子醫院」)於截至2016年12月31日止年度有權享受15%的優惠所得稅率(2015年：15%)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 11. INCOME TAX EXPENSE (Continued)

In accordance with the approval from the local taxation bureau of Wanzhou District, Chongqing City (重慶市萬州區地方稅務局), Wanzhoudishuishuitong No. [2016] 482 (萬州地稅稅通[2016]482號) (2015: Wanzhoudishuigaoshuitong No. [2015] 105 (萬州地稅高稅通[2015]105號)), Chongqing Wanzhou HarMoniCare Obstetrics and Gynecology Hospital Co., Ltd. ("Chongqing Wanzhou HarMoniCare Hospital") was entitled the preferential income tax rate of 15% for the year ended 31 December 2016 (2015: 15%).

In accordance with the approval from the local taxation bureau of Fuling District, Chongqing City (重慶市涪陵區地方稅務局) Fudishuichengshuitong No. [2016] 144 (涪地稅城稅通[2016]144號) (2015: Fudishuichengshuitong No. [2015] 90 (涪地稅城稅通[2015]90號)), Chongqing Fuling HarMoniCare Obstetrics and Gynecology Hospital Co., Ltd. ("Chongqing Fuling HarMoniCare Hospital") was entitled the preferential income tax rate of 15% for the year ended 31 December 2016 (2015: 15%).

In accordance with the approval from the local taxation bureau of Nanming District, Guizhou City (貴州市南明區地方稅務局), Shuitong No. [005] 01 (稅通 [005] 01號) (2015: Shuitong No. 030 (稅通030號)), Guiyang HarMoniCare Hospital was entitled the preferential income tax rate of 15% for the year ended 31 December 2016 (2015: 15%).

In accordance with the approval from the local taxation bureau of Yunyan District, Guizhou City (貴州市雲岩區地方稅務局) Yundishuishuitong No. [2017] 5499 (雲地稅稅通[2017]5499號) (2015: Yundishuitong No. [2015-0012] (雲地稅通[2015-0012]號)), Guiyang Modern Woman Hospital Co., Ltd. ("Guiyang Modern Woman Hospital") was entitled the preferential income tax rate of 15% for the year ended 31 December 2016 (2015: 15%).

### 11. 所得稅開支(續)

根據重慶市萬州區地方稅務局發出的批文萬州地稅稅通[2016]482號(2015年:萬州地稅高稅通[2015]105號),重慶萬州和美婦產醫院有限公司(「重慶萬州和美醫院」)於截至2016年12月31日止年度有權享受15%的優惠所得稅率(2015年:15%)。

根據重慶市涪陵區地方稅務局發出的批文涪地稅城稅通[2016]144號(2015年:涪地稅城稅通[2015]90號),重慶涪陵和美婦產醫院有限公司(「重慶涪陵和美醫院」)於截至2016年12月31日止年度有權享受15%的優惠所得稅率(2015年:15%)。

根據貴州市南明區地方稅務局發出的批文稅通[005]01號(2015年:稅通030號),貴陽和美醫院於截至2016年12月31日止年度有權享受15%的優惠所得稅率(2015年:15%)。

根據貴州市雲岩區地方稅務局發出的批文雲地稅稅通[2017]5499號(2015年:雲地稅通[2015-0012]號),貴陽現代女子醫院有限公司(「貴陽現代女子醫院」)於截至2016年12月31日止年度有權享受15%的優惠所得稅率(2015年:15%)。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 11. INCOME TAX EXPENSE (Continued)

The tax charge for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

### 11. 所得稅開支(續)

年內的稅費與綜合損益及其他全面收益表的除稅前利潤對賬如下：

		For the year ended 31 December 截至12月31日止年度	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Profit before tax	除稅前利潤	123,886	141,967
Tax at applicable EIT rate at 25%	按25%的適用企業所得稅率 計算的稅項	30,972	35,492
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(7,136)	—
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	3,773	2,640
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	2,503	2,732
Tax effect of deductible temporary differences not recognised	未確認可扣減暫時差額 的稅務影響	427	—
Utilisation of deductible temporary differences previously not recognised	動用先前未確認之 可扣減暫時差額	(136)	(480)
Tax effect on the preferential income tax rate	優惠所得稅率的稅務影響	(2,998)	(6,444)
Utilisation of tax loss previously not recognised	動用先前未確認稅項虧損	(1,686)	(2,952)
Decrease in opening deferred tax assets resulting from a decrease in applicable tax rate	由於適用稅率下降導致 期初遞延稅項資產減少	—	578
Under provision in respect of prior years	過往年度撥備不足	457	—
Others (Note ii)	其他(附註ii)	439	—
Income tax expense	所得稅開支	26,615	31,566

Note:

- (i) Under the EIT Law, withholding tax is also imposed on dividends declared and paid to non-PRC resident in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred tax has not been provided for in the financial statement in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to RMB156,124,000 as at 31 December 2016 (2015: RMB91,101,000), as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.
- (ii) Included in others is an amount of RMB439,000 deferred tax recognised previously in relation to those tax losses that were expired in current year.

附註：

- (i) 根據企業所得稅法，自2008年1月1日起中國附屬公司就所賺利潤向非中國居民宣派及派付股息亦須繳納預扣稅。由於本集團可控制暫時差額的撥回時間且暫時差額於可見未來不大可能撥回，故並無於財務報表中就2016年12月31日中國附屬公司累計利潤應佔的暫時差額人民幣156,124,000元(2015年：人民幣91,101,000元)計提遞延稅項。
- (ii) 其他包括就本年度該等已到期稅項虧損先前確認的遞延稅項人民幣439,000元。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 12. EMOLUMENTS OF DIRECTORS AND CHIEF EXECUTIVE

#### Executive directors, chief executive and non-executive directors

The emoluments paid or payable to directors and chief executive were as follows:

### 12. 董事及最高行政人員薪酬

#### 執行董事、最高行政人員及非執行董事

已付或應付予董事及最高行政人員的薪酬如下：

For the year ended 31 December 2016  
截至2016年12月31日止年度

	Salaries and allowances	Retirement benefit scheme contribution	Share-based payment	Total
	薪金及津貼	退休福利計劃供款	股份支付	總計
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors (Note i): 執行董事(附註i) :				
Mr. Lin Yuming (Note iii) 林玉明先生(附註iii)	511	7	—	518
Mr. Zhao Xingli 趙興力先生	399	12	210	621
Mr. Fang Zhifeng 方志鋒先生	373	7	265	645
Non-executive directors: 非執行董事 :				
Mr. Lin Yuguo 林玉國先生	—	—	—	—
Mr. Wang Lin (Note v) 王霖先生(附註v)	—	—	—	—
Mr. Qiu Jianwei (Note v) 邱建偉先生(附註v)	—	—	—	—
Mr. Xu Jun (Note v) 徐軍先生(附註v)	—	—	—	—
Independent non-executive directors (Note ii): 獨立非執行董事(附註ii) :				
Mr. Kong Aiguo 孔愛國先生	200	—	—	200
Ms. Fang Lan 方嵐女士	200	—	—	200
Mr. Cai Jiangnan 蔡江南先生	200	—	—	200
Total 總計	1,883	26	475	2,384

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 12. EMOLUMENTS OF DIRECTORS AND CHIEF EXECUTIVE (Continued)

### 12. 董事及最高行政人員薪酬(續)

For the year ended 31 December 2015  
截至2015年12月31日止年度

		Salaries and allowances 薪金及津貼 RMB'000 人民幣千元	Retirement benefit scheme contribution 退休福利計劃供款 RMB'000 人民幣千元	Share-based payment 股份支付 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Executive directors (Note i): 執行董事(附註i):					
Mr. Lin Yuming (Note iii)	林玉明先生(附註iii)	504	8	—	512
Mr. Zhao Xingli	趙興力先生	375	12	472	859
Mr. Fang Zhifeng	方志鋒先生	322	6	596	924
Non-executive directors: 非執行董事:					
Mr. Lin Yuguo	林玉國先生	—	—	—	—
Mr. Wang Lin	王霖先生	—	—	—	—
Mr. Cheng Ruozhi (Note iv)	成若之先生(附註iv)	—	—	—	—
Independent non-executive directors (附註ii): 獨立非執行董事(附註ii):					
Mr. Kong Aiguo	孔愛國先生	167	—	—	167
Ms. Fang Lan	方嵐女士	167	—	—	167
Mr. Cai Jiangnan	蔡江南先生	167	—	—	167
<b>Total</b>	<b>總計</b>	<b>1,702</b>	<b>26</b>	<b>1,068</b>	<b>2,796</b>

Notes:

- (i) The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.
- (ii) The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.
- (iii) Mr. Lin Yuming was appointed as the chief executive of the Company on 26 August 2014 and his emoluments disclosed above include those for services rendered by him as the chief executive.
- (iv) Mr. Cheng Ruozhi was appointed as non-executive director after Mr. Xu Xiaolin resigned in 2014. Mr. Cheng Ruozhi resigned on 28 December 2015.
- (v) Mr. Qiu Jianwei and Mr. Xu Jun were appointed as non-executive directors after Mr. Wang Lin resigned on 21 December 2016.

附註:

- (i) 上表所示執行董事的酬金主要為彼等與本公司及本集團管理事宜有關的服務的報酬。
- (ii) 上表所示獨立非執行董事的酬金主要就彼等擔任本公司董事所提供的服務之酬金。
- (iii) 林玉明先生於2014年8月26日獲委任為本公司之行政總裁，上文所披露之彼之酬金包括彼作為行政總裁所提供服務之酬金。
- (iv) 成若之先生繼徐小琳先生於2014年辭任後獲委任為非執行董事。成若之先生已於2015年12月28日辭任。
- (v) 邱建偉先生及徐軍先生繼王霖先生於2016年12月21日辭任後獲委任為非執行董事。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 12 EMOLUMENTS OF DIRECTORS AND CHIEF EXECUTIVE (Continued)

#### Employees' emoluments

Of the five individuals with the highest emoluments in the Group, one of them (2015: two) is director of the Company for the year ended 31 December 2016 whose emoluments are included in the disclosures above. The emoluments of the four (2015: three) individuals were as follows:

		For the year ended 31 December 截至12月31日止年度	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Salaries and allowance	薪金及津貼	1,565	1,573
Performance related bonuses	表現掛鉤花紅	1,001	—
Expense on Share Option Scheme	購股權計劃開支	43	—
Contributions to retirement benefits schemes	退休福利計劃供款	92	—
		2,701	1,573

The number of these highest paid employees whose remuneration fell within the following band is as follows:

		For the year ended 31 December 截至12月31日止年度	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Nil to HKD 1,000,000	零至1,000,000港元	4	3

During the years ended 31 December 2016 and 2015, no directors waived or agreed to waive any emoluments, and no emoluments were paid by the Group to the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

### 12. 董事及最高行政人員薪 酬(續)

#### 僱員薪酬

截至2016年12月31日止年度，本集團五位最高薪人士中，其中一名(2015年：兩名)為本公司董事，其薪酬詳情已於上文披露。四名人士(2015年：三名)之薪酬如下：

薪酬介乎以下範圍的最高薪僱員人數如下：

截至2016年及2015年12月31日止年度，概無董事放棄或同意放棄任何薪酬，本集團並無向董事或五名最高薪人士支付任何酬金作為加入本集團或於加入時的獎勵或離職補償。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 13. DIVIDENDS

### 13. 股息

For the year ended  
31 December  
截至12月31日止年度

	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Dividends recognised as distributions during the year 年內確認為分派的股息		
2015 Final — RMB 5.5 cents (2014: nil) per share 2015年末期股息—每股人民幣5.5分(2014年：無)	42,057	—

Subsequent to the end of the reporting period, a final dividend of RMB0.05 per share amounting to RMB37.92 million in respect of the year ended 31 December 2016 has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

於報告期結束後，本公司董事已建議就截至2016年12月31日止年度派發末期股息每股人民幣0.05元合共約人民幣3,792萬元，惟須待股東於應屆股東周年大會上批准。

### 14. EARNINGS PER SHARE

### 14. 每股盈利

The calculation of the basic and diluted earnings per share attributable to the owners of the Company for the year is based on the following data:

年內，本公司擁有人應佔每股基本及攤薄盈利乃按下列數據計算：

For the year ended  
31 December  
截至12月31日止年度

	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
<b>Earnings</b> 盈利		
Earnings for the purpose of basic and diluted earnings per share, representing profit for the year attributable to equity holders of the Company 用作計算每股基本及攤薄盈利之盈利(即本公司權益持有人應佔之年內利潤)	95,708	106,173

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 14. EARNINGS PER SHARE (Continued)

#### Number of shares

	For the year ended 31 December 截至12月31日止年度	
	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share 用作計算每股基本及攤薄盈利之加權平均普通股數目	763,844	670,274

The weighted average number of ordinary shares for the purpose of basic and diluted earnings per share has been adjusted for shares repurchased and cancelled in the year ended 31 December 2016.

The computation of diluted earnings per share in 2016 and 2015 does not assume the exercise of the Company's share options granted under share option scheme (Note 31), because the exercise prices of those options were higher than the average market price for shares for 2016 and 2015. The computation of diluted earnings per share in 2015 also did not assume the exercise of the Company's over-allotment option granted in relation to listing.

