



# 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

# 2017

## ANNUAL REPORT

### 年報



We own a total of 13 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 13 家醫院。



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## 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

#### 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

## AUTHORIZED REPRESENTATIVES

Ms. Siy Ling Lung  
Mr. Lin Yuming

## 授權代表

施玲瓏女士  
林玉明先生

## JOINT COMPANY SECRETARIES

Mr. Chen Wei  
Ms. Siy Ling Lung

## 聯席公司秘書

陳偉先生  
施玲瓏女士

## 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  
小關北里甲2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

Conyers 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

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

## CORPORATE INFORMATION (CONTINUED)

### 公司資料(續)

#### 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

#### 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

## CORPORATE INFORMATION (CONTINUED)

### 公司資料(續)

#### PRINCIPAL BANKER

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

#### STOCK CODE

01509

#### COMPANY WEBSITE

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

#### 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

#### 股份代號

01509

#### 公司網站

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

## ANNUAL MEMORABILIA 2017

### 2017 年度大事記



#### January 1 月

The Group received the “Responsible Brand of the Year” Award in the 6th China Charity Festival.

本集團獲第六屆中國公益節“年度責任品牌”獎



#### March 3 月

The “White Paper on No Pain Labor & Delivery in China” was jointly issued by the Group and the No Pain Labor & Delivery-Global Health Initiative, an American organization, and represented the first standard for the painless delivery industry in China.

本集團聯合美國無痛分娩中國行公益組織共同發布了《中國無痛分娩白皮書》，為中國首個無痛分娩行業規範



#### June 6 月

Wuxi HarMoniCare Hospital, jointly constructed by the Group, was listed as a key project for attracting investors and capital in Liangxi District of Wuxi.

本集團合作籌建的無錫和美醫院，被列入無錫市梁溪區重點招商引資項目



#### July 7 月

The Group and Ningbo Research Institute of Fudan University entered into strategic cooperation agreement for officially entering into the assisted reproductive sector of the healthcare market.

本集團與復旦大學寧波研究院簽訂戰略合作協議，正式進軍輔助生殖醫療市場



The Group made a strategic acquisition of Nantong Hemeijia Hospital and accelerated the strategic layout in the Yangtze River Delta region.

本集團戰略併購南通和美醫院，加快長三角地區戰略佈局



## ANNUAL MEMORABILIA 2017 (CONTINUED)

### 2017 年度大事記 (續)



#### August 8 月

The Group started the overseas IVF pregnancy referral program.  
本集團開啟海外IVF孕育轉診計劃



#### September 9 月

Ding Xiang Yuan and www.gsdata.cn announced the list of "2016 Top 100 Hospital Branding Communication Award" and Beijing HarMoniCare Hospital won two key awards of "(Top 50) Popular Brands of Private Hospital Network" and "Influential Private Hospitals in New Media".  
丁香園與清博大數據公佈了"2016年度醫院品牌傳播百強榜"名單，北京和美醫院獲"民營醫院網絡品牌熱度榜(50強)"和"民營醫院新媒體影響力"兩項大獎



#### October 10 月

The Group and Nantong University Hospital entered into strategic cooperation to further promote the development mode of medical alliance cooperation.  
本集團與南通大學附屬醫院達成戰略合作，進一步推動醫聯體合作模式的發展



#### November 11 月

The Group made a strategic acquisition of Beijing Huafu Hospital to accelerate the layout in the Beijing market and further enhanced its industry competitiveness.  
本集團戰略併購北京華府醫院，加速佈局北京市場，進一步提升行業競爭力



Shenzhen HarMoniCare Hospital again passed the review of new standards in the sixth edition of JCI with high scores.  
深圳和美醫院再次高分通過JCI第六版新標複審

## CHAIRMAN'S STATEMENT

### 主席報告

Dear Shareholders:

On behalf of the Board of Directors of Harmonicare, I would like to express my sincere gratitude to all our Shareholders as well as members of the community for their support to the Group. In 2017, market competition in China's medical services industry became increasingly intensified. In the face of complicated market environment and various factors such as rising costs of labor, leasing and advertising, the Group enhanced operation and management through careful analysis, active exploration as well as timely adjustment and deployment to maintain stable operation of the Group.

During the Review Period, new born population was 17.23 million, representing a decrease of 3.52% as compared with the new born population of 17.86 million in 2016. Under the adverse impact of a general decline in birth rate in our country, performance of traditional marketing channels falling short of expectation, etc., the Group still managed to maintain a steady growth in revenue but there was a decline in our profit. In 2017, the Group recorded revenue of RMB924.15 million, representing an increase of 7.5% as compared with that of the Corresponding Period; the Group recorded net profit of RMB29.44 million, representing a decrease of 69.7% as compared with that of the Corresponding Period. To meet market change and requirement of operation and management, the Group timely adjusted the hospital operation and marketing strategies by strengthening word-of-mouth marketing and increasing customer satisfaction to actively expand its brand influence. According to the Group's work plan in 2017, the Group improved and promoted its operation and management, information management and budget management on the one hand, while on the other hand the Group succeeded in the strategic merger and acquisition of Nantong Hemeijia Hospital and entered into the Acquisition Agreement of Beijing Huafu Hospital (北京華府醫院股權收購協議), laying a good foundation for achieving a scaled, chained and regional centralized development of the Group.

In 2018, we will formulate clear strategic direction to highlight our competitive strengths and to improve our profit margins with the goal of fostering a leading brand of high-end ob-gyn and paediatric healthcare services. Focusing on existing hospitals, the Group will strive to improve the quality and safety of medical services, enhance performance appraisal and strengthen execution, as well as improving talent management and talent development plans. Through self-developed online medical platforms, such as Online Pregnancy Doctor (孕醫在線), we implement integration of online and offline services, offering a variety of medical service choices to our customers for their convenience. Meanwhile, the Group will speed up the construction of new hospitals and prudently choose targets of quality

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集團的支持致以誠摯感謝！2017年，中國醫療服務行業市場競爭日趨激烈，面對複雜的市場環境以及人工、租賃、廣告等成本不斷上升等諸多因素，本集團認真分析，積極探索，及時調整部署，強化經營管理，保持集團平穩運營。

於回顧期間，全國出生人口為1,723萬人，相比2016年全國出生人口1,786萬人下降3.52%，在全國出生率整體下降及傳統的營銷渠道未達預期效果等因素的多重影響下，本集團整體收益穩中有增，利潤有所下降。本集團於2017年錄得收益為人民幣9.2415億元，同比增長7.5%；本集團於2017年錄得淨利潤為人民幣2,944萬元，同比下降69.7%。為順應市場變化和經營管理需要，集團適時調整醫院運營及營銷策略，加強口碑營銷，提高客戶滿意度，積極擴大品牌影響力。根據2017年集團的工作規劃，一方面，完善和推進集團運營管理、信息化管理和預算管理工作，另一方面，集團成功戰略併購南通和美家醫院，並簽署北京華府醫院股權收購協議，為實現集團規模化、連鎖化、區域集中化的發展奠定了良好基礎。

2018年，我們將以打造和美婦兒健康服務高端領導品牌為目標，制定清晰的戰略方向，突出競爭優勢，提升盈利空間。針對現有醫院，集團將著力提升醫療服務質量與安全，加強業績考核並強化執行力，完善人才管理和人才發展計劃。通過自主研發的孕醫在線及其他在線醫療平台等方式，推動線上線下服務的一體化，為客戶提供多樣化的便捷性醫療服務。同時，集團將加快推進新建醫院

## CHAIRMAN'S STATEMENT

### 主席報告

mergers and acquisitions for active engagement in business in upstream and downstream areas and strengthen strategic integration and industry collaboration to achieve win-win cooperation.

We will continue to consolidate the Group's position as a leader in China's high-end chained women and children hospitals to create value for Shareholders and the community. On behalf of the Board, I would like to extend my sincere gratitude to all our Shareholders, business partners and clients for their unyielding support, and to all our employees for their tireless efforts in the development of the Group.

Lin Yuming  
*Chairman*

Beijing, 20 March 2018

建設，並謹慎選擇優質併購標的，積極開展上下游領域業務，加強戰略整合與行業協同，實現合作共贏。

我們將繼續夯實集團作為中國高端連鎖婦兒醫院品牌領導者地位，為股東及社會創造價值。本人謹代表董事會，對各位股東、業務夥伴及客戶的堅定支持，以及我們全體員工對本集團發展做出的不懈努力，致以最誠摯的感謝！

主席  
林玉明

北京，2018年3月20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<br>截至 12 月 31 日止年度 |                          |                          |                          |                          |
|---|--------------|---|--------------------------|--------------------------|--------------------------|--------------------------|
|   |              | 2017<br>RMB'000<br>人民幣千元                          | 2016<br>RMB'000<br>人民幣千元 | 2015<br>RMB'000<br>人民幣千元 | 2014<br>RMB'000<br>人民幣千元 | 2013<br>RMB'000<br>人民幣千元 |
| <b>CONSOLIDATED RESULTS</b>             | <b>綜合業績</b>  |   |                          |                          |                          |                          |
| Revenue                                 | 收益           | 924,151   | 859,701                  | 909,362                  | 935,839                  | 833,200                  |
| Profit before tax                       | 稅前利潤         | 33,947  | 123,886                  | 141,967                  | 139,327                  | 87,489                   |
| Income tax expense                      | 所得稅費用        | (4,509)   | (26,615)                 | (31,566)                 | (34,198)                 | (21,774)                 |
| Profit for the year                     | 年內利潤         | 29,438  | 97,271                   | 110,401                  | 105,129                  | 65,715                   |
| Other comprehensive income              | 其他全面收入       | 42  | 228                      | —                        | —                        | —                        |
| Total comprehensive income for the year | 年內全面收入總額     | 29,480  | 97,499                   | 110,401                  | 105,129                  | 65,715                   |
| Attributable to:                        | 以下人士應佔：      |   |                          |                          |                          |                          |
| Owners of the Company                   | 本公司擁有人       | 27,436  | 95,936                   | 106,173                  | 103,379                  | 66,839                   |
| Non-controlling interests               | 非控股權益        | 2,044   | 1,563                    | 4,228                    | 1,750                    | (1,124)                  |
|   |              | 29,480  | 97,499                   | 110,401                  | 105,129                  | 65,715                   |
| <b>ASSETS AND LIABILITIES</b>           | <b>資產及負債</b> |   |                          |                          |                          |                          |
| Total assets                            | 總資產          | 1,827,120   | 1,683,575                | 1,628,061                | 384,821                  | 457,447                  |
| Total liabilities                       | 總負債          | (245,012)   | (300,194)                | (217,096)                | (484,319)                | (524,659)                |
|   |              | 1,582,108   | 1,383,381                | 1,410,965                | (99,498)                 | (67,212)                 |
| Equity attributable to                  | 以下人士應佔權益     |   |                          |                          |                          |                          |
| Owners of the Company                   | 本公司擁有人       | 1,354,105   | 1,389,098                | 1,408,909                | (97,279)                 | (61,479)                 |
| Non-controlling interests               | 非控股權益        | 228,003   | (5,717)                  | 2,056                    | (2,219)                  | (5,733)                  |





## BUSINESS OVERVIEW AND OUTLOOK

### Business Overview for 2017

The year 2017 is the second year of the implementation of the two-child policy in China. According to data released by the National Bureau of Statistics, the number of second child born in 2017 was 8.83 million, accounting for 51.2% of the total number of births and representing an increase of 1.62 million as compared with 2016. However, due to the relatively higher decrease in the number of first-child births, overall number of births in China has not reached the expected growth. Moreover, as capital has continuously entered the private obstetrics and gynecology healthcare industry in recent years, the number of medical institutions has continued to increase and led to intensifying competition in the private obstetrics and gynecology healthcare industry.

As of the end of 2017, the Group owned 13 private obstetrics and gynecology hospitals in nine tier-1 and tier-2 cities and operated 742 beds, representing an increase of 151 beds as compared with 2016. During the Review Period, the number of newborns of the Group was 10,556, representing an increase of 5.9% over the Corresponding Period.

## 業務回顧及展望

### 2017年業務回顧

2017年是我國「全面兩孩」生育政策實施的第二年，根據國家統計局發佈的數據，2017年二孩出生人口數量為883萬人，佔全部出生人口的51.2%，較2016年增加162萬人。但由於一孩出生數量下降較多，因此全國的整體出生人口數量未達預期增長，且近年來資本不斷進入私立婦產醫療行業，醫療機構數量持續增加，導致私立婦產醫療行業競爭日趨激烈。

截至2017年底，本集團在9個一二線城市擁有13家私立婦產專科醫院，運營床位數742張，較2016年底增加151張。於回顧期間，本集團新生兒數量為10,556人，同比增長5.9%。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

The number of outpatient services provided by the Group's hospitals for the whole year was 625,470 (2016: 585,591), an increase of 6.8% over the Corresponding Period. The number of inpatient hospital services provided was 25,556 (2016: 23,368), an increase of 9.4% over the Corresponding Period. Average charge per diagnosis and treatment was RMB1,363.7 (2016: RMB1,369.3), basically the same as the Corresponding Period.

In 2017, the Group timely adjusted its marketing strategy due to the high cost of traditional means of marketing. However, the overall effect was not as expected, with declined performance of certain hospitals and overall decrease in profit of the Group as compared with the Corresponding Period. During the Review Period, the Group recorded a revenue of RMB924.15 million, representing an increase of 7.5% over the Corresponding Period; and recorded a net profit of RMB29.44 million, representing a decrease of 69.7% over the Corresponding Period. The net profit after extraordinary gains and losses, i.e., foreign exchange gains and losses and interest income, amounted to RMB33.49 million, representing a decrease of 36.8% over the Corresponding Period. The decrease in profit has prompted serious attention and careful reflection of the management, and the Group took measures in many aspects to enhance management efforts for effective improvement of business performance. Major measures include to: (1) enrich multi-site practicing physicians of the Group and strengthen the training of full-time physicians; regularly organize professional training and academic seminars to ensure first-class medical services are provided to the patients; (2) regularly organize the Medical Quality Management Committee to supervise and inspect all hospitals and strengthen the management of hospital services and medical quality; (3) align the management and operation team of each hospital and optimize the incentive and supervision mechanisms according to performance appraisal; (4) accelerate the development of new growth points of business and profit in major hospitals, including overseas ancillary reproduction referral (海外輔助生殖轉診), postpartum recovery (產後康復), medical aesthetics (醫療美容) and maternity care center (月子中心); and (5) actively explore diversified marketing channels such as new media with an effort to reduce the impact of traditional marketing channels on the Group's performance.

During the past year when pressures intertwined with challenges, the Group has confronted the difficulties and made active exploration under the severe market environment, making achievements in areas such as construction of new hospitals and investment in mergers and acquisitions.

集團所屬醫院全年共提供門診服務625,470人次(2016年: 585,591人次), 同比增長6.8%; 提供住院服務25,556人次(2016年: 23,368人次), 同比增長9.4%; 每次診療平均收費為人民幣1,363.7元(2016年: 人民幣1,369.3元), 較同期基本持平。

2017年, 由於傳統營銷渠道成本居高不下, 集團適時調整了營銷策略, 但總體效果未達預期, 部分醫院業績及集團整體利潤較同期有所下降。於回顧期間, 本集團錄得收益為人民幣9.2415億元, 同比增長7.5%, 錄得淨利潤為人民幣2,944萬元, 同比下降69.7%。扣除非經常性損益(匯兌損益和利息收入)後的淨利潤為人民幣3,349萬元, 同比下降36.8%。利潤的下降引起了管理層的高度重視與認真反思, 集團從多方面採取應對措施, 加大管理力度, 以切實提升經營業績。主要措施包括: (1) 擴充多點執業專家團隊, 並加強全職醫師的培養, 定期舉辦專業培訓及學術研討會, 確保為就診客戶提供一流的診療服務; (2) 定期組織醫療質量管理委員會對各醫院進行督導與檢查, 加強醫院服務和醫療質量的管理; (3) 根據績效考評, 調整醫院的管理和運營團隊, 優化激勵和監管機制; (4) 加快培育重點醫院的業務和盈利新增長點, 包括海外輔助生殖轉診業務、產後康復、醫療美容及月子中心; 及(5) 積極探索新媒體等多樣化的營銷渠道, 努力降低傳統營銷渠道對集團業績的影響。

在過去的一年, 壓力與挑戰並存, 本集團在嚴峻的市場環境下砥礪前行, 積極探索, 在新建醫院及投資併購等方面, 均取得了一定成果。

### Construction of New Hospitals

The Group gradually optimized and refined its regional layout by expanding into regions such as the Yangtze River Delta and inland provinces with large population. In 2016, through loan convertible into shares, the Group entered Wuxi market by jointly establishing Wuxi HarMoniCare Hospital with a construction area of approximately 11,500 square meters and planned to set up 60 beds. The project was listed as one of the key investment projects in Liangxi District of Wuxi. At present, the construction project has basically been completed and is expected to be officially open for business in mid-2018. The newly-established Xiamen HarMoniCare Hospital with a planned gross floor area of approximately 19,200 square meters is in the stage of decoration and design. It will be built into a Grade III specialized hospital with 200 beds and is expected to open for business by the end of 2018. The newly-established Zhengzhou HarMoniCare Hospital with a planned gross floor area of approximately 14,800 square meters is in the stage of decoration and design. It will be built into a Grade II specialized hospital with 60 beds, and is expected to open for business by the end of 2018.

### Investment in Mergers and Acquisitions

During the Review Period, the Group has accelerated its pace of mergers and acquisitions of high-quality subjects. Heilongjiang HarMoniCare Hospital acquired by the Group at the end of 2016 recorded a better performance during the year, with revenue amounting to RMB75.17 million, representing an increase of 21.2% as compared with that of the Corresponding Period. In July 2017, the Group acquired 51% equity interest of Nantong

### 新建醫院

集團逐步優化並完善區域佈局，增加對長江三角洲地區及內陸人口大省等區域的覆蓋。2016年，集團以可轉股債權的方式進入無錫市場，合作籌建無錫和美醫院，建築面積約11,500平方米，擬開設60張床位，該項目被列為無錫市梁溪區重點招商引資項目之一。目前建設工程已基本完畢，預計將於2018年中期正式開業。新籌建的廈門和美醫院正處於裝修設計階段，規劃建築面積約19,200平方米，擬建成為擁有200張床位的三級專科醫院，預計將於2018年底前後開業。新籌建的鄭州和美醫院正處於裝修設計階段，規劃建築面積約14,800平方米，擬建成為擁有60張床位的二級專科醫院，預計將於2018年底前後開業。

### 投資併購

於回顧期間，集團加快了對優質標的的併購步伐。集團於2016年底收購的黑龍江和美醫院在今年取得了較好的業績表現，收入達到人民幣7,517萬元，較同期增長21.2%。2017年7月，集團收購南通和美家醫院51%股權，該醫院在



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)



Hemeijia Hospital which contributed a revenue amounting to RMB37.75 million (5 months in total from August 2017 to December 2017) after it had been consolidated into the Group, representing an increase of 22.9% as compared with the Corresponding Period. In November 2017, the Group entered into an equity acquisition agreement with Beijing Huaifu Hospital for the agreed acquisition of 51% of its equity interest. Adjacent to the CBD district of Beijing, Beijing Huaifu Hospital enjoys an excellent geographical position, rich resources of experts and complete suite of hardware facilities. The acquisition will effectively enhance the Group's regional concentration and synergies.

In addition, during the Review Period, the Group actively aligned and streamlined our hospital management and operation team, optimized our incentive and supervision mechanism, and adopted the Restricted Share Incentive Scheme at the end of 2017. Within the effective period of the scheme, the Group expects to grant certain share incentives to management, core experts and employees of the Group so as to encourage them to contribute more to the Group.

#### Industry Outlook and the Group's Strategy

##### Industry Outlook

In recent years, the per capita income level in China has been increasing. According to data released by the National Bureau of Statistics, in 2017, per capita disposable income of urban residents, per capita consumption expenditure of urban residents and per capita health expenditure in China increased by 8.3%, 5.9% and 11.0% respectively. Generations

納入合併範圍後，為集團貢獻收入達到人民幣3,775萬元(2017年8月至2017年12月，共計5個月)，較同期增長22.9%。2017年11月，集團與北京華府醫院簽訂股權收購協議，約定收購其51%股權。北京華府醫院毗鄰北京CBD商圈，地理位置優越，專家資源豐富，硬件設施齊全，此次收購將有效提高本集團的區域集中化和協同效應。

此外，於回顧期間，本集團積極調整醫院的管理和運營團隊，優化激勵和監管機制，並於2017年底採納了限制性股份激勵計劃，預計將在計劃有效期內向本集團的管理層、核心專家及僱員等授予一定數額的股份激勵，以鼓勵其為本集團做出更多的貢獻。

#### 行業展望和集團策略

##### 行業展望

近年來，我國人均收入水平不斷提高，根據國家統計局發佈的數據，2017年全國城鎮居民人均可支配收入增長8.3%；城鎮居民人均消費支出增長5.9%；人均醫療保健消費支出增



from the 80's and the 90's gradually became the mainstream consumer groups in the Chinese market. Driven by the nationwide two-child policy and consumption upgrade, more families choose high-end women and children hospitals to experience quality medical services, women's care for themselves is also on the rise, and consumers concern about professional maternal and child care, postpartum recovery as well as medical aesthetics services is becoming manifest. In addition, as the average age of first-birth women shows an upward trend year after year and the number of pregnant women of higher age is on the rise, the number of infertility patients in China now stands at 50 million. The market demand for prenatal and postnatal care and auxiliary reproductive services has also risen sharply.

According to the forecast of industry experts, in the next five years, the birth rate of second child in China will remain at a relatively high level, effectively offsetting the slight drop in the birth rate of first child and maintaining the basic stable birth rate of the total population, while the demand in the obstetrics and gynecology healthcare market will have stable development. Furthermore, in area of pediatric market, there is a shortage of resources for pediatricians and the number of newborns under the two-child policy has increased significantly. As medical resources are in short supply and the demand in pediatric market will maintain relatively strong, this area will also become the strategic focus of the Group's business.

### The Group's Strategies

In 2018, while striving to ensure the stable development of existing hospitals and gradually restore the profit margin, the Group will continue to steadily expand our strategic layout to increase the Group's overall revenue and total profits, so as to maximize Shareholders' interests. Our strategies include:

- Strengthen control of operation to improve performance. Further strengthen the operational appraisal indicators of existing hospitals and enhance execution of all hospitals, optimize the incentive and supervision system, proactively implement the Restricted Share Incentive Scheme and improve human resources management and development plan;
- Through self-developed online medical platforms, such as Online Pregnancy Doctor (孕醫在線), to implement integration of online and offline services that offer a variety of medical service choices to our customers for their convenience;

長11.0%。80、90後漸漸成為中國市場的主流消費人群，在全面二孩政策及消費升級的帶動下，更多的家庭選擇高端婦兒醫院體驗優質醫療服務，女性對自身的關愛也日益增長，消費者對專業母嬰護理、產後康復及醫療美容服務的關注也逐步凸顯。另外，由於女性平均初次生育年齡呈現逐年上升趨勢，高齡孕婦數量不斷攀升，目前中國的不孕不育客戶已高達5,000萬人，市場對於優生優育和輔助生殖服務的需求亦明顯攀升。

據業內專家推測，未來5年，全國的二胎出生率仍將保持一個較高的水平，有效彌補一胎出生率的略微下降，保持總人口出生率的基本穩定，婦產醫療市場的需求仍將保持穩定發展。另外，在兒科市場領域，兒科醫生資源短缺，且二孩政策下新生兒數量大幅增長，醫療資源處於供不應求的狀態，因此兒科市場將保持較為強勁的需求，該領域亦將成為本集團的重點培育業務。

### 集團策略

2018年，集團在力求保證現有醫院穩定發展，逐步恢復利潤率的同時，將繼續穩步擴大集團的戰略佈局，提高集團的整體收益和利潤總額，從而實現股東利益最大化。我們的策略包括：

- 加強運營管控，提高績效。進一步強化現有醫院的經營考核指標和提升各醫院的執行力度，優化激勵和監管體制，積極推進限制性股份激勵計劃，完善人力資源管理和人才發展計劃；
- 通過自主研發的孕醫在線及其他在線醫療平台等方式，推動線上線下服務的一體化，為客戶提供多樣化的便捷性醫療服務；

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

- Based on the competitive strengths of each hospital, adjust the product mix and marketing strategy of each hospital according to local conditions, effectively promote the change in marketing model to word-of-mouth marketing, implement multi-channel marketing and reduce overall marketing costs to improve profitability of hospitals;
- Strengthen the layout and extension of upstream and downstream industry chains. Actively engage in business areas such as ancillary reproduction, maternity care center, postpartum recovery and medical aesthetics to form new profit growth points and provide integrated services for the medical health of women and children;
- Strengthen the business guidance of new hospitals and newly merged hospitals to reduce the financial impact of new hospitals on the Group in general. Strengthen the operation and management of newly merged hospitals, enhance synergies among all hospitals and the Groups, and achieve resources sharing; and
- Actively explore development models such as merger and acquisition funds for medical industry, so as to nurture and amass quality projects for the Group.
- 根據各醫院的競爭優勢，因地制宜地調整各醫院的業務組合及營銷策略，切實推動營銷模式向口碑營銷的轉變，實現多渠道化營銷，降低整體營銷成本，提高醫院的盈利水平；
- 加強上下游產業鏈的佈局與延伸。積極開展輔助生殖，月子中心、產後康復及醫療美容等領域業務，形成盈利新增長點，提供婦兒醫療健康的全方位服務；
- 加強新建醫院以及新併入醫院的業務指導，降低新建醫院對集團整體的財務影響，加強新併購醫院的運營管理，提高各家醫院與集團的協同效應，實現資源共享；及
- 積極探索醫療產業併購基金等發展模式，為集團培育和儲備優質項目。

### FINANCIAL REVIEW

During the Review Period, the Group recorded a revenue of RMB924.15 million, representing an increase of 7.5% as compared with that of RMB859.70 million in the Corresponding Period. The revenue from the provision of hospital services accounted for 96.1% of the total revenue of the Group in the Review Period, which basically maintained at a stable level as compared with 97.0% for the Corresponding Period. During the Review Period, the Group's total gross profit margin was 46.3%, a slight decrease as compared with 48.9% for the Corresponding Period.

During the Review Period, the Group had a lower income and gross profit from certain hospitals because of fluctuation in market demand in some areas. The Group also recorded an exchange loss of RMB20.34 million (the Corresponding Period: exchange gains of RMB22.18 million) due to the devaluation of the exchange rates of USD and HKD against RMB. In addition, the administrative expenses incurred by newly constructed and newly acquired hospitals during the Review Period increased over the Corresponding Period. As a result, the net profit attributable to owners of the Company of amounted to RMB27.39 million, representing a decrease of 71.4% as compared with the net profit attributable to owners of the Company for the Corresponding Period of RMB95.71 million.