### 14. 每股盈利(續)

#### 股份數目

用作計算每股基本及攤薄盈利之加權平均普通股數目已就截至2016年12月31日止年度購回及註銷的股份作出調整。

於2016年及2015年每股攤薄盈利之計算並無假設根據購股權計劃授出之本公司購股權獲行使(附註31)，原因為該等購股權之行使價高於股份2016年及2015年之平均市價。2015年每股攤薄盈利之計算亦無假設有關於上市授出之本公司超額配股權獲行使。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

		Leasehold land and buildings 租賃 土地及樓宇 RMB'000 人民幣千元	Leasehold improvement 租賃 物業裝修 RMB'000 人民幣千元	Medical equipments 醫療設施 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Furniture and fixtures 傢俱及 裝置 RMB'000 人民幣千元	Construction in progress 在建 工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
COST 成本								
At 1 January 2015	2015年1月1日	18,956	160,414	142,751	11,798	47,486	—	381,405
Additions	添置	6,215	5,203	9,292	138	2,751	38,075	61,674
Disposals	出售	—	—	(570)	(193)	(649)	—	(1,412)
At 31 December 2015	2015年12月31日	25,171	165,617	151,473	11,743	49,588	38,075	441,667
Additions	添置	—	1,648	14,710	—	3,602	28,160	48,120
Transfer	轉讓	12,063	50,989	—	—	—	(63,052)	—
Acquired on acquisition of a subsidiary (Note 32)	收購附屬公司時購入 (附註32)	—	8,134	7,466	291	363	—	16,254
Disposals	出售	—	—	(2,836)	(868)	(2,017)	—	(5,721)
At 31 December 2016	2016年12月31日	37,234	226,388	170,813	11,166	51,536	3,183	500,320
ACCUMULATED DEPRECIATION 累計折舊								
At 1 January 2015	2015年1月1日	7,091	65,539	61,644	8,932	35,065	—	178,271
Charge for the year	年內支銷	832	15,907	13,230	850	4,353	—	35,172
Eliminated on disposals	出售時抵銷	—	—	(402)	(185)	(559)	—	(1,146)
At 31 December 2015	2015年12月31日	7,923	81,446	74,472	9,597	38,859	—	212,297
Charge for the year	年內支銷	1,390	20,010	13,788	746	3,537	—	39,471
Eliminated on disposals	出售時抵銷	—	—	(2,164)	(816)	(1,730)	—	(4,710)
At 31 December 2016	2016年12月31日	9,313	101,456	86,096	9,527	40,666	—	247,058
CARRYING AMOUNTS 賬面值								
At 31 December 2015	2015年12月31日	17,248	84,171	77,001	2,146	10,729	38,075	229,370
At 31 December 2016	2016年12月31日	27,921	124,932	84,717	1,639	10,870	3,183	253,262

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, other than construction in progress are depreciated over their useful lives, after taking into account the estimated residual value, on a straight-line basis as follows:

Leasehold land and buildings	10–30 years
Leasehold improvement	Over the shorter of the lease term and estimated useful lives up to 10 years
Medical equipments	10 years
Motor vehicles	4–6 years
Furniture and fixtures	3–6 years

As at 31 December 2016, the carrying amounts of property, plants and equipment without the property certificate were approximately RMB11,762,000 (2015: RMB7,920,000).

As at 31 December 2016, the costs of property, plants and equipment, which have been fully depreciated but still in use were approximately RMB1,292,000 (2015: RMB1,867,000).

### 15. 物業、廠房及設備(續)

上述物業、廠房及設備項目(在建工程除外)計及估計剩餘價值於使用年期按直線基準折舊如下:

租賃土地及樓宇	10至30年
租賃物業裝修	按租期與最長達10年的估計可用年期中的較短者
醫療設施	10年
汽車	4至6年
傢俱及裝置	3至6年

於2016年12月31日，無物業證書的物業、廠房及設備之賬面值約為人民幣11,762,000元(2015年：人民幣7,920,000元)。

於2016年12月31日，已悉數折舊但仍在使用之物業、廠房及設備的成本約為人民幣1,292,000元(2015年：人民幣1,867,000元)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 16. GOODWILL

### 16. 商譽

		2016 RMB'000 人民幣千元
COST	成本	
Arising on acquisition of a subsidiary (Note 32)	於收購附屬公司時產生(附註32)	49,302
At 31 December 2016	2016年12月31日	49,302
CARRYING AMOUNT	賬面值	
At 31 December 2016	2016年12月31日	49,302

For the purposes of impairment testing, the goodwill has been allocated to one individual cash generating unit ("CGU"), Heilongjiang HarMoniCare Hospital.

The recoverable amount of the above CGU has been determined based on a fair value less costs of disposal calculation. That calculation uses cash flow projections based on financial budgets approved by the management covering a 6-year period. Cash flows beyond the 6-year period are extrapolated using an estimated weighted average growth rate of 3%. The cash flows are discounted using a discount rate of 13.00%. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term rate for the relevant industry. Other key assumptions for the fair value calculation relate to the estimation of cash inflows/outflows which included in the budgeted sales and gross margin.

就減值測試而言，商譽已分配至一個個別現金產生單位（「現金產生單位」），黑龍江和美婦產醫院。

上述現金產生單位之可收回金額乃按公平值減出售成本計算釐定。該計算法使用經管理層批准之財政預算為基準之涵蓋六年期間之現金流預測。超出六年期間之現金流使用估計加權平均增長率3%進行估計。現金流採用13.00%之貼現率計算。該增長率乃基於相關行業增長預測，且並無超出相關行業之平均長期增長率。計算公平值使用之其他主要假設乃關於包括在預算銷售及毛利率內之現金流入／流出估計。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

#### 17. INTANGIBLE ASSET

#### 17. 無形資產

		<b>Software</b>	<b>Trademark</b>	<b>Medical license</b>	<b>Total</b>
		軟件	商標	醫療執照	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>COST</b>					
As at 1 January 2015	2015年1月1日	7,034	—	—	7,034
Addition	添置	10	33,200	—	33,210
As at 31 December 2015	2015年12月31日	7,044	33,200	—	40,244
Addition	添置	4,234	—	—	4,234
Acquired on acquisition of a subsidiary (Note 32)	收購附屬公司時購入 (附註32)	—	—	61,900	61,900
As at 31 December 2016	2016年12月31日	11,278	33,200	61,900	106,378
<b>Accumulated amortisation</b>					
As at 1 January 2015	2015年1月1日	2,724	—	—	2,724
Charge for the year	年內支銷	894	2,766	—	3,660
As at 31 December 2015	2015年12月31日	3,618	2,766	—	6,384
Charge for the year	年內支銷	881	3,320	—	4,201
As at 31 December 2016	2016年12月31日	4,499	6,086	—	10,585
<b>CARRYING AMOUNTS</b>					
At 31 December 2015	2015年12月31日	3,426	30,434	—	33,860
At 31 December 2016	2016年12月31日	6,779	27,114	61,900	95,793

The following useful lives are used in the calculation of amortisation:

計算攤銷所用使用年期如下：

Software	5–10 years	軟件	5–10年
Trademark	10 years	商標	10年
Medical license	10 years	醫療執照	10年

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 18. INTERESTS IN ASSOCIATES

### 18. 於聯營公司之權益

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Cost of investments in associates	投資聯營公司之成本	8,223	—
Share of post-acquisition losses and other comprehensive income	分佔收購後虧損及其他全面收益	(595)	—
		<b>7,628</b>	—

All the associates are accounted for using the equity method in the consolidated financial statements.

所有聯營公司採用權益法於綜合財務報表入賬。

### 19. DEFERRED TAXATION

### 19. 遞延稅項

The following is the analysis of the deferred tax assets and liabilities for financial reporting purposes:

就財務申報目的對遞延稅項資產及負債所作之分析如下：

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	33,080	27,781
Deferred tax liabilities	遞延稅項負債	15,511	—

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 19. DEFERRED TAXATION (Continued)

### 19. 遞延稅項(續)

The movement of the Group's deferred tax assets during the years are as follows:

年內本集團遞延稅項資產變動如下：

		Accrued staff costs	Tax losses	Accrued rental expenses	Advertisement expenditure (Note)	Unrealized profit from intra-group transaction	Provision	Allowance for doubtful debts	Others	Total
		應計 僱員成本	稅項虧損	應計 租金開支	廣告開支 (附註)	集團間交易 未變現利潤	撥備	呆賬撥備	其他	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2015	2015年1月1日	5,535	4,704	3,389	16,406	1,297	328	162	301	32,122
Credit (charge) to profit or loss	計入損益 (自損益扣除)	(4,359)	(4,265)	(43)	4,213	133	(125)	44	61	(4,341)
At 31 December 2015	2015年12月31日	1,176	439	3,346	20,619	1,430	203	206	362	27,781
Credit (charge) to profit or loss	計入損益 (自損益扣除)	—	(439)	24	5,385	228	35	5	61	5,299
At 31 December 2016	2016年12月31日	1,176	—	3,370	26,004	1,658	238	211	423	33,080

Note: The balance represents the non-deductible advertisement expense that exceed the annual deduction allowed by the EIT Law. This deductible temporary differences is allowed to be set-off against income from subsequent taxable years.

附註：差額指超過企業所得稅法所允許年度扣減額的不可扣減廣告開支。該可扣減暫時差額可抵銷其後應課稅年度的收入。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 19. DEFERRED TAXATION (Continued)

### 19. 遞延稅項(續)

The movement of the Group's deferred tax liabilities during the year are as follows:

年內本集團遞延稅項負債變動如下：

		Fair value adjustment on acquisition of a subsidiary 收購附屬公司後 之公平值調整 RMB'000 人民幣千元
Arising on acquisition of a subsidiary (Note 32)	於收購附屬公司產生 (附註32)	15,511
At 31 December 2016	2016年12月31日	15,511

Deferred tax assets have not been recognised in respect of the following items:

遞延稅項資產並無確認下列各項：

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Tax losses	稅項虧損	49,350	70,011
Deductible temporary differences	可扣減暫時差額	35,371	34,207
		<b>84,721</b>	104,218

No deferred tax asset has been recognised in relation to those tax losses and deductible temporary differences due to the unpredictability of future profit streams of the relevant subsidiaries and it is not probable that taxable profit will be available against which the tax losses can be utilised.

由於無法預測相關附屬公司未來利潤來源且不大可能有應課稅利潤可抵銷可動用稅項虧損，故並無就該等稅項虧損及可扣減暫時差額確認遞延稅項資產。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 19. DEFERRED TAXATION (Continued)

The tax losses will be expired as follows:

### 19. 遞延稅項(續)

稅項虧損到期如下：

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
2016	2016年	—	30,673
2017	2017年	12,524	12,524
2018	2018年	9,637	9,637
2019	2019年	6,249	6,249
2020	2020年	10,928	10,928
2021	2021年	10,012	—
		<b>49,350</b>	70,011

### 20. FINANCIAL ASSETS DESIGNATED AS AT FVTPL

### 20. 指定為按公平值計入損 益之金融資產

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Loan to Wuxi HarMoniCare Obstetrics and Gynecology Hospital Co., Ltd. (“Wuxi HarMoniCare Hospital”)	授予無錫和美婦產醫院有限公司之貸款 (「無錫和美醫院」)	48,000	—
		<b>48,000</b>	—

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 20. FINANCIAL ASSETS DESIGNATED AS AT FVTPL (Continued)

In October 2016, the Group entered into a cooperation agreement and a supplementary agreement (the "Agreements") with the equity owners of Wuxi HarMoniCare Hospital. According to the Agreements, the Group agreed to lend an aggregate amount of RMB64,000,000 to Wuxi HarMoniCare Hospital in three batches, subject to the fulfilment of certain criteria stated therein, including that Wuxi HarMoniCare Hospital will obtain the medical license before 30 June 2019. The loan is secured by the 80% equity interest of Wuxi HarMoniCare Hospital. Under the Agreements, the Group has the right to exercise one of the three options: (1) to request for the loan repayment with interest; (2) to convert the loan into the equity interest of Wuxi Harmonicare Hospital based on the audited result; or (3) to acquire the 80% equity interest of Wuxi HarMoniCare Hospital from its equity owners at based on the actual capital fully paid up by the equity owners. As at 31 December 2016, Wuxi HarMoniCare Hospital had not obtained the medical license and had not commenced operation.

In October 2016, pursuant to the Agreements, the Group entered into a loan agreement with Wuxi HarMoniCare Hospital. Up to 31 December 2016, the Group had advanced the first two batches of loan with an aggregate amount of RMB48,000,000 to Wuxi HarMoniCare Hospital. The loan bears prevailing bank borrowing interest rate at 4.75% per annum, with maturity date on 30 June 2019.

The loan granted under the Agreements and the loan agreement contain embedded derivatives and is designated as a financial asset at FVTPL upon initial recognition.