### 財務回顧

於回顧期間，本集團錄得收益人民幣9.2415億元，與同期人民幣8.5970億元相比上升7.5%。其中：回顧期間的醫療服務收益佔集團總收益的96.1%，與同期的97.0%相比基本保持穩定。本集團於回顧期間之整體毛利率為46.3%，較同期的48.9%略有下降。

於回顧期間，由於部分地區市場需求波動，導致本集團部分醫院收入及毛利減少，因美元及港元兌人民幣的匯率貶值，導致本集團錄得匯兌虧損人民幣2,034萬元(同期：匯兌收益人民幣2,218萬元)，且回顧期間新建及併購醫院產生的行政費用較同期有所增加，導致本公司擁有人應佔淨利潤為人民幣2,739萬元，較同期本公司擁有人應佔淨利潤人民幣9,571萬元相比減少71.4%。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### 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 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.

#### Provision of Hospital Services

The Group has 13 ob-gyn and paediatrics specialty hospitals which mainly provide ob-gyn and paediatric services. Revenue from 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:

#### 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。

#### 醫院服務

本集團旗下共13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<br>截至12月31日止年度  |              |  |              |
|-----------------------------|---------|--|--------------|--|--------------|
|                             |         | 2017   |              | 2016   |              |
|                             |         | Percentage of<br>total revenue<br>from provision<br>of hospital<br>services<br>佔醫院服務<br>收益比例 |              | Percentage of<br>total revenue<br>from provision<br>of hospital<br>services<br>佔醫院服務<br>收益比例 |              |
|                             |         | (RMB'000)<br>(人民幣千元)   | (%)<br>(百分比) | (RMB'000)<br>(人民幣千元)   | (%)<br>(百分比) |
| Revenue                     | 收益      | 887,802  | 100.0        | 833,828  | 100.0        |
| — Obstetrics                | — 產科    | 372,264  | 41.9         | 364,447  | 43.7         |
| — Gynecology                | — 婦科    | 318,181  | 35.8         | 281,446  | 33.8         |
| — Pediatric                 | — 兒科    | 42,962   | 4.8          | 38,509   | 4.6          |
| — Others                    | — 其他    | 154,395  | 17.5         | 149,426  | 17.9         |
| Costs of sales and services | 銷售及服務成本 | 473,342  |              | 426,194  |              |
| Gross profit                | 毛利      | 414,460  |              | 407,634  |              |
| Gross profit margin         | 毛利率     | 46.7%  |              | 48.9%  |              |

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

During the Review Period, revenue from the Group's provision of hospital services segment reached RMB887.80 million, accounting for 96.1% of our total revenue, of which income from the obstetrics segment was RMB372.26 million, accounting for 41.9% of our revenue from hospital services; income from the gynecology segment was RMB318.18 million, accounting for 35.8% of the income from hospital services; and income from the pediatric segment was RMB42.96 million, accounting for 4.8% of the revenue from hospital services. In 2017, revenue from the Group's hospital services segment increased by 6.5% over the revenue of RMB833.83 million for the Corresponding Period. Costs of our hospital services are mainly medical services costs including pharmaceuticals, medical devices and consumables, rental costs, employee costs as well as depreciation and amortization costs. During the Review Period, cost of hospital services was approximately RMB473.34 million, an increase of 11.1% over the Corresponding Period. During the Review Period, gross profit margin of hospital services was 46.7%, representing a decrease of approximately 2 percentage points over the Corresponding Period. The main reasons for the change in gross profit were that: (1) the revenue did not meet the expected target due to fluctuations in market demand in some regions; and (2) depreciation and amortization costs and employee costs increased over 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8.8780億元，佔集團總收益的96.1%，其中產科收入為人民幣3.7226億元，佔醫院服務收益比重為41.9%，婦科收入為人民幣3.1818億元，佔醫院服務收益比重為35.8%，兒科收入為人民幣4,296萬元，佔醫院服務收益比重為4.8%。2017年集團醫院服務分部收益較同期收益人民幣8.3383億元上升6.5%。我們的醫院服務成本主要為醫療服務成本，包含藥品、醫療器械、醫用耗材、租金成本、僱員成本及折舊攤銷成本。於回顧期間，醫院服務成本約為人民幣4.7334億元，較同期上升11.1%。於回顧期間，醫院服務毛利率為46.7%，較同期下降約2個百分點，毛利主要變動原因為：(1)受部分地區市場需求波動的影響，收益未達到預期目標；及(2)折舊攤銷成本及僱員成本較同期均有所增長。

下表載列所示期間本集團的若干主要營運數據：

|   |                                 | Year ended 31 December<br>截至12月31日止年度 |         |
|---|---------------------------------|---------------------------------------|---------|
|   |                                 | 2017                                  | 2016    |
| Outpatient visits   | 門診服務(人次)                        | 625,470                               | 585,591 |
| Inpatient visits  | 住院服務(人次)                        | 25,556                                | 23,368  |
| Average spending per visit (RMB) <sup>1</sup>                           | 每次診療平均收費<br>(人民幣元) <sup>1</sup> | 1,363.7                               | 1,369.3 |
| Number of registered beds<br>at the end of each period                  | 各期終登記病床數目                       | 1,022                                 | 942     |
| Number of beds in operation<br>at the end of each period                | 各期終營運病床數目                       | 742                                   | 649     |
| Number of employees<br>at the end of each period                        | 各期終僱員數目                         | 3,689                                 | 3,241   |
| Number of employee physicians<br>at the end of each period <sup>2</sup> | 各期終醫院醫師數目 <sup>2</sup>          | 299                                   | 261     |
| Number of contract physicians<br>at the end of each period <sup>3</sup> | 各期終合同醫師數目 <sup>3</sup>          | 287                                   | 249     |

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析 (續)

Notes:

1. Average spending per visit is calculated by dividing our hospital services revenue by total patient visits.
2. Employee physicians refer to the physicians who only practice at one of our hospitals as our employees and entered into employment contracts with us.
3. 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.

附註：

1. 每次診療平均收費按醫院服務收益除以來訪病人總數計得。
2. 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。
3. 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。

During the Review Period, the number of outpatient visits at our hospitals was 625,470, representing an increase of 6.8% as compared with that of 585,591 for the Corresponding Period. Our inpatient visits reached 25,556 during the Review Period, representing an increase of 9.4% as compared with that of 23,368 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:

於回顧期間，集團所屬醫院門診人次為625,470次，較同期的585,591次增長6.8%；於回顧期間住院人次達到25,556人次，較同期的23,368人次增長9.4%。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：

#### 1) Beijing HarMoniCare Hospital

#### 1) 北京和美醫院

|                            |      | Unit     | 單位    | 2017    | 2016    | Change<br>變動 |
|----------------------------|------|----------|-------|---------|---------|--------------|
| Revenue                    | 收益   | RMB' 000 | 人民幣千元 | 168,526 | 209,264 | -19.5%       |
| Gross profit               | 毛利   | RMB' 000 | 人民幣千元 | 74,373  | 112,682 | -34.0%       |
| Outpatient visits          | 門診人次 | Visits   | 人次    | 73,484  | 86,560  | -15.1%       |
| Inpatient visits           | 住院人次 | Visits   | 人次    | 2,350   | 3,213   | -26.9%       |
| Average spending per visit | 均次收費 | RMB      | 人民幣元  | 2,222   | 2,331   | -4.7%        |

#### 2) Chongqing Modern Hospital

#### 2) 重慶現代醫院

|                            |      | Unit     | 單位    | 2017   | 2016    | Change<br>變動 |
|----------------------------|------|----------|-------|--------|---------|--------------|
| Revenue                    | 收益   | RMB' 000 | 人民幣千元 | 93,670 | 101,933 | -8.1%        |
| Gross profit               | 毛利   | RMB' 000 | 人民幣千元 | 45,365 | 49,904  | -9.1%        |
| Outpatient visits          | 門診人次 | Visits   | 人次    | 66,486 | 78,868  | -15.7%       |
| Inpatient visits           | 住院人次 | Visits   | 人次    | 3,192  | 3,937   | -18.9%       |
| Average spending per visit | 均次收費 | RMB      | 人民幣元  | 1,344  | 1,231   | 9.2%         |

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### 3) Shenzhen HarMoniCare Hospital

#### 3) 深圳和美醫院

|                            |      | Unit     | 單位    | 2017   | 2016   | Change<br>變動 |
|----------------------------|------|----------|-------|--------|--------|--------------|
| Revenue                    | 收益   | RMB' 000 | 人民幣千元 | 89,020 | 98,442 | -9.6%        |
| Gross profit               | 毛利   | RMB' 000 | 人民幣千元 | 39,289 | 46,589 | -15.7%       |
| Outpatient visits          | 門診人次 | Visits   | 人次    | 35,657 | 38,587 | -7.6%        |
| Inpatient visits           | 住院人次 | Visits   | 人次    | 1,037  | 1,399  | -25.9%       |
| Average spending per visit | 均次收費 | RMB      | 人民幣元  | 2,426  | 2,462  | -1.5%        |

#### 4) Fuzhou Modern Hospital

#### 4) 福州現代醫院

|                            |      | Unit     | 單位    | 2017   | 2016   | Change<br>變動 |
|----------------------------|------|----------|-------|--------|--------|--------------|
| Revenue                    | 收益   | RMB' 000 | 人民幣千元 | 96,489 | 87,866 | 9.8%         |
| Gross profit               | 毛利   | RMB' 000 | 人民幣千元 | 52,093 | 46,225 | 12.7%        |
| Outpatient visits          | 門診人次 | Visits   | 人次    | 93,642 | 90,472 | 3.5%         |
| Inpatient visits           | 住院人次 | Visits   | 人次    | 3,267  | 2,906  | 12.4%        |
| Average spending per visit | 均次收費 | RMB      | 人民幣元  | 996    | 941    | 5.8%         |

#### 5) Guangzhou Woman Hospital

#### 5) 廣州女子醫院

|                            |      | Unit     | 單位    | 2017   | 2016   | Change<br>變動 |
|----------------------------|------|----------|-------|--------|--------|--------------|
| Revenue                    | 收益   | RMB' 000 | 人民幣千元 | 82,519 | 87,650 | -5.9%        |
| Gross profit               | 毛利   | RMB' 000 | 人民幣千元 | 40,707 | 44,508 | -8.5%        |
| Outpatient visits          | 門診人次 | Visits   | 人次    | 76,815 | 80,106 | -4.1%        |
| Inpatient visits           | 住院人次 | Visits   | 人次    | 3,668  | 3,691  | -0.6%        |
| Average spending per visit | 均次收費 | RMB      | 人民幣元  | 1,025  | 1,046  | -2.0%        |



#### 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 RMB36.35 million (the Corresponding Period: RMB25.87 million). Revenue from this business segment accounted for 3.9% 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 RMB427.60 million, representing an increase of 1.8% as compared with that of RMB419.99 million for the Corresponding Period. During the Review Period, the total gross profit margin was 46.3%, a slight decrease as compared with 48.9% for the Corresponding Period, primarily because the increase in costs of depreciation and amortization, employee, medical devices and consumables were more than the increase in revenue.

#### Other Income

During the Review Period, other income decreased to RMB13.06 million (mainly consisting of interest income from bank deposits of RMB8.30 million and government grants of RMB1.6 million), representing a decrease of RMB5.28 million as compared with that of RMB18.34 million for the Corresponding Period, primarily attributable to the decrease in interest income from bank deposits.

#### 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3,635萬元(同期：人民幣2,587萬元)。於回顧期間，此業務分部收益佔我們總收益的3.9%，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42,760萬元，與同期的人民幣41,999萬元增加1.8%。於回顧期間，總毛利率為46.3%，較同期的48.9%略有下降，主要是由於折舊及攤銷成本、人力成本及醫療耗材成本增幅大於收入增幅所致。

#### 其他收入

於回顧期間，其他收入減少至人民幣1,306萬元(主要包括銀行利息收入人民幣830萬元，以及政府補助人民幣160萬元)，較同期的人民幣1,834萬元減少人民幣528萬元，主要由於銀行存款的利息收入減少所致。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析 (續)

#### Other Gains and Losses

During the Review Period, other losses amounted to RMB16.55 million, representing a decrease of RMB43.81 million as compared with other gains of RMB27.26 million for the Corresponding Period, primarily due to depreciating exchange rate of US dollar and Hong Kong dollar against Renminbi, leading to an exchange loss of approximately RMB20.34 million (the Corresponding Period: foreign exchange gains of approximately RMB22.18 million) incurred from the retranslation of the bank deposits denominated in US dollar and Hong Kong dollar (at the rates prevailing at the end of the Review Period) generated from the proceeds of the Company's IPO in July 2015 which remained unutilized.

#### Selling and Distribution Expenses

During the Review Period, selling and distribution expenses was approximately RMB242.42 million, representing an increase of RMB27.49 million or 12.8% as compared with that of approximately RMB214.93 million in the Corresponding Period, mainly due to the increase in the corresponding advertising costs and staff costs associated with the increase in the size of the Group.

#### Administrative Expenses

During the Review Period, the Group incurred administrative expenses of RMB138.91 million, representing an increase of RMB15.73 million or 12.8% from that of RMB123.18 million in the Corresponding Period, primarily attributable to the (1) corresponding increase in staff costs and rent of RMB8.78 million associated with the increase in the size of the Group; (2) start-up costs amounting to RMB2.89 million of the new hospitals under preparation, namely Xiamen HarMoniCare Hospital and Zhengzhou HarMoniCare Hospital; and (3) increase of RMB3.15 million in administrative expenses as a result of acquisitions.

#### Other Expenses

Other expenses during the Review Period, which mainly consisted of medical disputes expenditure, penalty expenditure and acquisition-related costs, amounted to RMB4.21 million, representing an increase of RMB1.44 million or 52.0% as compared with that of RMB2.77 million in 2016, mainly due to the increase of medical disputes expenditure and acquisition-related costs.

#### Income Tax Expense

During the Review Period, the income tax expense amounted to RMB4.51 million, representing a decrease of RMB22.11 million or 83.1% as compared with that of RMB26.62 million in the Corresponding Period, mainly due to the decrease in profit before tax and increase in deferred income tax assets.

#### 其他收益及虧損

於回顧期間，其他虧損為人民幣1,655萬元，較同期的其他收益人民幣2,726萬元減少人民幣4,381萬元，主要是由於美元及港元兌人民幣的匯率貶值，導致本公司於2015年7月首次公開發售所得款項中仍未動用的以美元及港元計值的存款按回顧期末的現行匯率重新換算產生約人民幣2,034萬元的外幣匯兌損失(同期：匯兌收益約人民幣2,218萬元)。

#### 銷售及分銷費用

於回顧期間，銷售及分銷開支約為人民幣2.4242億元，較同期約人民幣2.1493億元增加人民幣0.2749億元或12.8%，主要由於本集團規模擴大，相應廣告費用支出、人員成本增加所致。

#### 行政開支

於回顧期間，本集團產生的行政開支為人民幣13,891萬元，較同期的人民幣12,318萬元增加人民幣1,573萬元或12.8%，主要是由於(1)本集團規模擴大，相應人員成本、租金增加人民幣878萬元；(2)籌備中的新建醫院即廈門和美醫院、鄭州和美醫院開辦費用增加人民幣289萬元；及(3)因併購增加行政開支人民幣315萬元。

#### 其他費用

於回顧期間的其他費用(主要包括醫療糾紛開支、罰款開支及收購相關開支)為人民幣421萬元，較2016年人民幣277萬元增加人民幣144萬元或52.0%，主要是由於醫療糾紛開支及收購相關開支所致。

#### 所得稅費用

於回顧期間，所得稅費用為人民幣451萬元，較同期的人民幣2,662萬元減少人民幣2,211萬元或83.1%，主要由於稅前利潤有所減少且遞延所得稅資產增加所致。

**Net Profit**

During the Review Period, net profit attributable to owners of the Company was RMB27.39 million, representing a decrease of 71.4% from that of RMB95.71 million for the Corresponding Period. The decrease in the net profit of the Group was primarily due to (1) decreased revenue and gross profit of certain hospitals of the Group due to the fluctuations in market demand in some areas; (2) depreciating exchange rate of US dollar and Hong Kong dollar against Renminbi resulted in significant exchange loss from retranslation of the deposits denominated in US dollar and Hong Kong dollar (at the rates prevailing at the end of the Review Period) generated from the proceeds of the Company's IPO in July 2015 which remained unutilized (whereas an exchange gain was recorded in the Corresponding Period); and (3) increase in administrative expenses due to establishment of newly constructed and newly acquired hospitals during the Review Period compared to those during the Corresponding Period.

**FINANCIAL POSITION****Inventories**

As at 31 December 2017, the balance of inventories decreased by RMB2.28 million to RMB22.30 million (2016: RMB24.58 million), primarily due to the decrease in inventories such as pharmaceuticals and consumables of hospitals.

**Trade Receivables**

As at 31 December 2017, the balance of trade receivables increased by RMB17.21 million from that of the Corresponding Period to RMB46.30 million (2016: RMB29.09 million), primarily due to increased trade receivables from the sales of pharmaceuticals and medical devices by Tai He Tang.

**Prepayments, Deposits and Other Receivables**

As at 31 December 2017, the balance of prepayments, deposits and other receivables of the Group was RMB134.16 million (mainly consisted of prepayments to suppliers of RMB35.68 million, prepayments for long-term assets of RMB44.00 million and prepaid rental of RMB41.57 million), while the balance of prepayments, deposits and other receivables of the Group as of December 31, 2016 was RMB56.33 million (mainly consisted of prepayments to suppliers of RMB17.20 million, prepaid rental of RMB22.38 million and prepayments for long-term assets of RMB9.00 million).

**淨利潤**

於回顧期間，本公司擁有人應佔淨利潤為人民幣2,739萬元，較同期人民幣9,571萬元下降71.4%。本集團淨利潤減少主要是由於(1)部分地區市場需求波動，導致本集團部分醫院收入及毛利減少；(2)因美元及港元兌人民幣的匯率貶值，導致本公司於2015年7月首次公開發售所得款項中仍未動用的以美元及港元計值的存款按回顧期末的現行匯率重新換算出現大額匯兌虧損(而同期錄得大額匯兌收益)；及(3)回顧期間新建及併購醫院導致行政費用較同期有所增加。

**財務狀況****存貨**

於2017年12月31日，存貨結餘減少至人民幣2,230萬元(2016年：人民幣2,458萬元)，減少人民幣228萬元，主要由於醫院減少藥品、耗材等庫存商品所致。

**貿易應收款項**

於2017年12月31日，貿易應收款項結餘增加至人民幣4,630萬元，較同期增加了人民幣1,721萬元(2016年：人民幣2,909萬元)。主要由於太和堂應收藥品及醫療設施銷售貨款有所增加所致。

**預付款、按金及其他應收款項**

於2017年12月31日，本集團的預付款、按金及其他應收款項餘額為人民幣1.3416億元(主要包括：預付供應商款項人民幣3,568萬元，預付取得長期資產款項人民幣4,400萬元，預付房租人民幣4,157萬元)，2016年12月31日本集團的預付款、按金及其他應收款項餘額為人民幣5,633萬元(主要包括：預付供應商款項人民幣1,720萬元，預付房租人民幣2,238萬元，預付取得長期資產款項人民幣900萬元)。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析 (續)

#### Trade Payables

As at 31 December 2017, the balance of trade payables decreased by RMB0.53 million or 3.2% to RMB16.02 million (2016: RMB16.55 million), mainly due to increased size of purchase of the Group and decreased turnover period.

#### Other Payables and Accruals

As at 31 December 2017, the balance of other payables and accruals of the Group was RMB128.54 million, which primarily included advances from patients of RMB75.17 million and staff cost payables of RMB31.52 million, while as at 31 December 2016 the balance of other payables 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.

#### Net Current Assets Position

As at 31 December 2017, the Group's net current assets were RMB706.71 million (2016: RMB932.76 million). The decrease was mainly due to the decrease in cash and bank deposit of RMB485.00 million combined with the decrease in time deposits of RMB70.00 million in 2017.

### 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2017年12月31日，貿易應付款項結餘為人民幣1,602萬元(2016年：人民幣1,655萬元)，貿易應付款項減少人民幣53萬元，減少3.2%，主要由於本集團採購規模增加，而周轉期間有所下降所致。

#### 其他應付款及應計費用

於2017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1.2854億元(主要包括：預收賬款人民幣7,517萬元；應付職工薪酬人民幣3,152萬元)，2016年12月31日本集團的其他應付款項餘額為人民幣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)。

#### 流動資產淨額狀況

於2017年12月31日，本集團的流動資產淨額為人民幣7.0671億元(2016年：人民幣9.3276億元)，主要是由於2017年現金及銀行存款減少人民幣4.85億元，同時銀行定期存款減少人民幣0.7億元共同所致。

#### 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            |           |
|  |                  | 2017                   | 2016      |
|  |                  | RMB'000                | RMB'000   |
|  |                  | (人民幣千元)                | (人民幣千元)   |
| Net cash generated from operating activities         | 經營活動所得現金淨額       | 18,694                 | 105,892   |
| Net cash generated from (used in)                    | 投資活動所得(所用)       |                        |           |
| investing activities                                 | 現金淨額             | (351,952)              | 93,587    |
| Net cash (used in) financing activities              | 融資活動(所用)現金淨額     | (131,334)              | (168,135) |
| Net increase (decrease) in cash and cash equivalents | 現金及現金等價物淨額增加(減少) | (464,592)              | 31,344    |

**Net Cash Generated from Operating Activities**

During the Review Period, net cash generated from operating activities was RMB18.69 million, which was primarily attributable to (i) profit before taxation of RMB33.95 million, as adjusted to reflect non-cash items, which principally included depreciation of property, plant and equipment of RMB51.20 million, land use right amortization of RMB1.02 million, other intangible assets amortization of RMB7.45 million and foreign exchange losses of RMB20.34 million as well as interest income from bank deposits of RMB8.30 million; (ii) a decrease of RMB16.90 million resulting from increased trade receivables; (iii) a decrease of RMB27.40 million resulting from increased prepayments, deposits and other receivables; (iv) a decrease of RMB4.40 million resulting from decreased trade payables, a decrease of RMB13.32 million resulting from decreased other payables and accruals; (v) interest received on bank deposits in an amount of RMB9.14 million; and (vi) income tax paid of RMB29.53 million in 2017.

**Net Cash Used in Investing Activities**

During the Review Period, net cash used in investing activities was RMB351.95 million, which was primarily attributable to (i) net cash generated from purchase and redemption of wealth management products of bank and relevant interest income in an amount of RMB3.28 million; (ii) the purchase of property, plant and equipment and other intangible assets of approximately RMB121.13 million (mainly consisting of (a) purchase of fixed assets and expenses mainly for construction-in-progress of new construction of hospitals and hospital areas etc., of approximately RMB119.94 million; and (b) expenses for purchase of software system of approximately RMB1.19 million); (iii) the loans convertible into shares extended to Wuxi HarMoniCare Hospital of approximately RMB48.00 million; (iv) deposit paid for the proposed acquisitions of businesses and loans amounting to RMB175.96 million which mainly included deposit of RMB35.00 million paid for conducting due diligence in respect of proposed acquisitions by the Group, advance to Beijing Huaifu Hospital of RMB110.96 million, and advance of RMB29.00 million to our associates Hibaby and Selford and subsequent repayment from the same of RMB4.00 million; (v) investment in associates of RMB25.00 million ((a) increase in capital of Hibaby of RMB20.40 million, (b) investment of RMB0.6 million in the establishment of Selford, (c) increase in the capital of Deepcare of RMB4.00 million). For details in respect of the loans convertible into shares extended to Wuxi HarMoniCare Hospital, please refer to the Company's announcements dated 11 October 2016 and 5 February 2018, respectively, published on the 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1,869萬元。主要是由於(i)除稅前利潤人民幣3,395萬元，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5,120萬元，土地使用權攤銷人民幣102萬元，其他無形資產攤銷人民幣745萬元，匯兌損失人民幣2,034萬元，及銀行存款利息收入人民幣830萬元；(ii)貿易應收款項的增加致使減少人民幣1,690萬元；(iii)預付賬款、按金及其他應收款項的增加致使減少人民幣2,740萬元；(iv)同時，因貿易應付款項的減少導致減少人民幣440萬元，因其他應付款項及應計費用的減少導致減少人民幣1,332萬元；(v)銀行存款所收利息人民幣914萬元；及(vi)2017年已付所得稅人民幣2,953萬元。

**投資活動所用現金淨額**

於回顧期間，投資活動所用現金淨額為人民幣35,195萬元，主要歸因於(i)購買、贖回銀行理財業務及其利息收入所得現金淨額人民幣328萬元；(ii)購買物業、廠房及設備和其他無形資產約人民幣12,113萬元(主要包括(a)購買固定資產，新建醫院及新建院區在建工程支出等約人民幣11,994萬元；及(b)購買軟件系統支出約人民幣119萬元)；(iii)提供給無錫和美醫院的可轉股債權及借款人民幣4,800萬元；(iv)為擬購買的業務支付的保證金以及提供借款共計人民幣17,596萬元(主要包括集團為擬購買的業務進行盡職調查所支付的保證金為人民幣3,500萬元，借予北京華府醫院人民幣11,096萬元，借予我們的聯營公司凱貝姆及賽爾福人民幣2,900萬元並隨後收到還款人民幣400萬元)；(v)投資聯營公司款項人民幣2,500萬元((a)增資凱貝姆人民幣2,040萬元，(b)投資人民幣60萬元成立賽爾福，(c)增資德璞人民幣400萬元)。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分別為2016年10月11日及2018年2月5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 RMB131.33 million, which was primarily attributable to (i) payment of RMB13.65 million for purchase of shares of the Company by the trustee of the Restricted Share Incentive Scheme pursuant to the Restricted Share Incentive Scheme; (ii) the repayment to Bosheng Medical which is a connected party in a total amount of RMB69.60 million in respect of an interest-free loan extended to Heilongjiang HarMoniCare Hospital; (iii) the distribution of the dividend for 2016 amounting to approximately RMB37.85 million; and (iv) the acquisition of the minority interests in Chongqing Liren Hospital, Guangzhou Woman Hospital and Guiyang Modern Hospital for a total amount of RMB6.24 million.

#### Significant Investments, Acquisitions and Disposals

During the Review Period, the Group acquired Nantong Hemeijia Hospital in July 2017 and entered into an acquisition agreement with Beijing Huafu Hospital in November 2017. For details, please refer to the Company's announcements published on July 10, 2017 and November 16, 2017, respectively, on the 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, upgrading and improvement of the Group's IT system, and expenditure for construction of new hospitals and new hospital areas. The amount of capital expenditures of the Group was approximately RMB121.13 million for the Review Period, representing an increase of RMB70.82 million as compared with that of the Corresponding Period. During the Review Period, our capital expenditures principally included: (i) purchase of fixed assets, expenses for construction-in-progress of hospitals of approximately RMB119.94 million; and (ii) expenses for purchase of software system of approximately RMB1.19 million.

#### Use of Proceeds from the Global Offering

The net proceeds the Company obtained from the issuance of new Shares through the 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 2017, the unutilized balance of net proceeds of RMB477.60 million were deposited in the bank account of the Group.