### 20. 指定為按公平值計入損益之金融資產(續)

於2016年10月，本集團與無錫和美醫院之股權擁有人訂立一份合作協議及一份補充協議(「該等協議」)。根據該等協議，本集團同意分三筆向無錫和美醫院授出貸款總計人民幣64,000,000元，惟須待本報告所載若干條件獲達成後方可作實，包括無錫和美醫院須於2019年6月30日前取得醫療執照。該貸款由無錫和美醫院之80%股權作抵押。根據該等協議，本集團有權行使下列三項選擇權的其中一項：(1)要求貸款帶息償還；(2)根據審核結果將貸款轉換為無錫和美醫院之股權；或(3)按股權擁有人實際繳足的資本向彼等收購無錫和美醫院之80%股權。於2016年12月31日，無錫和美醫院尚未取得醫療執照，也未開始營業。

於2016年10月，根據該等協議，本集團與無錫和美醫院訂立一份貸款協議。直至2016年12月31日，本集團已向無錫和美醫院支付首兩筆貸款，總額為人民幣48,000,000元。該貸款每年按通行銀行借貸利率4.75%計息，並於2019年6月30日到期。

基於該等協議及貸款協議的貸款包含特定的衍生工具並在初始確認時被指定為按公平值計入損益之金融資產。

### 21. INVENTORIES

### 21. 存貨

As at 31 December

於12月31日

	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Pharmaceuticals 藥品	15,940	14,888
Medical devices and consumables 醫療設施及醫療耗材	8,643	7,365
	<b>24,583</b>	22,253

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 22. LOAN RECEIVABLES

### 22. 應收貸款

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Variable rate loan receivables	浮息應收貸款	5,000	—
		5,000	—

The Group has made a loan to a company controlled by an employee amounting to RMB5,000,000 on 4 July 2016. According to the loan agreement, the loan is unsecured, due on 30 June 2017, and carries prevailing bank borrowing interest rate stipulated by the People's Bank of China.

於2016年7月4日，本集團向一間由一名僱員控制的公司授出貸款人民幣5,000,000元。根據貸款協議，該貸款為無抵押，於2017年6月30日到期並按由中國人民銀行規定之通行銀行借貸利率計息。

### 23. TRADE RECEIVABLES

### 23. 貿易應收款項

The Group allows a credit period of approximately 60 days to 180 days for the specialized hospital services to the patients which are due from medical and commercial insurance program, and 0 day to 90 days for the sale of pharmaceuticals and medical devices after issuing invoice.

本集團向病人提供專科醫院服務應收醫療及商業保險計劃款項的信貸期一般約為60至180天，而銷售藥品及醫療設施的信貸期為開具發票後的0至90天。

The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date:

下文載列按發票日期所呈列的經扣除呆賬撥備的貿易應收款項賬齡分析：

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Less than 90 days	少於90天	21,480	30,883
91 to 180 days	91至180天	5,287	4,014
181 days to 1 year	181天至1年	629	578
Over 1 year	超過1年	1,690	2,619
		29,086	38,094

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 23. TRADE RECEIVABLES (Continued)

For trade receivables disclosed below which are past due but not impaired, the directors of the Company assess the customer's credit quality by evaluating their historical credit records and define credit limits for each customer. Recoverability and credit limits of the existing customers are evaluated by the directors of the Company regularly.

#### Aging of trade receivables that are past due but not impaired

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
181 days to 1 year	181天至1年	629	578
Over 1 year	超過1年	1,043	2,619
		<b>1,672</b>	3,197

The trade receivables that were past due but not impaired related to receivables from the local medical insurance centers, receivables from certain medical insurance companies and receivables from the sale of pharmaceuticals and medical devices to certain customers that have a good trading record with the Group. Based on past experience, the directors of the Company believe that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality of the trade receivables from the date that credit was initially granted up to the end of each reporting period.

#### Movement in the allowance for doubtful debts

		RMB'000 人民幣千元
As at 1 January 2015	2015年1月1日	648
Addition	增加	115
As at 31 December 2015	2015年12月31日	763
Addition	增加	111
Amounts written off as uncollectible	註銷不可收回款項	(91)
As at 31 December 2016	2016年12月31日	783

### 23. 貿易應收款項(續)

對於下文所披露已逾期但無減值的貿易應收款項，本公司董事通過評價各客戶過往的信貸紀錄評估其信貸質量，並釐定各客戶的信貸限額。本公司董事定期評估款項是否可收回及評審現有客戶的信貸限額。

#### 已逾期但未減值貿易應收款項的賬齡

已逾期但未減值的貿易應收款項與應收當地醫療保險中心款項、應收若干醫療保險公司款項及應收向若干與本集團有良好交易紀錄的客戶銷售藥品及醫療設施款項有關。鑒於自首次授出信貸之日至各報告期末貿易應收款項的信貸質量並無重大變動，故本公司董事基於過往經驗認為毋須就有關結餘計提減值撥備。

#### 呆賬撥備變動

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 24. 預付款、按金及其他應收款項

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Prepaid rental	預交租金	22,381	17,755
Prepayments to suppliers	預付供應商的款項	17,195	18,869
Deposit paid for a proposed acquisition of a business (Note)	提議收購一項業務已付按金(附註)	9,000	—
Deposits to suppliers	付予供應商之按金	1,849	1,290
Consideration receivable for disposal of an associate	出售聯營公司應收代價	1,266	1,266
Other receivables	其他應收款項	4,636	3,107
		<b>56,327</b>	42,287

Note: Deposits paid for a proposed acquisition of a business represents a due diligence deposit to the counterparty for a proposed acquisition of a business in relation to hospital services as at 31 December 2016. The deposit will be refunded if the Group choose not to acquire the equity interest of the target after the due diligence.

附註：建議收購一項業務之已付按金乃於2016年12月31日就建議收購有關醫院服務之一項業務向交易對手方支付之盡職審查按金。倘本集團於盡職審查後選擇不收購目標股權，則該按金將予退還。

### 25. CERTIFICATES OF DEPOSIT

### 25. 存款證

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Certificates of deposit	存款證	—	320,984

Note: The certificates of deposit were issued by Xiamen International Bank Co., Ltd., with variable interest rate based on LIBOR. The certificates of deposit were settled during the year.

附註：存款證由廈門國際銀行股份有限公司發出，按基於倫敦銀行同業拆息確定的浮動利率計息。存款證於年內贖回支付。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 26. TIME DEPOSITS AND CASH AND CASH EQUIVALENTS

### 26. 定期存款及現金及現金等價物

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Cash and cash equivalents denominated in:	按以下貨幣計值的現金及 現金等價物：		
— RMB	— 人民幣	578,453	877,322
— USD	— 美元	282,652	6,929
— HKD	— 港元	90,891	17,743
		<b>951,996</b>	901,994

Bank balances carried interest at prevailing market rates which range from 0.30% to 3.80% per annum as at 31 December 2016 (2015: 0.35% to 4.10%).

Most of the bank balances denominated in RMB were deposited with banks in the PRC and the conversion of such balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

於2016年12月31日，銀行結餘以現行市場年利率介乎0.30%至3.80% (2015年：0.35%至4.10%)計息。

大部分以人民幣計值的銀行結餘存於中國各銀行，將該等結餘兌換為外幣須遵守中國政府頒佈的外匯管制規則與規例。

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Time deposits denominated in:	按以下貨幣計值的定期存款		
— RMB	— 人民幣	115,000	—

As at 31 December 2016, the bank deposits of RMB115,000,000 carried fixed rate interests at 1.80% or 1.95% per annum (2015: nil), with original maturity of more than three months.

於2016年12月31日，銀行存款人民幣115,000,000元(2015年：無)以固定年利率1.80%或1.95%計息，原到期期限為三個月以上。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

#### 27. TRADE PAYABLES

#### 27. 貿易應付款項

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Trade payables	貿易應付款項	16,552	28,494

Trade payables are non-interest bearing and are normally granted on 0 to 90 days credit term. An aged analysis of the Group's trade payables, as at the end of reporting period, based on the goods received date, is as follows:

貿易應付款項免息，通常有0至90天的信貸期。於各報告期末，本集團按收貨日期呈列的貿易應付款項賬齡分析如下：

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Within 90 days	90天內	13,790	27,110
91 to 180 days	91至180天	251	358
181 days to 1 year	181天至1年	2,511	1,026
		16,552	28,494

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 28. OTHER PAYABLES AND ACCRUALS

### 28. 其他應付款項及應計費用

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Advances from patients	病人墊款	95,441	95,954
Staff cost payables	應付僱員成本	29,110	28,866
Loan payable (Note i)	應付貸款(附註i)	4,500	—
Construction fee payables	應付建築費用	2,682	776
Accrued rental expenses	應計租金開支	1,970	1,308
Accrued operating expenses	應計營運開支	1,672	1,685
Consideration payable for acquisition of a subsidiary (Note 32)	收購一間附屬公司應付代價(附註32)	598	—
Other PRC tax payables	其他應付中國稅項	324	1,369
Others	其他	5,003	4,294
		<b>141,300</b>	134,252

Note:

- (i) These loans were obtained by the newly acquired subsidiary, Heilongjiang HarMoniCare Hospital from certain entities, which were previously subsidiaries of Bosheng Medical and are currently customers of the Group. The loans were unsecured, bearing fixed interest of 5.6% per annum and were repaid in March 2017.

附註：

- (i) 該等貸款乃新收購之附屬公司黑龍江和美婦產醫院向若干實體(之前為博生醫療之附屬公司,現時為本集團之客戶)獲得。該貸款為無抵押,以固定年利率5.6%計息並已於2017年3月償還。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

#### 29. PROVISION

#### 29. 撥備

		Provision for medical dispute claims 醫療糾紛 索償撥備 RMB'000 人民幣千元
As at 1 January 2015	於2015年1月1日	1,400
Provision	撥備	379
Payments	付款	(957)
As at 31 December 2015	於2015年12月31日	822
Provision	撥備	776
Payments	付款	(545)
As at 31 December 2016	於2016年12月31日	1,053

The Group is involved as defendants in certain medical disputes arising from its normal business operations. The directors of the Company assess the exposure and an outflow of economic benefits on certain major medical disputes existed at the end of the reporting period based on the best estimate of the management and the opinion of the external legal advisors.

本集團因日常業務營運引起的若干醫療糾紛而作為被告。本公司董事根據管理層的最佳估計及外聘法律顧問的意見評估報告期末若干主要醫療糾紛的風險及經濟利益流出。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 30. SHARE CAPITAL

### 30. 股本

#### The Company

#### 本公司

		Number of shares 股份數目	Nominal value per share 每股面值 HKD 港元	Share capital 股本 HKD 港元
<b>Authorised</b>	<b>法定</b>			
At 1 January 2015 (Note i)	於2015年1月1日(附註i)	380,000,000	0.001	380,000
Increase in authorised share capital (Note iii)	法定股本增加(附註iii)	760,000,000	0.001	760,000
At 31 December 2015 and 2016	於2015年及2016年12月31日	1,140,000,000		1,140,000
<b>Issued but not fully paid</b>	<b>已發行但未繳足</b>			
On incorporation (Note i)	註冊成立時(附註i)	1	0.001	—
New issuance (Note i)	新發行(附註i)	99,359,492	0.001	99,359
At 1 January 2015	於2015年1月1日	99,359,493		99,359
Transfer to issued and fully paid (Note i)	轉撥至已發行及繳足(附註i)	(99,359,493)		(99,359)
At 31 December 2015 and 2016	於2015年及2016年12月31日	—		—
<b>Issued and fully paid</b>	<b>已發行及繳足</b>			
At 1 January 2015 (Note i)	於2015年1月1日(附註i)	—	0.001	—
Transfer from issued but not fully paid (Note i)	從已發行但未繳足轉撥(附註i)	99,359,493	0.001	99,359
New shares issued to Concord Glory (Note ii)	向Concord Glory發行新股(附註ii)	15,724,324	0.001	15,724
Capitalisation issue (Note iii)	資本化發行(附註iii)	460,335,268	0.001	460,335
New shares issuance on the global offering (Note iv)	全球發售新股發行(附註iv)	191,810,000	0.001	191,810
New shares issuance on exercise of over-allotment option (Note v)	超額配股權獲行使時發行新股(附註v)	3,095,000	0.001	3,095
At 31 December 2015	於2015年12月31日	770,324,085		770,324
Shares repurchased and cancelled (Note vi)	購回及註銷股份(附註vi)	(11,906,000)	0.001	(11,906)
At 31 December 2016	於2016年12月31日	758,418,085		758,418
		<b>As at 31 December 於12月31日</b>		
		<b>2016 RMB'000 人民幣千元 598</b>		2015 RMB'000 人民幣千元 608
Presented as	呈列為			

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 30. SHARE CAPITAL (Continued)

#### The Company (Continued)

During the year, the Company repurchased its own ordinary shares on market through the Stock Exchange as follows:

### 30. 股本(續)

#### 本公司(續)

年內，本公司透過聯交所於市場中購回其自身普通股如下：

Month of repurchase 購回月份	Number of ordinary shares 普通股數目	Price per share 每股價格		Aggregate consideration paid 已付總代價 HK\$'000 千港元
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
May 5月	5,650,000	6.05	5.59	32,498
July 7月	6,256,000	4.53	3.89	26,898
Total 總計	11,906,000			59,396
Present as 呈列為				RMB'000 人民幣千元 50,428

The above ordinary shares were cancelled subsequent to the repurchase.