#### 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13,133萬元，主要歸因於(i)根據限制性股份激勵計劃購買本公司現有股份支付人民幣1,365萬元；(ii)黑龍江和美醫院歸還給關連方博生醫療無息借款人民幣6,960萬元；(iii)發放2016年股利約人民幣3,785萬元；及(iv)收購重慶儼人醫院、廣州女子醫院及貴陽現代醫院小股東股權計人民幣624萬元。

#### 重大投資、收購和出售

於回顧期間，本集團於2017年7月收購南通和美家醫院並於2017年11月與北京華府醫院簽訂收購協議，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分別為2017年7月10日及2017年11月16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，集團對信息科技系統進行升級和改良，及新建醫院、新建院區的建設支出。本集團於回顧期間的資本開支額約為人民幣12,113萬元，較同期增加人民幣7,082萬元。於回顧期間，資本開支主要包括：(i)醫院購買固定資產及在建工程支出等約人民幣11,994萬元；及(ii)購買軟件系統支出約人民幣119萬元。

#### 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2017年12月31日未動用所得款項淨額結餘人民幣4.776億元乃存於本集團的銀行賬戶。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析 (續)

The net proceeds from the Global Offering have been and will be utilized in accordance with the intended uses as disclosed in the Prospectus of the Company and subsequently revised in the announcements issued by the Company dated 16 June 2017, 25 October 2017 and 23 November 2017. The table below sets out the intended uses and actual application of the net proceeds as at 31 December 2017:

全球發售所得款項淨額經已及將會根據本公司的招股章程及本公司分別於2017年6月16日、2017年10月25日及2017年11月23日刊發的隨後修訂的公告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2017年12月31日止的實際使用情況：

|  |                         | Revised       | Revised      | Actual Usage  | Unutilized   |
|--|-------------------------|---------------|--------------|---------------|--------------|
|  |                         | Allocation of | Percentage   | up to         | Net Proceeds |
|  |                         | Usage of      | of Total     | 31 December   | as at        |
|  |                         | Net Proceeds  | Net Proceeds | 2017          | 31 December  |
|  |                         | 修訂後           | 修訂後          | 截至2017年       | 於2017年       |
|  |                         | 所得款項淨額        | 佔總所得款項       | 12月31日止       | 12月31日       |
| Intended Use of Net Proceeds   | 所得款項淨額擬定用途              | 的計劃使用金額       | 淨額比例         | 的實際使用金額       | 未動用的         |
|  |                         | (RMB Million) |              | (RMB Million) | 所得款項淨額       |
|  |                         | (人民幣百萬元)      |              | (人民幣百萬元)      | (人民幣百萬元)     |
| Establishing new hospitals in Xiamen, Zhengzhou, Nanjing, Hangzhou, Suzhou and Fuzhou  | 於廈門、鄭州、南京、杭州、蘇州及福州開設新醫院 | 290.3         | 25.8%        | 53.40         | 236.90       |
| Upgrading the facilities of the existing hospitals and purchasing additional equipment | 升級現有醫院的設施及增購設備          | 82.7          | 7.3%         | 82.70         | —            |
| Upgrading and improving the IT system  | 升級及改良信息技術系統             | 16.3          | 1.5%         | 4.20          | 12.10        |
| Acquiring new hospitals  | 收購新醫院                   | 585.0         | 51.9%        | 358.60        | 226.40       |
| Working capital and other general corporate uses                                       | 營運資金及其他一般企業用途           | 112.7         | 10.0%        | 110.50        | 2.20         |
| Expanding into upstream and downstream industries                                      | 擴張上下游產業                 | 40.0          | 3.5%         | 40.00         | —            |
| Total  | 總計                      | 1,127.0       | 100%         | 649.40        | 477.60       |

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層討論及分析(續)

#### INDEBTEDNESS

##### Borrowings

As at 31 December 2017, the Group had no significant borrowings (2016: Nil).

##### Contingent Liabilities

As at 31 December 2017, 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 2017, an estimated amount of RMB0.90 million was recognised as provision for medical dispute claims as of 31 December 2017 (2016: RMB1.05 million).

##### Exposure to Fluctuation in Exchange Rates

As at 31 December 2017, the Group has cash and cash equivalents denominated in USD and HKD, while the Consolidated Financial Statements of the Group are presented in RMB. During the Review Period, there is no derivative contract to hedge against our exposure to currency risk but we will closely monitor such risk on an ongoing basis.

#### 債務

##### 借款

於2017年12月31日，本集團概無任何重大借款(2016年：無)。

##### 或然負債

於2017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2017年12月31日未決的現有及潛在的索賠情況，截至2017年12月31日醫療糾紛撥備暫估為人民幣90萬元(2016年：人民幣105萬元)。

##### 匯率波動風險

於2017年12月31日，本集團持有以美元及港元計值的現金及現金等價物，而本集團之綜合財務報表乃以人民幣呈列。於回顧期間，本集團不存在用於對沖貨幣風險的衍生合約，但將會持續密切監測該等風險。



**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 2017, there was no charge on the assets of the Group (2016: Nil).

**Capital Commitments**

As at 31 December 2017, the Group had contractual obligations of approximately RMB271.92 million, representing an increase of RMB270.28 million as compared to that of approximately RMB1.64 million as at 31 December 2016, which was mainly due to the increase in capital commitments for the new hospital area of Nantong Hemeijia Hospital and newly built hospitals.

**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, time deposits, cash and cash equivalents, trade payables, other payables and amounts due to related parties. The management manages and monitors risk exposures to ensure appropriate measures are implemented on a timely and effective manner.

**Gearing Ratio**

As at 31 December 2017, the Group had no significant interest-bearing liabilities. The Group's gearing ratio was nil as at 31 December 2017 (2016: 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2017年12月31日，本公司之資產概無抵押(2016年：無)。

**資本承諾**

於2017年12月31日，本集團的合同義務約為人民幣27,192萬元，較2016年12月31日的約人民幣164萬元增加人民幣27,028萬元，主要由於南通和美家醫院新院區及新建醫院資本承諾增加所致。

**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、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。管理層管理及監察風險，以確保及時採取有效措施。

**槓桿比率**

於2017年12月31日，本集團並無任何重大計息負債。本集團於2017年12月31日的槓桿比率為零(2016年：無)。

## DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理人員

#### DIRECTORS

##### Executive Directors

**Mr. Lin Yuming (林玉明)**, aged 48, 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 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 Hospital since January 2010; (vii) Shenzhen HarMoniCare Hospital since July 2010; (viii) Guiyang Modern Hospital since March 2011; (ix) Beijing HarMoniCare Hospital since June 2011; (x) Chongqing Liren Hospital since August 2013; and (xi) Chongqing Modern 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.

#### 董事

##### 執行董事

**林玉明先生**，48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)貴陽現代醫院(自2011年3月起)；(ix)北京和美醫院(自2011年6月起)；(x)重慶儋人醫院(自2013年8月起)；及(xi)重慶現代醫院(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。



## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

### 董事及高級管理人員(續)

**Mr. Fang Zhifeng (方志鋒)**, aged 44, 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 Hospital. Mr. Fang has also served as a director and a vice president of HarMoniCare Management 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.

**Mr. Zhao Xingli (趙興力)**, aged 44, 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 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 Hospital from August 2003 to July 2004, mainly responsible for assisting the chairman in managing Shanxi Modern 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.

**方志鋒先生**，44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醫院。方先生亦自2014年9月及2015年1月起分別擔任和美醫療管理的董事及副總裁，主要負責醫療及人力資源管理。加入本集團前，方先生先後於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，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。

**趙興力先生**，44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月起分別擔任和美醫療管理的董事及副總裁，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月擔任山西現代醫院主席助理，主要協助主席管理山西現代醫院。趙先生亦於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。趙先生於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。

## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

### 董事及高級管理人員(續)

#### Non-executive Directors

**Mr. Lin Yuguo (林玉國)**, aged 45, 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 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.

**Mr. Qiu Jianwei (邱建偉)**, aged 41, 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 Assets Management Co., Ltd. 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 of Taikang Community since March 2010 and the general manager of the Office Business Department of Taikang Community from March 2010 to September 2017. 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 a 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.

#### 非執行董事

**林玉國先生**，45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月起擔任和美醫療管理的董事。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究院現代醫院管理結業證書及復旦大學行政工商管理碩士學位。

**邱建偉先生**，41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，亦於2010年3月至2017年9月擔任泰康之家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。

## DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

### 董事及高級管理人員(續)

**Mr. Xu Jun (徐軍)**, aged 49, 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 Assets Management Co., Ltd. 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 a bachelor's degree in Applied Physics. He obtained a doctorate degree in Physics from Columbia University.

徐軍先生，49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 50, 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 was appointed as an independent non-executive director of China Oceanwide International Financial Limited (formerly known as Quam Limited), a company listed on the Stock Exchange (Stock code: 952), with effect from 3 February 2017. 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 47, 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 Consulting Co., Ltd. ("Shanghai Krdream") 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 financial management. Ms. Fang has also served as an independent director of Zhejiang Hexin Industry Group Co., Ltd., a company 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**，50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，孔先生自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(該等公司均為深圳證券交易所上市公司)。孔先生亦於2017年2月3日獲委任為聯交所上市公司中國泛海國際金融有限公司(前稱華富國際控股有限公司)(股份代號：952)之獨立非執行董事。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，於1996年12月至1998年7月擔任復旦大學數學所博士後研究生。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**，47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「上海坤睿」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。



**Mr. Cai Jiangnan (蔡江南)**, aged 60, 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 full-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., a company listed on the Shenzhen Stock Exchange (Stock Code: 300244), since May 2014 and an independent non-executive director of Shanghai Pharmaceuticals Holding Co., Ltd., a company listed on the 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. He 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.

**蔡江南先生**，60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全職教授兼主任。蔡先生亦自2014年5月起擔任深圳證券交易所上市公司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月起擔任聯交所上市公司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。彼於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，及於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。

## SENIOR MANAGEMENT

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

**Mr. Chen Wei (陳偉)**, aged 39, joined our Group in March 2015 and is a vice president and 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.

## 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**，39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. Li Wenfeng (李文鳳)**, aged 62, 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 vice president of HarMoniCare Management since January 2015, mainly responsible for procurement and internal administration. Mr. Li served as deputy general manager of Shanxi Modern 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; (vii) Chongqing Modern Hospital since April 2014; and (viii) Nantong Hemeijia Hospital since July 2017. Mr. Li obtained a certificate of completion in modern hospital management from School of Continuing Education, Tsinghua University in September 2010.

**Mr. Ren Jinhui (任金輝)**, aged 42, is a vice president and chief financial officer 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 from March 2015 to August 2017, mainly responsible for assisting the chairman in discharging his duties. Mr. Ren has served as vice president and chief financial officer of HarMoniCare Management from August 2017, mainly responsible for financial management. Mr. Ren has served as a director of Nantong Hemeijia Hospital, a member of the Group since July 2017. Mr. Ren served as auditing director and 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 double 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 (中華人民共和國人事部) 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.

**李文鳳先生**，62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月起擔任和美醫療管理的副總裁，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)；(vii)重慶現代醫院(自2014年4月起)；及(viii)南通和美家醫院(自2017年7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。

**任金輝先生**，42歲，為本公司副總裁兼財務總監，主要負責本公司財務管理。任先生於2015年3月加入本集團，由2015年3月至2017年8月擔任和美醫療管理的主席助理，主要負責協助主席履行職務。任先生自2017年8月起擔任和美醫療管理的副總裁兼財務總監，主要負責財務管理。任先生自2017年7月起擔任本集團成員公司南通和美家醫院的董事。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。

The Directors are pleased to present this annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2017.

#### 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 40 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 8 to 9 of this annual report, "Financial Summary" on page 10 of this annual report, and "Management Discussion and Analysis — Business Overview and Outlook" on pages 11 to 16 of this annual report. The financial risk management objectives and policies of the Group are set out in note 41 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 2017 are set out in note 43 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2017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40。

#### 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8至9頁的「主席報告」、本年報第10頁之「財務概要」及本年報第11至16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41。截至2017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43。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.

#### 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，以充分了解客戶的偏好、消費能力及各項指標的變化。



**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" below for our policies regarding recruiting and retaining our staff members.

See the section headed "Staff" below 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 and share awards 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.

**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，請參閱以下「員工」一節。

有關我們採取引進、僱用和培養人才措施之詳情，請參照以下「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及股份激勵，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。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

#### 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 26 to the consolidated financial statements in this annual report.

#### 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 obtain 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, anticorruption 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 days credit term. For an aging analysis of our trade payables, please refer to note 29 to the consolidated financial statements in this annual report.

#### 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26。

#### 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業務種類、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認證及／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29。

### 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 76 to 100 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.

## RESULTS AND DIVIDEND

The results of the Group for the year ended 31 December 2017 are set out in the section headed "Consolidated Statement of Profit or Loss and Other Comprehensive Income" on pages 108 to 109 of this annual report.

The Board did not recommend the payment of a final dividend for the year ended 31 December 2017 (2016: RMB5.0 cents per Share).

## SHARE CAPITAL

Details of the movements in the share capital of the Company for the year ended 31 December 2017 are set out in note 32 to the consolidated financial statements in this annual report.

### 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76至100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。

### 業績及股息

本集團截至2017年12月31日止年度的業績載於本年報第108至109頁的「綜合損益及其他全面收益表」一節。

董事會不建議派付截至2017年12月31日止年度末期股息(2016年：每股人民幣5.0分)。

### 股本

本公司截至2017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32。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

#### RESERVES

Details of the movements in the reserves of the Group for the year ended 31 December 2017 are set out in the section headed "Consolidated Statement of Changes in Equity" on pages 112 to 114 of this annual report.

#### DISTRIBUTABLE RESERVES

Under the Companies Law of the Cayman Islands, and subject to the provisions of the Articles of Association, the share premium account of the Company may be applied for distribution to shareholders provided that immediately following the date on which the distribution is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

As at 31 December 2017, the aggregate amount of distributable reserves, including share premium and retained profits of the Company was RMB1,304,462,000 (2016: RMB1,321,328,000).

#### 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 page 10 of this annual report.

#### DONATIONS

Charitable and other donations made by the Group during the Review Period amounted to RMB62,000 (2016: RMB23,000).

#### PLEDGE OF ASSETS

As at 31 December 2017, there was no charge on the assets of the Company.

#### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2017, 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.

Purchases from the Group's five largest suppliers in aggregate accounted for approximately 19.9% (2016: 19.0%) of the total purchases of the Group for the Review Period and purchases from the largest supplier accounted for approximately 9.6% (2016: 7.7%) of our total purchases.

#### 儲備

本集團截至2017年12月31日止年度的儲備變動詳情載於本年報第112至114頁的「綜合權益變動表」一節。

#### 可分派儲備

根據開曼群島公司法及在章程細則條文的規限下，本公司的股份溢價賬可供分派給股東，惟緊隨建議分派日期後，本公司能於日常業務過程中支付到期債務。

於2017年12月31日，本公司的可分派儲備（包括股份溢價及保留利潤）總額為人民幣1,304,462,000元（2016年：人民幣1,321,328,000元）。

#### 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10頁的「財務概要」一節。

#### 捐贈

本集團於回顧期間作出之慈善及其他捐贈為人民幣62,000元（2016年：人民幣23,000元）。

#### 資產抵押

於2017年12月31日，本公司之資產概無抵押。

#### 主要客戶及供應商

截至2017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%。

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19.9%（2016年：19.0%），以及向最大供貨商的採購額佔我們採購總額的約9.6%（2016年：7.7%）。



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.

## 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*)

### 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

In accordance with article 84(1) of the Articles of Association, Mr. Lin Yuguo, Mr. Kong Aiguo and Mr. Cai Jiangnan shall retire as Directors at the forthcoming AGM. All of the above retiring Directors are eligible for re-election and will offer themselves for re-election thereat.

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。

## 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)

### 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

根據章程細則第84(1)條，林玉國先生、孔愛國先生及蔡江南先生須於應屆股東周年大會上退任董事職務。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。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

#### 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 30 to 36 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 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).

#### 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.

#### EMPLOYEES AND REMUNERATION POLICY

As of 31 December 2017, the Group had 3,724 employees (31 December 2016: 3,277), of which 3,689 employees (31 December 2016: 3,241) were involved in the general hospital services and management sector and 35 employees (31 December 2016: 36) in the supply of pharmaceuticals and medical devices sector. Total staff remuneration expenses including Directors' remuneration for the Review Period amounted to RMB341.7 million (the Corresponding Period: RMB306.9 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, the Share Option Scheme and the Restricted Share Incentive Scheme.

#### 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30至36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。

#### 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2017年12月31日，本集團擁有3,724名僱員(2016年12月31日：3,277名)，其中3,689名僱員(2016年12月31日：3,241名)涉及一般醫院服務及管理領域，35名僱員(2016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3.417億元(同期：人民幣3.069億元)。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、購股權計劃及限制性股份激勵計劃。

The Group has adopted the Share Option Scheme and the Restricted Share Incentive 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.

#### 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 2017. No new business opportunity was informed by them as at 31 December 2017.

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 2017.

本集團已採納購股權計劃及限制性股份激勵計劃，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。

#### 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2017年12月31日止年度已遵守本年報所披露的不競爭契據。於2017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2017年12月31日止年度已遵守不競爭承諾。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

#### DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Saved as disclosed in this annual report, as of 31 December 2017, 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 2017, 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:

Long positions in Shares

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

#### 董事於競爭業務中之權益

除本年報所披露者外，截至2017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2017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：

於股份的好倉

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。



Save as disclosed above, as at 31 December 2017, 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.

## 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.

除上述披露者外，於2017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聯法團之股份、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。

## 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)、總裁辦公室管理層(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。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

#### 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, there is no outstanding share options of the Share Option Scheme.

#### 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.

#### 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，購股權計劃項下無未行使購股權。

#### 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. 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);
- (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
- (iii) the nominal value of the Share.

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:

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

As the 2017 annual results of the Company did not fulfill the required financial performance target, the share options falling under the assessment period of 1 January 2017 to 31 December 2017 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.

### 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；
- (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) 股份的面值。

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：

由於本公司2017年年度業績未達到所要求之財務業績目標，因此於2017年1月1日至2017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授出購股權的相關條款及規定，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 2017 pursuant to the Share Option Scheme:

根據購股權計劃授出之購股權於截至2017年12月31日止年度的變動詳情概述如下：

|                              |               | Number of share options<br>購 股 權 數 目 |  |                                      |  |   |  |
|------------------------------|---------------|--------------------------------------|--|--------------------------------------|--|---|--|
| Category/Name                | Date of grant | Exercise price (HK\$)                | Balance as at 1 January 2017<br>於 2017 年 1 月 1 日 結 餘 | Granted during the year<br>於 年 內 授 出 | Exercised during the year<br>於 年 內 行 使 | Cancelled/<br>lapsed during the year<br>於 年 內 註 銷 / 失 效 | Balance as at 31 December 2017<br>於 2017 年 12 月 31 日 結 餘 |
| 類別／名稱                        | 授出日期          | 行使價 (港元)                             |  |                                      |  |   |  |
| Directors                    |               |                                      |  |                                      |  |   |  |
| 董事                           |               |                                      |  |                                      |  |   |  |
| Zhao Xingli                  | 13 July 2015  | 7.1                                  | 532,000  | —                                    | N/A                                    | (532,000)   | —  |
| 趙興力                          | 2015年7月13日    |                                      |  |                                      | 不適用                                    |   |  |
| Fang Zhifeng                 | 13 July 2015  | 7.1                                  | 672,000  | —                                    | N/A                                    | (672,000)   | —  |
| 方志鋒                          | 2015年7月13日    |                                      |  |                                      | 不適用                                    |   |  |
| Senior Management            |               |                                      |  |                                      |  |   |  |
| 高級管理層                        |               |                                      |  |                                      |  |   |  |
| Li Wenfeng                   | 13 July 2015  | 7.1                                  | 529,760  | —                                    | N/A                                    | (529,760)   | —  |
| 李文鳳                          | 2015年7月13日    |                                      |  |                                      | 不適用                                    |   |  |
| Ren Jinhui                   | 13 July 2015  | 7.1                                  | 308,000  | —                                    | N/A                                    | (308,000)   | —  |
| 任金輝                          | 2015年7月13日    |                                      |  |                                      | 不適用                                    |   |  |
| Subtotal 小計                  |               |                                      | 2,041,760  | —                                    |  | (2,041,760)   | —  |
| Other employees of the Group |               |                                      |  |                                      |  |   |  |
| (Note 1)                     | 13 July 2015  | 7.1                                  | 1,912,855  | —                                    | N/A                                    | (1,912,855)   | —  |
| 本集團其他僱員(附註1)                 | 2015年7月13日    |                                      |  |                                      | 不適用                                    |   |  |
| Total 總計                     |               |                                      | 3,954,615  | —                                    |  | (3,954,615)   | —  |



Notes:

1. Other employees of the Group includes a former senior management.
2. Each of the grantees to whom the above share options have been conditionally granted under the Share Option Scheme will be entitled to exercise:
  - (i) 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);
  - (ii) 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
  - (iii) 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).
3. 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 49 of this annual report regarding the performance target of the Company. Of the share options granted on 13 July 2015, 139,860 share options lapsed because employee left the Group in 2017, and an aggregate of 3,814,755 share options were not vested because the performance target of the Company for the year 2017 has not been fulfilled and were thus cancelled.

附註：

1. 本集團其他僱員包括一名前任高級管理層人員。
2. 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：
  - (i) 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%；
  - (ii) 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
  - (iii) 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%。
3. 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49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，139,860份購股權由於2017年僱員離開本集團而失效，而合共3,814,755份購股權由於本公司2017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)

#### RESTRICTED SHARE INCENTIVE SCHEME

On 21 December 2017, the RSI Scheme of the Company was approved and adopted by the Board.

##### (1) Purpose

The purpose of the RSI Scheme are (i) to recognise and motivate the key management personnel and persons who made special contribution to the Company; (ii) to enhance the value of the Company and further align the interests of the selected participants directly with those of the shareholders of the Company through ownership of Shares; and (iii) to help the Company to retain the selected participants in attaining the long-term business goals of the Company.

##### (2) Eligible Persons

Pursuant to the RSI Scheme, the Board may, from time to time, in its sole and absolute discretion, select eligible persons to be selected participant(s) (the “**RSI Participants**”) after taking into various factors as they deem appropriate and determine the number and the price of award shares to be awarded to each selected participant. Eligible persons shall cover key management personnel (including the directors and mid-level and senior management, core experts and core employees), and persons who made special contribution to the Group.

##### (3) Administration

The RSI Scheme shall be subject to the administration of the Board and the Trustee (as defined below) in accordance with rules of the RSI Scheme and the trust deed in respect of the appointment of the Trustee for the administration of the RSI Scheme. The Board may act through the authorised representatives of the Company to give instructions or notices to the Trustee on matters in connection with the operation and administration of the RSI Scheme and the trust. The Company has appointed The Core Trust Company Limited as the trustee (the “**Trustee**”) to assist with the administration and vesting of award shares granted pursuant to the RSI Scheme. The Trustee shall hold the Shares under the RSI Scheme and any economic benefits to be derived from such Shares in accordance with the RSI Scheme Rules and the terms of the trust deed.

#### 限制性股份激勵計劃

於2017年12月21日，本公司的限制性股份激勵計劃獲董事會批准及採納。

##### (1) 目的

限制性股份激勵計劃之目的乃(i)認可並激勵本公司主要管理人員及對本公司作出特別貢獻的人士；(ii)增加本公司的價值及透過股份擁有權進一步將激勵對象的利益與本公司股東的利益直接連成一線；及(iii)幫助本公司挽留激勵對象達成本公司的長期業務目標。

##### (2) 合資格人士

根據限制性股份激勵計劃，董事會經考慮各項因素後可能不時全權酌情挑選其認為合適之合資格人士作為激勵對象（「**限制性股份激勵對象**」），並釐訂授予各激勵對象的獎勵股份數目和價格。合資格人士應覆蓋主要管理人員（包括董事及中高級管理層、核心專家、核心僱員）及對本集團作出特別貢獻的人士。

##### (3) 行政管理

根據有關委派受託人管理限制性股份激勵計劃的規則及信託契據，限制性股份激勵計劃須由董事會及受託人（定義見下文）管理。董事會可透過本公司授權代表就限制性股份激勵計劃及信託之營運及行政事宜向受託人發出指示或通知。本公司已委任匯聚信託有限公司為受託人（「**受託人**」）協助及歸屬根據限制性股份激勵計劃授出的獎勵股份。受託人應根據限制性股份激勵計劃持有股份，並根據限制性股份激勵計劃規則及信託契據的條款持有源自有關股份的任何經濟利益。

## (4) Maximum Limit

The Board shall not make any further award of award shares which will result in the aggregate number of award shares awarded by the Board throughout the duration of the RSI Scheme to exceed 5% of the total number of issued Shares of the Company as at 21 December 2017.

## (5) Operation

The Board may, from time to time, in its sole and absolute discretion, select the RSI Participants after taking into account various factors as they deem appropriate and determine the number and the price of the award shares to be awarded to each RSI Participant.

Pursuant to the RSI Scheme Rules, the Board shall cause to pay the Trustee the purchase price and the related expenses from the Group's internal resources for the grant of the award shares and the Trustee shall apply the purchase price to purchase from the open market all of the award shares to be awarded under the RSI Scheme and shall hold such award shares until they are vested to the RSI Participants in accordance with the RSI Scheme, the Trust Deed and/or terms of specific grants. For the avoidance of doubt, all Shares purchased as aforesaid shall only be used for allocation to the RSI Participants in accordance with the RSI Scheme rules.

## (6) Restrictions

No award shall be made to RSI Participants, no payment for the purchase of Shares shall be made to the Trustee and no directions or recommendation to acquire Shares shall be given to the Trustee under the RSI Scheme where any Director is in possession of unpublished inside information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

## (4) 上限

董事會不應進一步授出獎勵股份，致使董事會於整段限制性股份激勵計劃期間授出的獎勵股份總數超過本公司於2017年12月21日已發行股份總數的5%。

## (5) 運作

董事會經考慮各項因素後可能不時全權酌情挑選其認為合適之限制性股份激勵對象，並釐訂各限制性股份激勵對象的獲授予獎勵股份的數目和價格。

根據限制性股份激勵計劃規則，董事會可就授出獎勵股份使用本集團的內部資源向受託人支付購買價格及相關開支，而受託人應將購買價格用於自市場購買所有根據限制性股份激勵計劃而將予授出的獎勵股份，並應持有該等獎勵股份，直至該等股份按限制性股份激勵計劃、信託契據及／或具體授出的條款歸屬相關限制性股份激勵對象為止。為免生疑，所有上述購買股份應根據限制性股份激勵計劃規則僅用於分配予限制性股份激勵對象。

## (6) 限制

在任何董事擁有有關本公司的尚未公開的內幕資料或任何上市規則及不時適用的法律的守則或規定禁止董事進行交易的情況下，概不會根據限制性股份激勵計劃向限制性股份激勵對象作出獎勵，且概不會向受託人支付購買股份的款項，亦不會向受託人作出收購股份的指示或建議。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

#### (7) Vesting and Lapse

A RSI Participant shall be entitled to receive the award shares held by the Trustee in accordance with the vesting schedule. Details of the vesting schedule, vesting conditions and terms of lapse of the grant will be stipulated in individual award letters to be sent to the RSI Participants by the Company.