上述普通股已於購回後註銷。





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 30. SHARE CAPITAL (Continued)

Notes:

- (i) On 26 August 2014, the Company was incorporated in the Cayman Islands as an exempted company with limited liability with authorised share capital comprised of 380,000,000 shares at par value of HKD0.001 per share. Upon its incorporation, one nil paid subscriber share of the Company was transferred to Homecare, which is wholly owned by Mr. Lin Yuming.

In December 2014, the Company issued 90,152,787 shares to Homecare, 9,206,705 shares to Mighty Sky at a total consideration of RMB240,304,000, which was fully paid on 16 March 2015.

- (ii) In January 2015, the Company issued 15,724,324 ordinary shares to acquire Galaxy Power.
- (iii) On 9 June 2015, the Company increased its authorised share capital to HKD1,140,000 divided into 1,140,000,000 shares of HKD0.001 each. Immediately following the global offering becoming unconditional, 460,335,268 shares were allotted and issued, credited as fully paid, to shareholders pursuant to the capitalisation issue.
- (iv) On 7 July 2015, 191,810,000 ordinary shares with par value of HKD0.001 each of the Company were issued at HKD7.55 per share by way of placing and global offering. On the same date, the Company's shares were listed on the Main Board of the Stock Exchange.
- (v) On 30 July 2015, the over-allotment option had been partially exercised and 3,095,000 shares with par value of HKD0.001 each of the Company were issued at HKD7.55 per share.
- (vi) In May and July 2016, a total of 11,906,000 ordinary shares had been repurchased on market and subsequently cancelled by the Company.

### 30. 股本(續)

附註：

- (i) 2014年8月26日，本公司於開曼群島註冊成立為獲豁免有限責任公司，法定股本包括380,000,000股每股面值0.001港元的股份。註冊成立時，向林玉明先生全資擁有的Homecare轉讓本公司一股未繳股款認購人股份。

2014年12月，本公司分別向Homecare及Mighty Sky發行90,152,787股及9,206,705股股份，總代價為人民幣240,304,000元，於2015年3月16日付清。

- (ii) 2015年1月，本公司發行15,724,324股普通股以收購Galaxy Power。
- (iii) 2015年6月9日，本公司增加其法定股本至1,140,000港元，分為1,140,000,000股每股面值0.001港元之股份。緊隨全球發售成為無條件後，根據資本化發行向股東配發及發行460,335,268股股份，入賬列為繳足。
- (iv) 2015年7月7日，本公司以配售及全球發售之方式按每股7.55港元發行191,810,000股每股面值0.001港元之普通股。同日，本公司股份於聯交所主板上市。
- (v) 2015年7月30日，超額配股權已獲部分行使，本公司已按每股7.55港元發行3,095,000股每股面值0.001港元之股份。
- (vi) 2016年5月及7月，本公司已從市場購回及其後註銷合共11,906,000股普通股。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 31. SHARE OPTION SCHEME

The Company's share option scheme (the "Share Option Scheme") was adopted pursuant to a shareholders' resolution passed on 9 June 2015 for the primary purpose of providing incentives to selected participants and the validity period of the Share Option Scheme shall be 6 years from the date of grant. Under the Share Option Scheme, the board of directors of the Company may grant options to eligible employees, including directors of the Company and employee of the Group. The Share Option Scheme has become effective on 7 July 2015, the date on which the shares of the Company were listed on the Main Board of the Stock Exchange.

In July 2015, the board of directors of the Company approved certain share options granted to a list of eligible grantees ("Eligible Grantees"), including 2 directors of the Company, 4 members of the senior management of the Company, certain employees of the Company and its subsidiaries. According to the Share Option Scheme, the Eligible Grantees were granted share options of the Company to subscribe the ordinary shares of the Company at the exercise price of HKD7.10 per share. In July 2015, a total of 9,339,600 share options were granted to the directors and members of the senior management of the Company and a total of 6,774,200 share options were granted to certain employees of the Company and its subsidiaries. The share options shall be automatically unlocked on the unlocking dates in accordance with the relevant proportions and during the next 3 years. The share options will be vested when the certain performance conditions stated below are met.

At 31 December 2016, the directors of the Company estimated the number of share options expected to vest was 3,078,134, representing 0.41% of the shares of the Company in issue at that date.

### 31. 購股權計劃

本公司根據於2015年6月9日通過之股東決議案採納購股權計劃(「購股權計劃」)，該計劃的主要目的為向經甄選參與者提供獎勵。購股權計劃的有效期為自授出日期起6年。根據購股權計劃，本公司董事會可向合資格僱員(包括本公司董事及本集團僱員)授出購股權。購股權計劃已於2015年7月7日(即本公司股份於聯交所主板上市日期)生效。

於2015年7月，本公司董事會批准向一批合資格承授人(「合資格承授人」)授出若干購股權，該等合資格承授人包括2名本公司董事、4名本公司高級管理層成員、本公司及其附屬公司若干僱員。根據購股權計劃，合資格承授人獲授出本公司購股權以按行使價每股7.10港元認購本公司普通股。於2015年7月，本公司董事及高級管理人員合共獲授9,339,600份購股權及本公司及其附屬公司若干僱員合共獲授6,774,200份購股權。購股權將根據相關比例於未來3年內於解禁日期自動解禁。購股權將於下文所述之若干表現條件獲達成時歸屬。

於2016年12月31日，本公司董事估計預期將歸屬的購股權數目為3,078,134份，佔本公司於該日已發行股份的0.41%。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 31. SHARE OPTION SCHEME (Continued)

### 31. 購股權計劃(續)

The share options are exercisable according to the following arrangement:

購股權可根據下列安排行使：

	<b>Grant date</b>	<b>Vesting condition</b>	<b>Locked-up Period and Unlocking Date</b>	<b>Unlocking portion</b>
	授出日期	歸屬條件	禁售期及 解禁日期	解禁部分
Tranche I	July 2015	(1) Revenue increase by 5% and net profit attributable to the equity holders of the Company, excluding the non-recurring expenses as defined in the Share Option Scheme, increase by 20% for the year ended 31 December 2015, compare to the corresponding amounts for the year ended 31 December 2014;	The date which is 12 months from the grant date	4,834,140, 30% of the total share options granted
第一批	2015年7月	(2) Individual performance during the vesting period set by the Company	自授出日期起計滿12個月之日期	4,834,140份，佔已授出購股權總數30%
		(1) 截至2015年12月31日止年度收益較截至2014年12月31日止年度之相應金額增加5%及本公司權益持有人應佔利潤淨額(不包括購股權計劃定義之非經常性開支)增加20%；		
		(2) 於本公司設定的歸屬期內的個人表現		
Tranche II	July 2015	(1) Revenue increase by 10% and net profit attributable to the equity holders of the Company, excluding the non-recurring expenses as defined in the Share Option Scheme, increase by 25% for the year ended 31 December 2016, compared to the corresponding amounts for the year ended 31 December 2015;	The date which is 24 months from the grant date	5,639,830, 35% of the total share options granted
第二批	2015年7月	(2) Individual performance during the vesting period set by the Company	自授出日期起計滿24個月之日期	5,639,830份，佔已授出購股權總數35%
		(1) 截至2016年12月31日止年度收益較截至2015年12月31日止年度之相應金額增加10%及本公司權益持有人應佔利潤淨額(不包括購股權計劃定義之非經常性開支)增加25%；		
		(2) 於本公司設定的歸屬期內的個人表現		

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 31. SHARE OPTION SCHEME (Continued)

### 31. 購股權計劃(續)

	<b>Grant date</b>	<b>Vesting condition</b>	<b>Locked-up Period and Unlocking Date</b>	<b>Unlocking portion</b>
	授出日期	歸屬條件	禁售期及解禁日期	解禁部分
Tranche III	July 2015	(1) Revenue increase by 15% and net profit attributable to the equity holders of the Company, excluding the non-recurring expenses as defined in the Share Option Scheme, increase by 30% for the year ended 31 December 2017, compared to the corresponding amounts for the year ended 31 December 2016;	The date which is 36 months from the grant date	5,639,830, 35% of the total share options granted
		(2) Individual performance during the vesting period set by the Company		
第三批	2015年7月	(1) 截至2017年12月31日止年度收益較截至2016年12月31日止年度之相應金額增加15%及本公司權益持有人應佔利潤淨額(不包括購股權計劃定義之非經常性開支)增加30%;	自授出日期起計滿36個月之日期	5,639,830份, 佔已授出購股權總數35%
		(2) 於本公司設定的歸屬期內的個人表現		

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 31. SHARE OPTION SCHEME (Continued)

### 31. 購股權計劃(續)

(1) The following table discloses the movement of share options held by the Eligible Grantees

(1) 下表披露合資格承授人所持有的購股權的變動

Share options 購股權		Number of options 購股權數目				Balance at end of the year 年末結餘
		Balance at beginning of the year 年初結餘	Granted during the year 年內授出	Forfeited during the year 年內沒收	Lapsed during the year 年內失效	
<i>Directors:</i>	<i>董事:</i>					
Mr. Fang Zhifeng	方志鋒先生	1,344,000	—	—	(672,000)	672,000
Mr. Zhao Xingli	趙興力先生	1,064,000	—	—	(532,000)	532,000
		2,408,000	—	—	(1,204,000)	1,204,000
<i>Members of the senior management:</i>	<i>高級管理層成員:</i>					
Mr. Su Jianqing (Note)	蘇建清先生(附註)	1,995,000	—	(1,995,000)	—	—
Mr. Li Wenfeng	李文鳳先生	1,059,520	—	—	(529,760)	529,760
Mr. Ren Jinhui	任金輝先生	616,000	—	—	(308,000)	308,000
Mr. Chen Longzhen	陳隆禎先生	459,200	—	—	(229,600)	229,600
		4,129,720	—	(1,995,000)	(1,067,360)	1,067,360
Certain employees	若干僱員	4,645,690	—	(1,279,180)	(1,683,255)	1,683,255
Total	總計	11,183,410	—	(3,274,180)	(3,954,615)	3,954,615

Note: Mr. Su Jianqing resigned his position as a vice president of the Company on 30 June 2016.

附註：於2016年6月30日，蘇建清先生辭任本公司副總裁一職。

The exercise price is HKD7.1 per share option and is determined by the directors of the Company.

行使價為每份購股權7.1港元，由本公司董事釐定。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 31. SHARE OPTION SCHEME (Continued)

### 31. 購股權計劃(續)

#### (2) The estimated fair value of the share options granted on the date of grant

#### (2) 於授出日期授出的購股權的估計公平值

Share options	購股權	Directors	Chief executives	Certain employees
		董事 HKD 港元	最高行政人員 HKD 港元	若干僱員 HKD 港元
Tranche I	第一批	3.24	3.24	2.63
Tranche II	第二批	3.56	3.56	3.14
Tranche III	第三批	3.82	3.82	3.53

#### (3) The approach of determining the fair value of the share options is as follows

#### (3) 釐定購股權公平值的方法如下

The Binomial Model option pricing model has been used to calculate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumption. The inputs into the model were as follows:

本公司採用二項式期權定價模型計算購股權的公平值。用於計算購股權公平值的變數及假設乃基於董事的最佳估計。購股權的價值隨若干主觀假設的若干變項而變動。向該模型輸入的數據如下：

		Directors	Chief executives	Certain employees
		董事	最高行政人員	若干僱員
Exercise price (HKD)	行使價(港元)	7.1	7.1	7.1
Dividend yield	股息收益率	0%	0%	0%
Risk-free interest rate	無風險利率	1.37%	1.37%	1.37%
Year to expiration	到期年期	5.56	5.56	5.56
Expected volatility	預期波幅	60.82%	60.82%	60.82%
Suboptimal exercise factor	次佳行使因素	2.5	2.5	1.5

Expected volatility was determined by using average historical volatility of the price return of the ordinary shares of the comparable companies. The expected life used in the model has been adjusted, based on directors' best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

預期波幅乃使用可比較公司普通股價格回報的平均歷史波幅釐定。模型中使用的預期年期已根據董事之最佳估計就不可轉讓性、行使限制及行為考慮因素之影響作出調整。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 31. SHARE OPTION SCHEME (Continued)

At the end of the reporting period, the Group revised its estimates of the number of options that were expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in the profit and loss over the remaining vesting period, with a corresponding adjustment to the share options reserve.

As the performance conditions of Tranche II was not satisfied, the corresponding share options were lapsed in accordance with the Share Option Scheme. The directors of the Company estimated that the performance condition of tranche III will be satisfied in the future and the number of share options expected to vest is 3,078,134 at 31 December 2016. During the year, the Group recognised an expense of RMB25,000 (2015: RMB4,683,000) after a reversal of RMB2,709,000 (2015: Nil) for the relevant tranche, the performance conditions of which were not expected to be met.

### 31. 購股權計劃(續)

於報告期末，本集團修訂其對預期最終歸屬的購股權數目之估計。修訂原始估計的影響(如有)於剩餘歸屬期間於損益內確認，並在購股權儲備作出相應調整。

由於第二批表現條件尚未達成，有關購股權已根據購股權計劃失效。本公司董事估計第三批表現條件將於日後達成且預期於2016年12月31日歸屬的購股權數目為3,078,134份。年內，由於預期相關批次之表現條件無法達成，本集團於就該等批次撥回人民幣2,709,000元(2015年：無)後確認開支人民幣25,000元(2015年：人民幣4,683,000元)。

### 32. ACQUISITION OF A SUBSIDIARY

On 31 December 2016, the Group acquired 95% of equity interests of Heilongjiang HarMoniCare Hospital for a consideration of RMB5,000,000. This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was RMB49,302,000. Heilongjiang HarMoniCare Hospital is engaged in the provision of specialised hospital services. Heilongjiang HarMoniCare Hospital was acquired so as to continue the expansion of the Group's specialised hospital services.