#### (8) Voting Rights

The Trustee shall not exercise the voting rights in respect of any Shares held under the trust including but not limited to the award shares.

#### (9) Duration and Termination

The RSI Scheme shall be effective from the 21 December 2017 and shall continue in full force and effect for a term of 10 years or such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any RSI Participant.

#### (10) Alteration of the RSI Scheme

The RSI Scheme may be altered in any respect from time to time by a resolution of the Board provided that such alteration shall not affect any subsisting rights of any RSI Participants.

As at 31 December 2017, an aggregate of 5,404,000 Shares were held by the RSI Trustee, representing approximately 0.71% of the Shares in issue as at the date of this annual report. As at the date of this annual report and during the year ended 31 December 2017, no award shares has been awarded or agreed to be awarded under the RSI Scheme, nor has any awarded shares been cancelled.

#### (7) 歸屬及失效

限制性股份激勵對象應有權收取由受託人根據歸屬時間表持有的獎勵股份。歸屬時間表、歸屬條件以及獎勵的失效條款詳情將於本公司向限制性股份激勵對象發出的個別獎勵函件中規定。

#### (8) 投票權

受託人不得就以信託形式持有之任何股份(包括但不限於獎勵股份)行使投票權。

#### (9) 年期及終止

限制性股份激勵計劃應自2017年12月21日起生效，且應繼續於10年年期間或董事會釐定提早終止的日期具充分效力及作用，惟有關終止不會影響任何限制性股份激勵對象之任何存續權利。

#### (10) 修改限制性股份激勵計劃

董事會可不時以決議案對限制性股份激勵計劃作出任何方面的修改，惟有關修改不得影響任何限制性股份激勵對象的任何存續權利。

於2017年12月31日，限制性股份激勵計劃的受託人持有合共5,404,000股股份，相當於在本年報日期已發行股份約0.71%。於本年報日期及截至2017年12月31日止年度，概無獎勵股份已經或同意將根據限制性股份激勵計劃授出，亦概無任何獎勵股份被註銷。



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

As at 31 December 2017, 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.

### 主要股東於本公司股份及相關股份之權益及淡倉

於2017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。

#### Long positions in Shares

#### 於股份的好倉

| Name of Shareholder<br>股東姓名／名稱   | Nature of interest<br>權益性質                      | Number of Shares held<br>持有股份數目 | Approximate percentage<br>of shareholding<br>持股概約百分比% |
|--|---|---------------------------------|---|
| Homecare <sup>(1)</sup>  | Beneficial owner<br>實益擁有人                       | 218,252,390                     | 28.78   |
| Ms. Zhang Qing Hua <sup>(2)</sup><br>張慶華女士 <sup>(2)</sup>  | Interest of spouse<br>配偶權益                      | 218,252,390                     | 28.78   |
| Honeycare International Investment Limited   | Beneficial owner<br>實益擁有人                       | 61,824,518                      | 8.15  |
| TK Harmony <sup>(3)</sup>  | Beneficial owner<br>實益擁有人                       | 78,621,620                      | 10.37   |
| Shanghai Taiyuan <sup>(3)</sup><br>上海泰源 <sup>(3)</sup>   | Interest of controlled<br>corporation<br>受控法團權益 | 78,621,620                      | 10.37   |
| Beijing Taikang Investment<br>Management Co., Ltd. <sup>(3)</sup><br>北京泰康投資管理有限公司 <sup>(3)</sup> | Interest of controlled<br>corporation<br>受控法團權益 | 78,621,620                      | 10.37   |
| Taikang Assets Management Co., Ltd. <sup>(3)</sup><br>泰康資產管理有限責任公司 <sup>(3)</sup>                | Interest of controlled<br>corporation<br>受控法團權益 | 78,621,620                      | 10.37   |
| Taikang Life Insurance Co., Ltd. <sup>(3)</sup><br>泰康人壽保險有限責任公司 <sup>(3)</sup>                   | Interest of controlled<br>corporation<br>受控法團權益 | 78,621,620                      | 10.37   |
|  | Beneficial owner<br>實益擁有人                       | 121,875,507                     | 16.07   |

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

| Name of Shareholder<br>股東姓名／名稱              | Nature of interest<br>權益性質         | Number of Shares held<br>持有股份數目 | Approximate percentage<br>of shareholding<br>持股概約百分比% |
|---|------------------------------------|---------------------------------|---|
| Taikang Insurance Group Inc. <sup>(3)</sup> | Interest of controlled corporation | 200,497,127                     | 26.44   |
| 泰康保險集團股份有限公司 <sup>(3)</sup>                 | 受控法團權益                             |                                 |   |
| Harmony Care <sup>(4)</sup>                 | Beneficial owner                   | 46,243,975                      | 6.10  |
| 林玉華先生 <sup>(4)</sup>                        | 實益擁有人                              |                                 |   |
| Mr. Lin Yuhua <sup>(4)</sup>                | Interest of controlled corporation | 46,243,975                      | 6.10  |
| 林玉華先生 <sup>(4)</sup>                        | 受控法團權益                             |                                 |   |
| Mr. Lin Yurong <sup>(4)</sup>               | Interest of controlled corporation | 46,243,975                      | 6.10  |
| 林玉榮先生 <sup>(4)</sup>                        | 受控法團權益                             |                                 |   |

Notes:

- Homecare is wholly owned by Mr. Lin Yuming.
- 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.
- TK Harmony is directly wholly-owned by Shanghai Taiyuan which is in turn owned as to 99.99% by Taikang Life Insurance Co., Ltd. which is owned as to 100% by Taikang Insurance Group Inc. Beijing Taikang Investment Management Co., Ltd. is the General Partner of Shanghai Taiyuan 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. Therefore, each of Shanghai Taiyuan, Beijing Taikang Investment Management Co., Ltd., Taikang Assets Management Co., Ltd., Taikang Life Insurance Co., Ltd. and Taikang Insurance Group Inc. is deemed to be interested in the Shares held by TK Harmony and Taikang Insurance Group Inc. is deemed to be interested in the Shares held by Taikang Life Insurance Co., Ltd.

附註：

- Homecare由林玉明先生全資擁有。
- 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。
- TK Harmony由上海泰源直接全資擁有，而上海泰源由泰康人壽保險有限責任公司擁有99.99%權益。泰康人壽保險有限責任公司又由泰康保險集團股份有限公司擁有100%權益。北京泰康投資管理有限公司為上海泰源的普通合夥人，並由泰康資產管理有限責任公司擁有80%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%權益。因此，上海泰源、北京泰康投資管理有限公司、泰康資產管理有限責任公司、泰康人壽保險有限責任公司及泰康保險集團股份有限公司被視為於TK Harmony所持有股份中擁有權益及泰康保險集團股份有限公司被視為於泰康人壽保險有限責任公司所持有股份中擁有權益。

4. As far as was known to the Directors, Harmony Care is owned as to 61.36% by Mr. Lin Yurong and 38.64% 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 2017, 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 and the Restricted Share Incentive Scheme, at no time during the year ended 31 December 2017 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.

#### 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

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

Related party transactions that occurred during the Review Period, as set out in Note 38 to the consolidated financial statements in this annual report, also fall under the definition of connected transactions under Chapter 14A of the Listing Rules and are fully exempt from shareholders' approval, annual review and all disclosure requirements.

4. 據董事所知，Harmony Care由林玉榮先生與林玉華先生分別持有61.36%及38.64%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2017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

除於購股權計劃及限制性股份激勵計劃項下所披露者外，於截至2017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。

#### 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

於回顧期間內，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38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。

## DIRECTORS' REPORT (CONTINUED)

### 董事會報告(續)

#### 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.

#### 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 and the Restricted Share Incentive Scheme as disclosed on pages 47 to 54 of this annual report, no equity-linked agreements were entered into by the Company, or existed during the Review Period.

#### EVENTS AFTER THE REVIEW PERIOD

On 5 February 2018, HarMoniCare Management, Shanghai Medea Hospital Investment Group Co., Ltd. (上海美迪亞醫院投資集團有限公司) and other cooperation parties (the "Cooperation Partners") have entered into a supplemental agreement to the cooperation agreement in relation to the establishment and operation of Wuxi HarMoniCare Hospital. Pursuant to the supplemental agreement, the parties agreed that the estimated total investment amount for Wuxi HarMoniCare Hospital would be RMB160.0 million. The Cooperation Partners had granted a loan in the amount of RMB8.0 million to Wuxi HarMoniCare Hospital and HarMoniCare Management agreed to extend a loan of RMB152.0 million to Wuxi HarMoniCare Hospital at an interest rate separately agreed by the parties. As of the date of this annual report, HarMoniCare Management had granted a loan in the amount of RMB119.5 million to Wuxi HarMoniCare Hospital and will make available a further loan of RMB32.5 million to Wuxi HarMoniCare Hospital. Please refer to the announcements dated 11 October 2016 and 5 February 2018 on the websites of the Stock Exchange and the Company for further details.

#### 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。

#### 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利潤作為彌償，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47至54頁所披露的購股權計劃及限制性股份激勵計劃外，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2018年2月5日，和美醫療管理、上海美迪亞醫院投資集團有限公司及其他合作方(「合作夥伴」)就設立及營運無錫和美醫院訂立補充合作協議。根據補充協議，訂約方約定對無錫和美醫院之估計投資總額將為人民幣16,000萬元。合作夥伴已向無錫和美醫院提供人民幣800萬元之貸款，而和美醫療管理同意按各方另行約定之利率向無錫和美醫院提供貸款人民幣15,200萬元。截至本年報日期，和美醫療管理已向無錫和美醫院授出金額為人民幣11,950萬元之貸款，並將進一步向無錫和美醫院提供貸款人民幣3,250萬元。有關詳情，請參閱聯交所及本公司網站日期為2016年10月11日及2018年2月5日的公告。



#### 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.

#### AGM AND CLOSURES OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the 2018 AGM to be held on Tuesday, 12 June 2018, the register of members of the Company will be closed from Thursday, 7 June 2018 to Tuesday, 12 June 2018, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the 2018 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 Wednesday, 6 June 2018.

#### CORPORATE GOVERNANCE

The Corporate Governance Report is set out on pages 61 to 75 of this annual report.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Review Period.

#### SUFFICIENCY OF PUBLIC FLOAT

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.

#### 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。

#### 股東周年大會及暫停辦理股份過戶登記

為釐定出席將於2018年6月12日(星期二)舉行之2018年股東周年大會及於會上投票的資格，本公司將於2018年6月7日(星期四)至2018年6月12日(星期二)(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2018年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2018年6月6日(星期三)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61至75頁。

#### 購買、出售或贖回本公司上市證券

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。

#### 足夠的公眾持股量

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 2017. 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, 20 March 2018

#### 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2017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，2018年3月20日

## 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.

In the opinion of the Directors, throughout the year ended 31 December 2017, 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 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" 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 year ended 31 December 2017.

The Company has also established 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。

本公司已採納企業管治守則所載之原則。

董事認為，於截至2017年12月31日止年度，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，董事確認彼等於截至2017年12月31日止年度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 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 30 to 36 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30頁至第36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。



### Chairman and Chief Executive

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Lin Yuming is the Chairman and President (equivalent to chief executive) 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 year ended 31 December 2017, 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.

### 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

截至2017年12月31日止年度，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。

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 subject to renewal upon expiry of the terms and terminable by either party by giving one month's written notice to the other party.

In accordance with the Articles of Association, all Directors are subject to retirement by rotation and re-election at the 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 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.

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，於任期屆滿後可予續期，且可由任何一方向另一方發出一個月書面通知予以終止。

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。

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.

#### 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 material on relevant topics would be provided to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

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。

#### 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。

## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告 (續)

During the year ended 31 December 2017, Mr. Lin Yuming attended four courses organized by Cheung Kong Graduate School of Business covering a wide range of topics including the past and future of Japanese style corporate innovation, strategic thinking and innovation, the way to corporate set up and development, and to look into the future of enterprises and entrepreneurs from the perspective of government policy and social development. Mr. Lin Yuming also read articles on overall budget management and internal control. Mr. Fang Zhifeng, Mr. Zhao Xingli, Mr. Lin Yuguo, Mr. Qiu Jianwei and Mr. Xu Jun had browsed the training webcast launched by the HKEx on Duties of Directors and Role and Function of Board Committees. Mr. Kong Aiguo attended a course organized by the Shenzhen Stock Exchange on Further Training to Independent Directors of Listed Companies. Being a professor in corporate finance, Mr. Kong Aiguo also read lots of articles and books on corporate governance. Ms. Fang Lan attended the KRMA micro-consultation training course organized by Shanghai Krdream in relation to the corporate strategic planning, the strategic budget management and the strategic budget implementation and evaluation. Mr. Cai Jiangnan read *The Innovator's Prescription – The Way How Revolutionary Innovation Changed Medical Services* (創新者的處方：顛覆式創新如何改變醫療) and *The Qi Pu Blue Book on 2015 to 2016 Chinese Health Industry Innovation Platform* (政策產業創新互動：2015-2016中國健康產業創新平台奇璞藍皮書).

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

#### 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.hemeiyl.com](http://www.hemeiyl.com)) and the website of HKEx ([www.hkexnews.hk](http://www.hkexnews.hk)) and are available to the 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.