#### Consideration transferred

		Consideration 代價 RMB'000 人民幣千元
Cash	現金	4,402
Consideration payable	應付代價	598
		5,000

Acquisition-related costs amounting to RMB280,000 have been excluded from the consideration transferred and have been recognised as an expense in the current year, within the administrative expenses line item in the consolidated statement of profit or loss and other comprehensive income.

### 32. 收購一間附屬公司

於2016年12月31日，本集團收購黑龍江和美婦產醫院之95%股權，代價為人民幣5,000,000元。此項收購採用收購法入賬。因收購產生之商譽為人民幣49,302,000元。黑龍江和美婦產醫院從事提供專科醫院服務。本集團收購黑龍江和美婦產醫院以繼續拓展其專科醫院服務。

#### 已轉讓代價

已轉讓代價已扣除收購有關成本人民幣280,000元，及收購有關成本已於本年度於綜合損益及其他全面收益表中行政開支一項確認為開支。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 32. ACQUISITION OF A SUBSIDIARY (Continued) 32. 收購一間附屬公司(續)

Assets acquired and liabilities recognised at the date of acquisition are as follows:

於收購日期已收購資產及已確認負債如下：

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	16,254
Intangible asset	無形資產	61,900
Inventories	存貨	1,922
Trade receivables	貿易應收款項	671
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	8,148
Cash and cash equivalents	現金及現金等價物	17,158
Trade payables	貿易應付款項	(844)
Other payables and accruals	其他應付款項及應計費用	(9,509)
Amount due to Bosheng Medical	應付博生醫療款項	(114,598)
Amounts due to the group companies	應付集團內公司款項	(12,225)
Deferred tax liabilities	遞延稅項負債	(15,511)
		(49,634)

The aggregate fair value of property, plant and equipment and intangible asset at the date of acquisition amounted to RMB78,154,000. These fair values are estimated by independent external valuers. The carrying amounts of these property, plant and equipment and intangible asset acquired amounted to RMB16,110,000 at the date of acquisition.

於收購日期，物業、廠房及設備以及無形資產之合共公平值為人民幣78,154,000元。此公平值由外部獨立之估值師估計確定。於收購日期，該等物業、廠房及設備以及已收購無形資產之賬面值為人民幣16,110,000元。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 32. ACQUISITION OF A SUBSIDIARY (Continued) 32. 收購一間附屬公司(續)

#### Goodwill arising on acquisition:

#### 收購產生之商譽：

		RMB'000 人民幣千元
Consideration	代價	5,000
Plus: non-controlling interests (5% in Heilongjiang HarMoniCare Hospital)	加：非控股權益(黑龍江和美婦產醫院之5%)	(2,332)
Less: net liabilities acquired	減：已收購負債淨額	(46,634)
Goodwill	商譽	(49,302)

Goodwill arose in the acquisition of Heilongjiang HarMoniCare Hospital because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Heilongjiang HarMoniCare Hospital. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

收購黑龍江和美婦產醫院產生商譽是因為合併成本包含控制權溢價。除此之外，已支付合併代價實際還包括有關期望協同收益、收入增長、未來市場發展和整合黑龍江和美婦產醫院之人力資源之金額。上述收益由於不滿足可識別無形資產之確認條件，因而未從商譽中單獨分離計算。

本次收購產生之商譽預期概不會進行稅務扣減。

#### Net cash inflow on acquisition:

#### 收購之現金淨流入：

		RMB'000 人民幣千元
Cash and cash equivalents acquired	已收購現金及現金等價物	17,158
Cash consideration paid	已支付現金代價	(4,402)
		12,756

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 32. ACQUISITION OF A SUBSIDIARY (Continued)

#### Impact of acquisitions on the results of the Group

Insignificant of profit and revenue are attributable to the additional business generated by Heilongjiang HarMoniCare Hospital for the year as the acquisition date of business combination was close to 31 December 2016.

Had the acquisition been completed on 1 January 2016, total group revenue for the year would have been RMB916 million, and profit for the year would have been RMB92 million. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2016, nor is it intended to be a projection of future results.

In determining the 'pro-forma' revenue and profit of the Group had these entities acquired at the beginning of the year 2016, the directors of the Company have calculated depreciation of plant and equipment acquired and amortisation of intangible asset on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements.

### 32. 收購一間附屬公司(續)

#### 收購對本集團業績之影響

利潤及收益不明顯乃由於年內業務合併收購日期接近2016年12月31日而導致黑龍江和美婦產醫院產生之額外業務所致。

倘收購於2016年1月1日完成，年內整體總收益將為人民幣916,000,000元，及年內利潤將為人民幣92,000,000元。該備考資料僅供說明用途，未必反映倘收購已於2016年1月1日完成，本集團所實際錄得之收益及經營業績，亦不擬作未來業績之預測。

倘實體於2016年年初進行收購，本公司董事於釐定本集團「備考」收益及利潤時按照就業務合併初步入賬產生之公平值(而非於收購前財務報表中確認之賬面值)計算出已收購廠房及設備之折舊及無形資產攤銷。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 33. OPERATING LEASES

#### The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Minimum lease payments under operating leases:	經營租賃最低租賃付款：		
Within one year	一年內	77,855	67,277
In the second to fifth year	第二至五年	265,490	261,267
After five years	五年後	107,206	157,432
		<b>450,551</b>	485,976

Operating lease payments commitments represent rental payable by the Group for the premises leased for hospitals and offices. These leases were negotiated for lease terms of one to twenty years. Monthly rental was fixed and none of the leases includes any contingent rentals and renewal options.

#### 本集團作為承租人

於報告期末，本集團根據不可撤銷經營租賃的日後最低租賃付款承擔到期日如下：

經營租賃付款承擔指本集團租賃醫院物業及辦公物業應付的租金。該等租約的租期商定為1至20年，月租固定，不含任何或然租金及續約權。

### 34. CAPITAL COMMITMENTS

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	就收購物業、廠房及設備已訂約但未於綜合財務報表撥備的資本開支	1,638	17,472

### 34. 資本承擔

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 34. CAPITAL COMMITMENTS (Continued)

According to a cooperation agreement entered into among the Group, three independent third parties and the employee controlled company (Note 22), the Group has committed to an investment of RMB20,000,000 (2015: Nil) as at 31 December 2016 in a medical investment limited partnership fund (the "Fund") to be established by the parties. In addition, the Group also has committed to an investment of RMB600,000 to hold 20% equity interest of a company, which is established by the aforementioned parties to manage the Fund (2015: Nil).

### 35. CONTINGENT LIABILITY

The Group is involved as defendants in certain medical disputes arising from its normal business operations. The directors believe, based on the status of potential and active claims outstanding at the end of reporting period, and taking into consideration the assessment and analysis of external lawyers and the total claim exposure, provision of RMB1,053,000 was recognised in respect of the medical disputes as at 31 December 2016 (2015: RMB822,000).

### 36. RETIREMENT BENEFITS CONTRIBUTION

The PRC employees of the Group are members of a state-managed retirement benefit plan operated by the government of the PRC. The PRC subsidiaries of the Company are required to contribute a specified percentage of payroll costs to the retirement benefit plan to fund the employee benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions. The retirement benefit cost charged to profit or loss for the year ended 31 December 2016 amounted to RMB28,469,000 (2015: RMB27,412,000).

### 34. 資本承擔(續)

根據由(其中包括)本集團、三名獨立第三方及僱員控股公司(參閱附註22)所訂立的合作協議,本集團於2016年12月31日承諾向擬由訂約方成立的醫療投資有限合夥基金(「基金」)注資人民幣20,000,000元(2015年:無)。此外,本集團承諾投資人民幣600,000元以持有一公司之20%股權,該公司由上文提及各方設立並將管理金(2015年:無)。

### 35. 或然負債

本集團因日常業務營運引起的若干醫療糾紛而作為被告。根據各報告期末未決的潛在及現有索賠情況,加上考慮到外聘律師的評估與分析及索賠總額,董事認為就2016年12月31日的醫療糾紛確認人民幣1,053,000元(2015年:人民幣822,000元)的撥備。

### 36. 退休福利供款

本集團中國僱員為中國政府營運的國家管理退休福利計劃成員。本公司中國附屬公司須按規定的薪資成本百分比向退休福利計劃供款,以撥付僱員福利所需款項。本集團對退休福利計劃的唯一責任即作出規定的供款。截至2016年12月31日止年度自損益支銷的退休福利成本為人民幣28,469,000元(2015年:人民幣27,412,000元)。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 37. RELATED PARTY TRANSACTIONS

### 37. 關聯方交易

#### (a) Name and relationship

#### (a) 名稱及關係

Name 名稱	Relationship 關係
From 1 January 2015 to 31 December 2016 自2015年1月1日至2016年12月31日	
Bosheng Medical 博生醫療	Company under significant influence of Mr. Lin Yuming 受林玉明先生重大影響之公司
Xining Modern Hospital of Obstetrics and Gynaecology Co., Ltd. (西寧現代婦產有限公司) ("Xining Modern Hospital") (「西寧現代婦產醫院」)	Company controlled by Mr. Lin Yurong, a shareholder of the Company 由本公司股東林玉榮先生控股之公司
Hebei Modern Woman Hospital Co., Ltd. (河北現代女子醫院有限公司) ("Hebei Modern Woman Hospital") (「河北現代女子醫院」)	Company controlled by Mr. Wu Yaping, a close family member of Mr. Lin Yuming 由吳亞平先生(林玉明先生之直系親屬) 控股之公司
Kaibeimu 凱貝姆	Associate 聯營公司
Heilongjiang HarMoniCare Hospital (Note i) 黑龍江和美婦產醫院(附註i)	Company under significant influence of Mr. Lin Yuming 受林玉明先生重大影響之公司

Note:

- (i) The Group acquired Heilongjiang HarMoniCare Hospital on 31 December 2016 as disclosed in Note 32.

附註：

- (i) 誠如附註32所披露，本集團於2016年12月31日收購黑龍江和美婦產醫院。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 37. RELATED PARTY TRANSACTIONS (Continued) 37. 關聯方交易(續)

#### (b) Related party transactions

#### (b) 關聯方交易

For the year ended  
31 December  
截至12月31日止年度

	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Royalty and service fee paid to: Bosheng Medical (Note i)	—	2,399
Purchase of trademark from: Bosheng Medical (Note ii)	—	33,200

Notes:

- (i) The royalty and service fee are determined based on 2% of revenue from specialised hospital services. It had been terminated as the Group purchased the trademark in 2015.
- (ii) On 5 March 2015, Harmonicare Medical entered into a trademark ownership transfer agreement with Bosheng Medical. Pursuant to which Bosheng Medical transferred trademarks to Harmonicare Medical at the consideration of RMB33.2 million. The consideration was paid in 2015.

附註：

- (i) 使用權及服務費按專科醫院服務收益的2%釐定，並已於本集團於2015年購入商標時終止。
- (ii) 2015年3月5日，和美醫療與博生醫療訂立商標所有權轉讓協議。據此，博生醫療以人民幣3,320萬元的代價向和美醫療轉讓商標。代價已於2015年支付。

For the year ended  
31 December  
截至12月31日止年度

	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Sales of pharmaceuticals medical devices and consumables to: Heilongjian HarMoniCare Hospital	5,299	3,773
Hebei Modern Woman Hospital	267	404
Xining Modern Hospital	223	—
	5,789	4,177
Rental expense to Bosheng Medical	655	—

The above transactions were carried out in the ordinary course of business of the Group and conducted in accordance with the terms and conditions mutually agreed by both parties.

以上交易於本集團日常業務過程中按雙方互相協定的條款及條件進行。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 37. RELATED PARTY TRANSACTIONS (Continued) 37. 關聯方交易(續)

#### (c) Related party balances

Amounts due from related parties  
*Trade in nature*

#### (c) 關聯方結餘

應收關聯方款項  
*貿易性質*

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Amount due from Xining Modern Hospital	應收西寧現代婦產醫院款項	15	—

The following is an aged analysis of amount due from Xining Modern Hospital which is trade in nature based on the invoice date at the end of each reporting period:

以下是各報告期末基於發票日期的貿易性質應收西寧現代婦產醫院款項賬齡分析：

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Not past due	未逾期	15	—

The above receivable from the related company is unsecured, interest-free and within the credit period at 31 December 2016.

上述應收關連公司款項乃無抵押、免息且該款項於2016年12月31日尚未逾期。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 37. RELATED PARTY TRANSACTIONS (Continued) 37. 關聯方交易(續)

#### (c) Related party balances (Continued)

*Non-trade in nature*

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Amount due from an associate Kaibeimu	應收一間聯營公司款項 凱貝姆	4,000	—

Note: As at 31 December 2016, the balance represents a loan to Kaibeimu amounting to RMB 4,000,000 with variable borrowing rate stipulated by the People's Bank of China for the corresponding period, and the loan is due on 30 June 2017.

#### (c) 關聯方結餘(續)

*非貿易性質*

附註：2016年12月31日的結餘即向凱貝姆作出人民幣4,000,000元之貸款，於相應期間按中國人民銀行規定之浮動借款利率計息，該貸款於2017年6月30日到期。

#### Amount due to a related party

*Trade in nature*

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Amount due to Bosheng Medical (Note)	應付博生醫療款項 (附註)	655	—

Note: This balance is unsecured, interest-free and had no fixed forms of repayment.

應付關聯方款項  
*貿易性質*

附註：該款項為無抵押，免息且無固定還款期。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 37. RELATED PARTY TRANSACTIONS (Continued) 37. 關聯方交易(續)

#### (c) Related party balances (Continued)

Amounts due to related parties (Continued)  
Non-trade in nature

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Amount due to Bosheng Medical	應付博生醫療款項	69,598	—

Upon the acquisition of Heilongjiang HarMoniCare Hospital by the Group, an amount due to Bosheng Medical of RMB114,598,000 set out in Note 32 was assumed by the Group. Subsequently, the Group repaid RMB45,000,000 to Bosheng Medical on the same day. As at 31 December 2016 the balance of amount due to Bosheng Medical is RMB69,598,000, which is unsecured, interest-free, and has no fixed terms of repayment.

As at 31 December 2016, the total balance of amount due to Bosheng Medical is RMB70,253,000.

#### (d) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

		For the year ended 31 December 截至12月31日止年度	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Salaries and allowance	薪金及津貼	3,324	2,998
Contributions to retirement benefits schemes	退休福利計劃供款	41	47
Share-based payment	股份支付	13	2,898
		3,378	5,943

Further details of the Directors' emoluments are included in Note 12.

#### (c) 關聯方結餘(續)

應付關聯方款項(續)  
非貿易性質

本集團收購黑龍江和美婦產醫院後，附註32所載之應付博生醫療款項人民幣114,598,000元由本集團承擔。其後，本集團於同日向博生醫療償還人民幣45,000,000元。於2016年12月31日，應付博生醫療餘額為人民幣69,598,000元，該款項為無抵押，免息且無固定還款期。

於2016年12月31日，應付博生醫療餘額合共為人民幣70,253,000元。

#### (d) 主要管理人員補償

年內，董事及主要管理層之其他成員之薪酬如下：

董事薪酬之進一步詳情載於附註12。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 38. SUBSIDIARIES

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below.

### 38. 附屬公司

報告期末本公司直接及間接持有之附屬公司之詳情載列如下。

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/成立 地點及日期	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足普通股 股本/註冊資本	Equity interest attributable to the Group 本集團應佔股權		Principal activities 主要業務
			31 December 2016 2016年 12月31日 %	31 December 2015 2015年 12月31日 %	
Shanxi Tai He Tang Pharmaceuticals Co., Ltd. (山西太和堂藥業有限公司)	The PRC 中國	RMB5,100,000 人民幣5,100,000元	100	100	Supply of Pharmaceuticals and medical devices business 供應藥品及醫療設施業務
Wuhan Modern Obstetrics and Gynecology Hospital Co., Ltd. (武漢現代婦產醫院有限公司) ("Wuhan Modern Woman Hospital") (「武漢現代」)	The PRC 19 December 2005 中國 2005年12月19日	RMB10,000,000 人民幣10,000,000元	100	100	Provision of Specialised hospital services 提供專科醫院服務
Chongqing Modern Woman Hospital (重慶現代女子醫院)	The PRC 31 March 2006 中國 2006年3月31日	RMB21,000,000 人民幣21,000,000元	100	100	Provision of Specialised hospital services 提供專科醫院服務
Chongqing Dushi Liren Hospital. (重慶都市僱人醫院)	The PRC 13 April 2006 中國 2006年4月13日	RMB4,210,000 人民幣4,210,000元	95.5	95.5	Provision of Specialised hospital services 提供專科醫院服務
Guiyang Modern Woman Hospital (貴陽現代女子醫院)	The PRC 5 April 2007 中國 2007年4月5日	RMB2,560,000 人民幣2,560,000元	96.5	96.5	Provision of Specialised hospital services 提供專科醫院服務
Guangzhou Woman Hospital Co., Ltd. (廣州女子醫院有限公司)	The PRC 16 July 2008 中國 2008年7月16日	RMB10,000,000 人民幣10,000,000元	97	97	Provision of Specialised hospital services 提供專科醫院服務
Chongqing Bosheng Management Co., Ltd. ("Chongqing Bosheng Management") (重慶博生醫院管理有限公司) (「重慶博生管理」)	The PRC 25 August 2008 中國 2008年8月25日	RMB1,000,000 人民幣1,000,000元	100	100	Holding company 控股公司
Chongqing Wanzhou HarMoniCare Hospital (重慶萬州和美婦產醫院)	The PRC 27 March 2009 中國 2009年3月27日	RMB6,000,000 人民幣6,000,000元	97	97	Provision of Specialised hospital services 提供專科醫院服務



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 38. SUBSIDIARIES (Continued)

### 38. 附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/成立 地點及日期	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足普通股 股本/註冊資本	Equity interest attributable to the Group 本集團應佔股權		Principal activities 主要業務
			31 December 2016 2016年 12月31日 %	31 December 2015 2015年 12月31日 %	
Guiyang HarMoniCare Hospital (貴陽和美醫院)	The PRC 25 May 2009 中國 2009年5月25日	RMB10,000,000 人民幣10,000,000元	100	100	Holding company and provision of Specialised hospital services 控股公司及 提供專科醫院服務
Chongqing Fuling HarMoniCare Hospital (重慶涪陵和美醫院)	The PRC 26 June 2009 中國 2009年6月26日	RMB10,000,000 人民幣10,000,000元	96.5	96.5	Provision of Specialised hospital service 提供專科醫院服務
Shanxi Wo De Investment Co., Ltd. (山西沃德投資有限公司) ("Shanxi Wo De Investment.") (「山西沃德投資」)	The PRC 26 October 2009 中國 2009年10月26日	RMB17,800,000 人民幣17,800,000元	100	100	Holding company 控股公司
Fuzhou Modern Woman Hospital (福州現代婦產醫院)	The PRC 4 January 2010 中國 2010年1月4日	RMB25,000,000 人民幣25,000,000元	99	83	Provision of Specialised hospital services 提供專科醫院服務
Shenzhen HarMoniCare Gynecology and Paediatrics Hospital Co., Ltd. (深圳和美婦兒科醫院有限公司) ("Shenzhen HarMoniCare Hospital") (「深圳和美」)	The PRC 29 July 2010 中國 2010年7月29日	RMB40,000,000 人民幣40,000,000元	92	92	Provision of Specialised hospital services 提供專科醫院服務
Beijing HarMoniCare Gynecology and Paediatrics Hospital Co., Ltd. (北京和美婦兒醫院有限公司) ("Beijing HarMoniCare Hospital") (「北京和美」)	The PRC 14 June 2011 中國 2011年6月14日	RMB40,000,000 人民幣40,000,000元	100	100	Provision of Specialised hospital services 提供專科醫院服務
Harmonicare Medical Group Limited ("Harmonicare Medical") 美醫療集團有限公司 (「和美醫療」)	Hong Kong 15 July 2015 香港 2014年7月15日	HKD10,000 10,000港元	100	100	Holding company 控股公司
HarMoniCare Management and Consulting (和美管理諮詢)	The PRC 31 July 2015 中國 2015年7月31日	RMB882,000,000/ RMB 1,250,000,000 人民幣882,000,000元/ 人民幣1,250,000,000元	100	100	Holding company 控股公司

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 38. SUBSIDIARIES (Continued)

### 38. 附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/成立 地點及日期	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足普通股 股本/註冊資本	Equity interest attributable to the Group 本集團應佔股權		Principal activities 主要業務
			31 December 2016 2016年 12月31日 %	31 December 2015 2015年 12月31日 %	
Harmonicare Medical Investment Limited ("Harmonicare")	the British Virgin Islands ("The BVI") 27 August 2015	USD0.001	100	100	Holding company
Harmonicare Medical Investment Limited (「Harmonicare」)	英屬維京群島 2015年8月27日	0.001美元			控股公司
Galaxy Power	The BVI 27 August 2015	USD200	100	100	Holding company
Galaxy Power	英屬維京群島 2015年8月27日	200美元			控股公司
Sharp Charm Limited ("Sharp Charm")	Hong Kong 5 September 2015	HKD100	100	100	Holding company
Sharp Charm Limited (「Sharp Charm」)	香港 2015年9月5日	100港元			控股公司
Beijing He An Da Management Consulting Co., Ltd. (北京合安達管理諮詢有限公司) ("Beijing HAD") (「北京合安達」)	The PRC 13 November 2015 中國 2015年11月13日	RMB682,000,000/ RMB1,050,000,000 人民幣682,000,000元/ 人民幣1,050,000,000元	100	100	Holding company 控股公司
Heilongjiang HarMoniCare Hospital (黑龍江和美婦產醫院)	The PRC 20 May 2010 中國 2010年5月20日	RMB 10,000,000 人民幣 10,000,000元	95	N/A	Provision of Specialised hospital service 無 提供專科醫院服務
Xiamen HarMoniCare Gynecology and Paediatrics Hospital Co., Ltd (Note iii) 廈門和美婦兒醫院有限公司 (附註iii)	The PRC 26 September 2016 中國 2016年9月26日	RMB10,000,000 人民幣 10,000,000元	99	N/A	Inactive 無 暫無營業

Notes:

- (i) All the subsidiaries established in the PRC are registered as limited liability companies under the PRC law.
- (ii) None of the subsidiaries had issued any debt securities at the end of the year.
- (iii) Xiamen HarMoniCare Hospital was registered on 26 September 2016.

附註：

- (i) 所有於中國註冊成立的附屬公司均根據中國法律註冊為有限公司。
- (ii) 於本年度結束時概無附屬公司已發行任何債務證券。
- (iii) 廈門和美醫院成立於2016年9月26日。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 39. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

### 39. 金融工具及金融風險管理

#### Categories of the financial instruments

#### 金融工具類別

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Financial assets:	金融資產：		
Loans and receivables (Including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	1,121,048	1,266,735
Financial assets designated as at FVTPL	指定為按公平值計入損益之金融資產	48,000	—
Financial liabilities:	金融負債：		
Amortised cost	攤銷成本	99,588	33,564

#### Financial risk management objectives and policies

The Group's major financial instruments include loan receivables, trade receivables, other receivables, amounts due from related parties, financial assets designated as at FVTPL, certificates of deposit, time deposits, cash and cash equivalents, trade payables, other payables and amount due to a related party. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The directors of the Company manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### Market risk

The Group's activities expose it primarily to the foreign currency risk and interest rate risk, which details are described as follows:

#### 金融風險管理目標及政策

本集團的主要金融工具包括應收貸款、貿易應收款項、其他應收款項、應收關聯方款項、指定為按公平值計入損益之金融資產、存款證、定期存款、現金及現金等價物、貿易應付款項、其他應付款項及應付一名關聯方款項。該等金融工具的詳情於相關附註披露。與該等金融工具相關的風險包括市場風險、信貸風險及流動資金風險。下文載列降低該等風險的政策。本公司董事管理及監控該等風險，確保及時有效採取適當措施。

#### 市場風險

本集團業務主要面對外幣風險及利率風險，詳情載列如下：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 39. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

##### Currency risk

The Group undertakes certain financing transactions in foreign currencies, which expose the Group to foreign currency risk. The directors of the Company manage its currency risk by closely monitoring the movement of the foreign currency rates and considering hedging significant foreign currency exposure should such need arise. Also, the Group sometimes entered into short-term forward foreign currency contracts (usually with tenors less than 3 months) to hedge the currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets as at the end of each reporting period are as follows:

### 39. 金融工具及金融風險管理(續)

#### 金融風險管理目標及政策(續)

##### 貨幣風險

本集團以外幣訂立若干融資交易，因此面對外幣風險。本公司董事密切監控外幣匯率變動以管理其貨幣風險，若出現相關需求，董事亦會考慮對沖重大外幣風險。此外，本集團不時訂立短期遠期外匯合約(期限通常少於3個月)以對沖貨幣風險。

各報告期末，本集團以外幣計值的貨幣資產的賬面值如下：

		<b>Assets</b>	
		<b>資產</b>	
		<b>As at 31 December</b>	
		<b>於12月31日</b>	
		<b>2016</b>	2015
		<b>RMB'000</b>	RMB'000
		<b>人民幣千元</b>	人民幣千元
USD	美元	<b>282,652</b>	327,913
HKD	港元	<b>90,891</b>	17,743
		<b>373,543</b>	345,656

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 39. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

##### Sensitivity analysis

The Group is mainly exposed to the risk of fluctuations in the HKD and USD against RMB.

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against HKD and USD. 5% is the sensitivity rate represents the directors' assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation to RMB at year end for a 5% change in foreign currency rates. A positive number below indicates an increase in post-tax profit where RMB weakens 5% against the USD and HKD. For a 5% strengthening of RMB against the relevant currency, there would be an equal and opposite impact on the post-tax profit for the year, and the amounts below would be negative.