於截至2017年12月31日止年度，林玉明先生出席由長江商學院舉辦之四次課程，課程涵蓋之議題相當廣闊，包括日本式企業創新的過去和未來、戰略思維與革新、企業的組織建設與發展之道，及從政策體制及社會發展看企業與企業家的未來。林玉明先生亦閱讀若干文章，包括全面預算管理及內控浪潮。方志鋒先生、趙興力先生、林玉國先生、邱建偉先生及徐軍先生瀏覽香港交易所推出有關董事的職責及董事委員會的角色及職能的培訓網上廣播。孔愛國先生出席由深圳證券交易所舉辦有關對上市公司獨立董事後續培訓的課程。作為一名財務金融系教授，孔愛國先生亦閱讀許多關於企業管治的文章和書籍。方嵐女士出席由上海坤睿舉辦的KRMA微諮詢培訓課程，內容有關企業戰略規劃、戰略預算管理及戰略預算的執行與評價。蔡江南先生閱讀創新者的處方：顛覆式創新如何改變醫療以及政策產業創新互動：2015-2016中國健康產業創新平台奇璞藍皮書。

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。

#### 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.hemeiyl.com](http://www.hemeiyl.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。

### 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 the annual financial results and report in respect of the year ended 31 December 2016, the interim financial results and report in respect of the six months ended 30 June 2017, 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 year ended 31 December 2017.

### 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 five times during the year ended 31 December 2017 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 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.

### 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，以審閱截至2016年12月31日止的年度財務業績及報告、截至2017年6月30日止6個月的中期財務業績及報告，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。

於截至2017年12月31日止年度，審核委員會亦與外部核數師舉行兩次會議。

### 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。

截至2017年12月31日止年度，薪酬委員會舉行五次會議，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。



## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告 (續)

#### 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.

The Nomination Committee met once during the year ended 31 December 2017 to review the structure, size and composition of the Board and the independence of the independent non-executive Directors and to consider the qualifications of the retiring Directors standing for election at the AGM. 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 year ended 31 December 2017, 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 the Written Guidelines, and the Company's compliance with the CG Code and disclosure in this corporate governance report.

#### 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)。

於截至2017年12月31日止年度，提名委員會舉行一次會議，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。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。

於截至2017年12月31日止年度，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。

## ATTENDANCE RECORDS OF DIRECTORS

The attendance record of each Director at the Board and Board committee meetings and AGM of the Company held during the year ended 31 December 2017 is set out in the table below:

## 董事之出席記錄

各董事出席本公司於截至2017年12月31日止年度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<br>董事姓名                                     | Attendance/Number of Meetings<br>出席情況／會議次數 |                             |                                    |                                  |                                     |
|--|--|-----------------------------|------------------------------------|----------------------------------|-------------------------------------|
|  | Board<br>董事會                               | Audit<br>Committee<br>審核委員會 | Remuneration<br>Committee<br>薪酬委員會 | Nomination<br>Committee<br>提名委員會 | Annual<br>General Meeting<br>股東周年大會 |
| <i>Executive Directors</i><br><b>執行董事</b>                    |  |                             |                                    |                                  |                                     |
| Mr. Lin Yuming<br>林玉明先生                                      | 8/8  | N/A<br>不適用                  | N/A<br>不適用                         | 1/1                              | 1/1                                 |
| Mr. Fang Zhifeng<br>方志鋒先生                                    | 8/8  | N/A<br>不適用                  | N/A<br>不適用                         | N/A<br>不適用                       | 1/1                                 |
| Mr. Zhao Xingli<br>趙興力先生                                     | 8/8  | N/A<br>不適用                  | 5/5                                | N/A<br>不適用                       | 1/1                                 |
| <i>Non-executive Directors</i><br><b>非執行董事</b>               |  |                             |                                    |                                  |                                     |
| Mr. Lin Yuguo<br>林玉國先生                                       | 8/8  | N/A<br>不適用                  | 5/5                                | N/A<br>不適用                       | 1/1                                 |
| Mr. Qiu Jianwei<br>邱建偉先生                                     | 7/8  | 2/2                         | N/A<br>不適用                         | N/A<br>不適用                       | 1/1                                 |
| Mr. Xu Jun<br>徐軍先生   | 8/8  | N/A<br>不適用                  | N/A<br>不適用                         | 1/1                              | 1/1                                 |
| <i>Independent Non-executive Directors</i><br><b>獨立非執行董事</b> |  |                             |                                    |                                  |                                     |
| Mr. Kong Aiguo<br>孔愛國先生                                      | 8/8  | 2/2                         | 5/5                                | 1/1                              | 1/1                                 |
| Ms. Fang Lan<br>方嵐女士   | 7/8  | 2/2                         | 5/5                                | 1/1                              | 1/1                                 |
| Mr. Cai Jiangnan<br>蔡江南先生                                    | 6/8  | 2/2                         | 5/5                                | 1/1                              | 1/1                                 |

## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告 (續)

The attendance record of Mr. Qiu Jianwei at the Board meeting by his alternate is set out below:

邱建偉先生於董事會會議的出席記錄(由彼の替任人出席)載列如下：

| Name of Alternate Director<br>替任董事姓名 | Board<br>董事會 | Number of Meetings<br>會議次數  |                                    |                                  |
|--------------------------------------|--------------|-----------------------------|------------------------------------|----------------------------------|
|                                      |              | Audit<br>Committee<br>審核委員會 | Remuneration<br>Committee<br>薪酬委員會 | Nomination<br>Committee<br>提名委員會 |
| Mr. Xu Jun<br>徐軍先生                   | 1/8          | N/A<br>不適用                  | N/A<br>不適用                         | N/A<br>不適用                       |

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 year ended 31 December 2017.

除定期舉行董事會會議外，於截至2017年12月31日止年度，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。

### 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.

### 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。

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.

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。

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.

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。

The Company has developed "Risk Management System", "Anti-Fraud Management System", "Internal Control Manual", etc., and carries out risk management according to relevant systems.

本公司已制定《風險管理制度》、《反舞弊管理制度》、《內部控制手冊》等，並根據相關制度執行風險管理工作。

The Risk Control and Audit Department of the Company is responsible for organizing and implementing the development of the “Internal Control Manual” and conducting training and publicizing within the Group, and conducting targeted internal control evaluation of its subordinate units and preparing internal control evaluation reports to the management for review. It is also responsible for organizing, coordinating and supervising functional departments of the Company and business personnel of each unit to carry out risk identification and risk assessment in key business areas of healthcare industry, assess the possibility and effects of risks, and provide treatment plans and monitor risk management progress.

The Risk Control and Audit Department also conducts status assessment tests on major risk points of key business operations and major risk areas of key business matters in accordance with the Group’s requirements; and reviews the control points in each process, analyzes the risks that may exist in each control point and describes control measures in detail. It performs audit regularly on all units and business departments, incorporates potential fraud risk points into regular audit and conducts extended investigations on the potential fraud risks existed in each unit; and evaluates and responds to key risk matters and reviews the development and implementation of relevant systems.

The Risk Control and Audit Department also assists in developing “Major Risk Management and Control Measures” and organizing relevant functional departments and units in our headquarter to conduct evaluation of the Company’s major risks, follows up major risks and reports to the management in a timely manner. The units and departments that have encountered related risk matters should identify and analyze related risks through weekly meetings, monthly business meetings, ad hoc meetings etc. and actively take countermeasures to resolve existing risks.

Based on the “Internal Control Manual” and other guidance notes, the Risk Control and Audit Department conducts targeted internal control evaluation on the design and implementation of internal control of its subordinate units and issues internal control evaluation reports.

The Risk Control and Audit Department issues an “Internal Audit Report” on related areas to the Audit Committee every six months to review relevant matters, which includes summary of risk management and anti-fraud work, development and operation of internal control system and audit and other work etc.

公司風控審計部負責組織並實施《內部控制手冊》的建立工作，在本集團範圍內對《內部控制手冊》進行培訓宣貫，有針對性對下屬單位開展內部控制評價工作，編製內部控制評價報告提交管理層審閱；同時負責組織並協調與督促本公司各職能部門及各單位業務人員，對醫療行業重點業務領域進行了風險識別、風險評估，評估風險發生的可能性及影響程度，並提供處理方案及監察風險管理的進展情況。

風控審計部亦按照本集團要求，針對各關鍵業務環節主要風險點、重要業務事項重大風險領域進行了流程現狀評估測試，針對各流程中的控制點進行了梳理、對每個控制點中可能存在的風險進行分析，並詳細描述控制措施；定期對各單位及各業務部門開展審計工作，將潛在舞弊風險點融入到常規審計中，對各單位存在的潛在舞弊風險進行延伸排查；對關鍵風險事項的評估及應對，並對相關制度的建立與執行情況進行審查。

風控審計部亦協助制定《重大風險管控措施》，組織總部相關職能部門、各單位對本公司重大風險進行評估，對重大風險進行跟進並及時匯報管理層。各單位及各部門遇到相關風險事項，通過周會、月度經營會議或臨時組織召開會議等形式對相關風險進行識別、分析並積極採取應對措施來解決存在的風險。

風控審計部依據《內部控制手冊》及其他指引摘要，有針對性對下屬單位在內控設計及執行情況方面開展內控評價工作，並出具內部控制評價報告。

風控審計部每六個月對相關領域出具《內部審核報告》向審核委員會呈報，檢討相關事項。內容包括風險管理及反舞弊工作概括、內部控制體系建設及運行情況、審計工作及其他工作等。

## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告 (續)

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.

The management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the year ended 31 December 2017.

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 year ended 31 December 2017, 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.

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。

管理層已向董事會及審核委員會確認於截至2017年12月31日止年度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截至2017年12月31日止年度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 year ended 31 December 2017.

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 101 to 107 of this annual report.

#### AUDITOR'S REMUNERATION

The remuneration paid to the external auditor of the Company, Messrs. Deloitte Touche Tohmatsu, for the year ended 31 December 2017 is set out below:

##### 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  | 2,530 |
| Non-audit Services | 非審核服務 | 80    |
|                    |       | 2,610 |

#### COMPANY SECRETARY

Mr. Chen Wei, being the Vice President, and Ms. Siy Ling Lung of Tricor Services Limited, external service provider, are the joint company secretaries of the Company. Ms. Siy was appointed as the joint company secretary in place of Ms. Ng Sin Yee, Clare following Ms. Ng's resignation as joint company secretary on 25 October 2017. Ms. Siy'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.

#### 董事有關財務報表之責任

董事知悉彼等編製本公司於截至2017年12月31日止年度之財務報表之職責。

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101至107頁之「獨立核數師報告」內。

#### 核數師酬金

本公司就截至2017年12月31日止年度向本公司外聘核數師德勤•關黃陳方會計師行支付之酬金載列如下：

#### 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施玲瓏女士為本公司之聯席公司秘書。於2017年10月25日，施女士獲委任為聯席公司秘書以接任吳倩儀女士於同日之辭任。施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。

#### 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 Shareholders' interests and rights, separate resolution will be proposed for each substantially separate issue at general meetings, including the election of individual Director. 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.

#### 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.

#### 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」。

#### 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。

**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: chenwei789@188.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 year ended 31 December 2017, 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.

**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：chenwei789@188.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。

於截至2017年12月31日止年度，本公司並無對其章程細則作出任何改動。本公司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



As the largest private obstetrics and gynecology specialty hospital group in the PRC, the Company and its subsidiaries have been consistently dedicated to providing high quality gynecologic, obstetric, pediatric and other relevant healthcare services. Harmonicare is expanding its main businesses in both upstream and downstream directions, including eugenic genetic screening, post-partum medical recovery, medical beauty, and high-end post-natal care services. We entered into a strategic cooperation agreement with the Research Institute of Fudan University in Ningbo and the Affiliated Hospital of Nantong University to conduct in-depth cooperation in the field of ancillary reproductive treatment and explore the development of the hospital alliance model. Harmonicare focuses on the development on the well-being of mothers and infants and actively participates in social activities for public welfare undertakings. We have won the China Charity Award (中國公益大獎) for two consecutive years. In accordance with the requirements of the core system of the National Health 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.

本公司與其附屬公司作為中國最大的私立婦產專科醫院集團，致力提供高品質的產科、婦科、兒科及其他相關醫療服務項目。和美醫療正向主營業務上下游方向擴張延展，包括優生優育的基因篩查、產後產婦的醫療康復、醫療美容、產後高端月子休養服務等，並先後與復旦大學寧波研究院、南通大學附屬醫院簽訂戰略合作協議，將在輔助生殖領域展開深度合作、探索醫聯體模式的發展。和美關注母嬰事業發展，積極投身各項社會公益事業，連續兩年獲中國公益大獎。和美醫療結合國家衛生健康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、環保的業務和服務，做到切實保障公眾健康，維護社會公共利益。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

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, strengthening energy consumption and pollution emissions, 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 customers' 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 2017, under the leadership of the Board, the Group persisted in advancing business innovation and management promotion, consolidating the market position of its core businesses, 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.

#### I. THE SCOPE OF THE REPORT

In the Report, "environmental, social and governance" refers to matters related to the two subject areas under Appendix 27 "Environmental, Social and Governance Reporting Guidelines" (the "Guidelines") of the Listing Rules, namely "Environmental (Subject Area A)" and "Social (Subject Area B)". For the governance part please refer to the Governance Report in the Annual Report 2017 of the Company.

The environmental, social and governance information in the Report covers the main business scope of the headquarters of Harmonicare and its subsidiary companies, excluding associated companies, joint ventures, joint-stock corporations, newly-built hospitals and Nantong Hemeijia Hospital (as the newly-built hospitals were not yet in business and Nantong Hemeijia Hospital was incorporated into the merger in August 2017, the above related data will be included in the disclosure scope of the comprehensive performance indicator system of the Group in 2018).

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，加強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客戶的利益，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。2017年，本集團在董事會的領導下，始終