### 39. 金融工具及金融風險管理(續)

#### 金融風險管理目標及政策(續)

##### 敏感度分析

本集團主要面對港元及美元兌人民幣匯率波動的風險。

下表載列本集團對人民幣兌港元及美元匯率增減5%的敏感度詳情。5%的敏感度比率代表董事對外幣匯率合理可能變動的評估。敏感度分析僅包括未清償外幣計值的貨幣項目，並按5%的外幣匯率浮動調整該等貨幣項目於年末兌人民幣的換算結果。下表所列正數表示，人民幣兌美元及港元貶值5%時稅後利潤有所增加。人民幣兌相關貨幣升值5%時，年度稅後利潤會受等值但相反的影響，而下列金額將變為負數。

For the year ended  
31 December  
截至12月31日止年度

		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Profit for the year	年度利潤		
USD	美元	14,133	12,297
HKD	港元	4,545	665

#### Interest rate risk

The Group is exposed to cash flow interest risk in relation to variable-rate bank balances (see Note 26), which carry prevailing market interest. The Group currently does not have a specific policy to manage their interest rate risk and have not entered into interest rate swap to hedge its exposure, but will closely monitor their interest rate risk exposure in the future.

#### 利率風險

本集團面對與採用當時市場利率計息之浮息銀行結餘(見附註26)相關的現金流量利率風險。本集團目前並無管理利率風險的具體政策，亦未訂立利率掉期對沖風險，但日後會密切監控所面對的利率風險。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 39. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

##### Interest rate sensitivity analysis

The sensitivity analysis below has been determined based in the exposure to interest rates for non-derivative instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points (2015: 50 basis points) increase in interest rate risk represents management's assessment of the reasonably possible change in interest rate.

If interests had been 50 basis points (2015: 50 basis points) higher/lower and all the other variables were held constant, the Group's post-tax profit for the year ended 31 December 2016 would increase/decrease by RMB5,380,000 (2015: increase/decrease RMB3,382,000). This is mainly attributable to the Group's exposure to interest on its variable rate bank balances.

##### Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the directors of the Company have delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the directors of the Company review the recoverable amount of each material individual debt at the end of each of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group have concentration of credit risk on liquid funds which are deposited with several banks. However, the credit risk on cash and cash equivalents is limited because the majority of the counterparties are banks with good reputation.

### 39. 金融工具及金融風險管理(續)

#### 金融風險管理目標及政策(續)

##### 利率敏感度分析

以下敏感度分析乃根據報告期末非衍生工具之利率風險而釐定。編製有關分析時假設於報告期末之未履行金融工具於全年均無履行。利率風險增加50個基點(2015年：50個基點)，代表管理層對利率合理可能變動的評估。

倘利率增加/減少50個基點(2015年：50個基點)且所有其他變量保持不變，則本集團截至2016年12月31日止年度之稅後利潤將增加/減少人民幣5,380,000元(2015年：增加/減少人民幣3,382,000元)，此乃主要由於本集團面臨其浮息銀行結餘之利率風險所致。

##### 信貸風險

本集團因交易對手方未履行責任而蒙受財務損失的最高信貸風險來自綜合財務狀況表所列各類已確認金融資產的賬面值。

為減低信貸風險，本公司董事指派小組負責確定信貸限額、信貸審批及其他監控程序，確保採取跟進措施收回逾期債務。此外，本公司董事於各報告期末審閱各重大獨立債務的可收回金額，確保就不可收回金額計提充分的減值虧損撥備。因此，本公司董事認為本集團的信貸風險大幅降低。

對於存放於數間銀行的流動資金，本集團面對信貸集中風險。然而，由於大多數交易對手方是聲譽良好的銀行，故現金及現金等價物的信貸風險有限。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 39. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

##### Liquidity risk

In management of liquidity risk, the Group's management monitors and maintains a reasonable level of cash and cash equivalents which deemed adequate by the management to finance the Group's operations and mitigate the impacts of fluctuations in cash flows. The management relies on the cash generated from operating activities as the main source of liquidity.

The following tables details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

### 39. 金融工具及金融風險管理(續)

#### 金融風險管理目標及政策(續)

##### 流動資金風險

管理流動資金風險時，本集團管理層監控及維持其認為足夠的現金及現金等價物合理水平，以便提供本集團營運所需資金並緩解現金流量波動的影響。管理層倚賴經營活動所得現金作為主要的流動資金來源。

下表詳述本集團非衍生金融負債的剩餘合約年期。該表根據基於本集團可能須付款的最早日期的金融負債的未貼現現金流量編製。

		On demand or within one month 按要求或 1個月內 RMB'000 人民幣千元	Over 1 month but within 3 months 1至3個月 RMB'000 人民幣千元	Total undiscounted cash flows 未貼現 現金流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
<b>As at 31 December 2016</b>	<b>於2016年12月31日</b>				
<b>Financial liabilities</b>	<b>金融負債</b>				
Trade payables	貿易應付款項	14,152	2,400	16,552	16,552
Other payables	其他應付款項	7,433	5,350	12,783	12,783
Amount due to a related company	結欠關連公司款項	70,253	—	70,253	70,253
Total	總計	91,838	7,750	99,588	99,588

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 39. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

### 39. 金融工具及金融風險管 理(續)

	On demand or within one month	Over 1 month but within 3 months	Total undiscounted cash flows	Carrying amount
	按要求或 1個月內	1至3個月	未貼現 現金流量 總額	賬面值
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>As at 31 December 2015 於2015年12月31日</b>				
<b>Financial liabilities 金融負債</b>				
Trade payables 貿易應付款項	25,392	3,102	28,494	28,494
Other payables 其他應付款項	4,294	776	5,070	5,070
Total 總計	29,686	3,878	33,564	33,564

#### Fair value measurements of financial instruments

- (i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Financial assets designated as at FVTPL are measured at fair value at the end of reporting period for financial reporting purposes.

The following table gives information about how the fair value of financial asset is determined, as well as the level of the fair value hierarchy into which the fair value measurement is categorised based on the degree to which the inputs to the fair value measurement is observable.

#### 金融工具之公平值計量

- (i) 本集團按經常基準以公平值計量之金融資產之公平值

就財務報告目的而言，指定為按公平值計入損益之金融資產乃按報告期末之公平值計算。

下表載列有關如何釐定金融資產之公平值，以及公平值計量如何根據公平值計量之輸入數據之可觀察程度分類為公平值層級之資料。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 39. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

#### Fair value measurements of financial instruments (Continued)

- (i) (Continued)  
An analysis of the Group's financial asset measured at fair value as at 31 December 2016 are as follow:

Financial assets	Fair value as at 31/12/2016 於2016年12月31日 之公平值	Fair value hierarchy 公平值層級	Valuation technique(s) and key input(s) 估值技術及主要輸入數據
Loan to Wuxi HarMoniCare Hospital 授予無錫和美之貸款	RMB 48,000,000 人民幣48,000,000元	Level 2 層級2	The fair value was determined with reference to the recent transaction price. 公平值乃參照有關最近交易價格釐定。

- (ii) Except detailed in the item above, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost at the end of the reporting period approximated their fair values.

### 39. 金融工具及金融風險管理(續)

#### 金融工具之公平值計量(續)

- (i) (續)  
本集團於2016年12月31日按公平值計量之金融資產分析如下：

- (ii) 除上述項目中所詳述者外，本公司董事認為於報告期末按攤銷成本入賬的金融資產及金融負債的賬面值與其公平值相若。

### 40. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern, while to maximise the return to the equity holders of the Company through optimisation of debt and equity balances. The Group's overall strategy remains unchanged during the year.

The capital structure of the Group consists of net debts (which include amounts due to a related party, net of cash and cash equivalents) and equity attributable to equity holders of the Company.

The directors of the Company review the capital structure on a quarterly basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on the recommendation of management, the Group will balance its overall capital structure through issue of new shares, issue of new debts as well as the redemption of existing debts.

### 40. 資本風險管理

本集團的資本管理目標是確保本集團實體能持續經營，同時透過優化債務與股本平衡，為本公司權益持有人爭取最大回報。年內，本集團的整體策略維持不變。

本集團的資本架構包括淨債務(包括應付關聯方款項，扣除現金及現金等價物)及本公司權益持有人應佔權益。

本公司董事每季度檢討資本架構。本公司董事在檢討過程中考慮資本成本及與各類資本相關的風險。根據管理層的建議，本集團會透過發行新股、發行新債務及贖回現有債務實現其資本架構的整體平衡。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 41. SUBSEQUENT EVENTS

There are no significant events after the reporting period.

### 41. 結算日後事項

於報告期後並無任何重大事項。

### 42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 42. 本公司財務狀況表

		As at 31 December 於12月31日	
		2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
Non-current asset	非流動資產		
Investments in subsidiaries (Note i)	於附屬公司投資(附註i)	958,676	658,435
		<b>958,676</b>	658,435
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	1,137	721
Amounts due from subsidiaries	應收附屬公司款項	339	—
Certificates of deposit	存款證	—	320,984
Cash and cash equivalent	現金及現金等價物	381,773	429,293
		<b>383,249</b>	750,998
Current liabilities	流動負債		
Amounts due to subsidiaries	應付附屬公司款項	17,323	17,224
Other payables	其他應付款項	335	300
		<b>17,658</b>	17,524
Net current assets	流動資產淨值	<b>365,591</b>	733,474
Total assets less current liabilities	總資產減流動負債	<b>1,324,267</b>	1,391,909
Net assets	資產淨值	<b>1,324,267</b>	1,391,909
Capital and reserves	資本及儲備		
Share capital	股本	598	608
Share premium and reserves (Note ii)	股份溢價及儲備(附註ii)	1,323,669	1,391,301
Total equity	總權益	<b>1,324,267</b>	1,391,909

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) 綜合財務報表附註(續)

For the year ended 31 December 2016 截至2016年12月31日止年度

### 42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

### 42. 本公司財務狀況表(續)

Notes:

附註：

- (i) As at 31 December 2016, the Company's balance of investments in subsidiaries represents its investment cost of USD6,195,000 (2015: USD6,195,000), the deemed investments arising from the waiver of amounts due from subsidiaries amounting to RMB915,969,000 (2015: RMB617,767,000) pursuant to the relevant written statements made by the Company during the year and the deemed investments arising from the equity settled share based payments amounting to RMB4,707,000 (2015: RMB2,669,000).

- (i) 於2016年12月31日，本公司於附屬公司之投資結餘為其投資成本6,195,000美元(2015年：6,195,000美元)、根據本公司於年內作出之相關書面聲明豁免應收附屬公司款項產生之視作投資人民幣915,969,000元(2015年：人民幣617,767,000元)及以權益結算之股份支付產生之視作投資人民幣4,707,000元(2015年：人民幣2,669,000元)。

(ii)

(ii)

		Attribute to owners of the Company 本公司擁有人應佔				Total 總計
		Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Share option reserve 購股權儲備 RMB'000 人民幣千元	Retained profits (Accumulated losses) 保留利潤 (累計虧損) RMB'000 人民幣千元	
Balance at 1 January 2015	於2015年1月1日的結餘	—	—	—	(7,393)	(7,393)
Loss and total comprehensive expense for the year	年內虧損及全面費用總額	—	—	—	(760)	(760)
Capital injection	注資	91	278,212	—	—	278,303
Capitalisation issue	資本化發行	363	(363)	—	—	—
Issue of new shares on the global offering	全球發售新股發行	154	1,160,888	—	—	1,161,042
Costs of issue of new shares	發行新股份之成本	—	(43,966)	—	—	(43,966)
Expenses recognised on equity settled share-based payments	就以股權結算之股份支付 確認之開支	—	—	4,683	—	4,683
Balance at 31 December 2015	於2015年12月31日的結餘	608	1,394,771	4,683	(8,153)	1,391,909
Profit and total comprehensive income for the year	年內利潤及全面收入總額	—	—	—	25,027	25,027
Dividends recognized as distribution	確認為分派之股息	—	(42,057)	—	—	(42,057)
Shares repurchased and cancelled	購回及註銷股份	(10)	(50,418)	—	—	(50,428)
Transaction costs attributable to repurchase of ordinary shares	購回普通股產生之交易成本	—	(209)	—	—	(209)
Recognition of equity-settled share-based payments	確認以股權結算以股份 為基礎的付款	—	—	25	—	25
Balance at 31 December 2016	於2016年12月31日的結餘	598	1,302,087	4,708	16,874	1,324,267

## DEFINITIONS

## 釋義

“AGM” 「股東周年大會」	annual general meeting of the Company 指 本公司股東周年大會
“Articles of Association” 「章程細則」	the articles of association of the Company adopted on 9 June 2015 which became effective on the Listing Date 指 本公司於2015年6月9日採納並於上市日期生效的章程細則
“Audit Committee” 「審核委員會」	the audit committee of the Board 指 董事會審核委員會
“Beijing HarMoniCare Hospital” 「北京和美醫院」	Beijing HarMoniCare Gynecology and Paediatrics Hospital Co., Ltd. (北京和美婦兒醫院有限公司), a limited liability company established in the PRC, a wholly-owned subsidiary of our Company 指 北京和美婦兒醫院有限公司，在中國成立的有限公司，為本公司全資附屬公司
“Board” or “Board of Directors” 「董事會」	the board of Directors of the Company 指 本公司董事會
“Bosheng Medical” 「博生醫療」	Bosheng Medical Investment Co., Ltd. (博生醫療投資股份有限公司), a joint stock limited liability company established in the PRC, a connected person of our Company by virtue of Mr. Lin Yuming, one of our Directors and substantial Shareholders, holding 37.43% of the equity interest in Bosheng Medical 指 博生醫療投資股份有限公司，在中國成立的股份有限公司，因其中作為本公司的董事和主要股東林玉明先生持有博生醫療37.43%的股權而為本公司之關連人士
“CDH Harmony” 「CDH Harmony」	CDH Harmony Limited 指 CDH Harmony Limited
“CDH Jiagen” 「鼎暉健良」	Shanghai Dinghui Jiagen Equity Investment Fund (Limited Partnership) 指 上海鼎暉健良股權投資合夥企業(有限合夥)
“CG Code” 「企業管治守則」	Corporate Governance Code as set out in Appendix 14 to the Listing Rules 指 上市規則附錄14所載的企業管治守則
“China” or “PRC” 「中國」	the People’s Republic of China; for the purpose of this annual report only, references to “China” or the “PRC” do not include Taiwan, the Macau Special Administrative Region and Hong Kong 指 中華人民共和國；對於本年報而言「中國」的提述並不包括台灣、中國澳門特別行政區及香港
“Chongqing Dushi Liren Hospital” 「重慶都市儷人醫院」	Chongqing Dushi Liren Hospital Co., Ltd. (重慶都市儷人醫院有限公司), a limited liability company established in the PRC, a non-wholly-owned subsidiary of our Company 指 重慶都市儷人醫院有限公司，在中國成立的有限公司，為本公司之非全資附屬公司
“Chongqing Fuling HarMoniCare Hospital” 「重慶涪陵和美醫院」	Chongqing Fuling HarMoniCare Obstetrics and Gynecology Hospital Co., Ltd. (重慶涪陵和美婦產醫院有限公司), a limited liability company established in the PRC, a non-wholly-owned subsidiary of our Company 指 重慶涪陵和美婦產醫院有限公司，在中國成立的有限公司，為本公司之非全資附屬公司





## DEFINITIONS (CONTINUED) 釋義 (續)

<p>“Chongqing Modern Woman Hospital” [重慶現代女子醫院]</p>	<p>Chongqing Modern Woman Hospital Co., Ltd. (重慶現代女子醫院有限公司), a limited liability company established in the PRC, a wholly-owned subsidiary of our Company] 指 重慶現代女子醫院有限公司，在中國成立的有限公司，為本公司之全資附屬公司</p>
<p>“Chongqing Wanzhou HarMoniCare Hospital” [重慶萬州和美醫院]</p>	<p>Chongqing Wanzhou HarMoniCare Obstetrics and Gynecology Hospital Co., Ltd. (重慶萬州和美婦產醫院有限公司), a limited liability company established in the PRC, a non-wholly-owned subsidiary of our Company 指 重慶萬州和美婦產醫院有限公司，在中國成立的有限公司，為本公司之非全資附屬公司</p>
<p>“Company” or “our Company” or “Harmonicare” [本公司]或[和美醫療]</p>	<p>Harmonicare Medical Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability on 26 August 2014 指 和美醫療控股有限公司，一間於2014年8月26日在開曼群島註冊成立的有限責任公司</p>
<p>“Controlling Shareholder(s)” [控股股東]</p>	<p>has the meaning ascribed thereto under the Listing Rules 指 具有上市規則所賦予的涵義</p>
<p>“Corresponding Period” [同期]</p>	<p>the year ended 31 December 2015 指 截至2015年12月31日止年度</p>
<p>“Directors” [董事]</p>	<p>directors of the Company 指 本公司董事</p>
<p>“Fuzhou Modern Woman Hospital” [福州現代婦產醫院]</p>	<p>Fuzhou Modern Woman Hospital Co., Ltd. (福州現代婦產醫院有限公司), a limited liability company established in the PRC, a non-wholly-owned subsidiary of our Company 指 福州現代婦產醫院有限公司，在中國成立的有限公司，為本公司之非全資附屬公司</p>
<p>“FY” [財年]</p>	<p>financial year 指 財政年度</p>
<p>“Global Offering” [全球發售]</p>	<p>the offering by the Company of Shares for subscription by the public in Hong Kong and placing with professional and institutional investors outside the United States of America in 2015 指 本公司於2015年在香港向公眾人士發售股份以供認購並配售予美國境外的專業及機構投資者</p>
<p>“GMP Certificate” [GMP認證]</p>	<p>The Good Manufacturing Practices for Pharmaceutical Products Certificate 指 《藥品生產質量管理認證證書》</p>
<p>“Group”, “our Group”, “we” or “us” [本集團]或[我們]</p>	<p>the Company and its subsidiaries 指 本公司及其附屬公司</p>
<p>“GSP Certificate” [GSP認證]</p>	<p>The Good Supply Practices for Pharmaceutical Products Certificate 指 《藥品經營質量管理認證證書》</p>
<p>“Guangzhou Woman Hospital” [廣州女子醫院]</p>	<p>Guangzhou Woman Hospital Co., Ltd. (廣州女子醫院有限公司), a limited liability company established in the PRC, a non-wholly-owned subsidiary of our Company 指 廣州女子醫院有限公司，在中國成立的有限公司，為本公司之非全資附屬公司</p>

## DEFINITIONS (CONTINUED)

### 釋義 (續)

<p>“Guiyang HarMoniCare Hospital”</p> <p>「貴陽和美醫院」</p>	<p>指</p>	<p>Guiyang HarMoniCare Obstetrics and Gynecology Hospital Co., Ltd. (貴陽和美婦產醫院有限公司), a limited liability company established in the PRC, a wholly-owned subsidiary of our Company</p> <p>貴陽和美婦產醫院有限公司，在中國註冊成立的有限公司，為本公司之全資附屬公司</p>
<p>“Guiyang Modern Woman Hospital”</p> <p>「貴陽現代女子醫院」</p>	<p>指</p>	<p>Guiyang Modern Woman Hospital Co., Ltd. (貴陽現代女子醫院有限公司), a limited liability company established in the PRC, a non-wholly-owned subsidiary of our Company</p> <p>貴陽現代女子醫院有限公司，在中國成立的有限公司，為本公司之非全資附屬公司</p>
<p>“Harmony Care”</p> <p>「Harmony Care」</p>	<p>指</p>	<p>Harmony Care International Investment Limited</p> <p>Harmony Care International Investment Limited</p>
<p>“HarMoniCare Management and Consulting”</p> <p>「和美管理諮詢」</p>	<p>指</p>	<p>HarMoniCare Medical Management and Consulting Co., Ltd. (和美醫療管理諮詢有限公司), a limited liability company established in the PRC, a wholly-owned subsidiary of our Company</p> <p>和美醫療管理諮詢有限公司，在中國成立的有限公司，為本公司之全資附屬公司</p>
<p>“Heilongjiang HarMoniCare Hospital”</p> <p>「黑龍江和美婦產醫院」</p>	<p>指</p>	<p>Heilongjiang HarMoniCare Obstetrics and Gynecology Hospital Co., Ltd. (黑龍江和美婦產醫院有限公司), a limited liability company established in the PRC, a non-wholly-owned subsidiary of our Company</p> <p>黑龍江和美婦產醫院有限公司，在中國成立的有限公司，為本公司非全資附屬公司</p>
<p>“HIS”</p> <p>「HIS」</p>	<p>指</p>	<p>Hospital Information System</p> <p>醫院信息系統</p>
<p>“Homecare”</p> <p>「Homecare」</p>	<p>指</p>	<p>Homecare International Investment Limited</p> <p>Homecare International Investment Limited</p>
<p>“HKEx”</p> <p>「香港交易所」</p>	<p>指</p>	<p>Hong Kong Exchanges and Clearing Limited</p> <p>香港交易及結算所有限公司</p>
<p>“Hong Kong” or “HK”</p> <p>「香港」</p>	<p>指</p>	<p>the Hong Kong Special Administrative Region of the PRC</p> <p>中國香港特別行政區</p>
<p>“IFRSs”</p> <p>「國際財務報告準則」</p>	<p>指</p>	<p>International Financial Reporting Standards</p> <p>國際財務報告準則</p>
<p>“Independent Third Party(ies)”</p> <p>「獨立第三方」</p>	<p>指</p>	<p>an individual(s) or a company(ies) who or which is/are not connected (within the meaning of the Listing Rules) with any directors, chief executive or substantial shareholders (within the meaning of the Listing Rules) of us, our subsidiaries or any of their respective associates</p> <p>與我們、我們的附屬公司或彼等各自任何聯繫人的董事、行政總裁或主要股東(上市規則所定義者)概無關連(上市規則所定義者)的個人或公司</p>
<p>“JCI”</p> <p>「JCI」</p>	<p>指</p>	<p>the Joint Commission International, an international arm of The Joint Commission. The Joint Commission is a United States-based independent, not-for-profit organization which accredits and certifies healthcare organizations and programs</p> <p>Joint Commission International，聯合委員會的國際分支。聯合委員會是美國的獨立非營利性組織，負責醫療機構和項目的授權和認證</p>

DEFINITIONS (CONTINUED)  
釋義 (續)

“Listing Date”	the date on which dealings in the Shares first commenced on the Stock Exchange i.e. 7 July 2015
「上市日期」	指 股份首次開始於聯交所買賣之日期(即2015年7月7日)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
「上市規則」	指 聯交所證券上市規則(經不時修訂)
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules
「標準守則」	指 上市規則附錄10所載上市發行人董事進行證券交易的標準守則
“Nomination Committee”	the nomination committee of the Board
「提名委員會」	指 董事會提名委員會
“ob-gyn”	obstetrics and gynecology
「婦產科」	指 婦科及產科
“PRC GAAP”	the generally accepted accounting principles in the PRC
「中國公認會計原則」	指 中國公認的會計原則
“Prospectus”	the prospectus dated 25 June 2015 issued by the Company
「招股章程」	指 本公司刊發的日期為2015年6月25日的招股章程
“Remuneration Committee”	the remuneration committee of the Board
「薪酬委員會」	指 董事會薪酬委員會
“Review Period”	the period from 1 January 2016 to 31 December 2016
「回顧期間」	指 2016年1月1日至2016年12月31日期間
“RMB”	Renminbi, the lawful currency of the PRC
「人民幣」	指 人民幣，中國法定貨幣
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
「證券及期貨條例」	指 經不時修訂、補充或以其他方式修改的香港法例第571章證券及期貨條例
“Shanxi Modern Woman Hospital”	Shanxi Modern Hospital of Obstetrics and Gynecology Co., Ltd.
「山西現代婦產醫院」	指 山西現代婦產醫院有限責任公司
“Share(s)”	share(s) with par value of HK\$0.001 each in the capital of the Company
「股份」	指 本公司股本中每股面值0.001港元的股份
“Shareholder(s)”	holder(s) of the Share(s)
「股東」	指 股份持有人
“Share Option Scheme”	the share option scheme conditionally adopted by the Company pursuant to a resolution passed by the Shareholders on 9 June 2015 which became effective on the Listing Date
「購股權計劃」	指 本公司依據股東於2015年6月9日通過的一項決議案有條件採納的購股權計劃(已於上市日期生效)
“Shenzhen HarMoniCare Hospital”	Shenzhen HarMoniCare Gynecology and Paediatrics Hospital Co., Ltd. (深圳和美婦兒科醫院有限公司), previously known as “Shenzhen HarMoniCare Gynecology Hospital Co., Ltd. (深圳和美婦科醫院)”, a limited liability company established in the PRC, a non-wholly-owned subsidiary of our Company
「深圳和美醫院」	指 深圳和美婦兒科醫院有限公司(前稱深圳和美婦科醫院)，在中國成立的有限公司，為本公司非全資附屬公司

## DEFINITIONS (CONTINUED)

### 釋義 (續)

“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 指 香港聯合交易所有限公司
“Tai He Tang” 「太和堂」	Shanxi Tai He Tang Pharmaceuticals Co., Ltd. (山西太和堂藥業有限公司), a limited liability company established in the PRC, a wholly-owned Subsidiary of our Company 指 山西太和堂藥業有限公司，在中國成立的有限公司，為本公司全資附屬公司
“Written Guidelines” 「書面指引」	written guidelines on securities transactions by employees 指 僱員進行證券交易的書面指引
“Wuhan Modern Hospital” 「武漢現代醫院」	Wuhan Modern Obstetrics and Gynecology Hospital Co., Ltd. (武漢現代婦產醫院有限公司), a limited liability company established in the PRC, a wholly-owned subsidiary of our Company 指 武漢現代婦產醫院有限公司，在中國成立的有限公司，為本公司之全資附屬公司
“YoY” 「按年」	year-on-year 指 去年同期

In this annual report, the terms “associate”, “connected person”, “subsidiary” and “substantial shareholder” shall have the meanings ascribed to such terms in the Listing Rules, unless the context otherwise requires.

在本年報中，除文義另有所指外，「聯繫人」、「關連人士」、「附屬公司」及「主要股東」應具有上市規則所賦予該等詞彙的涵義。

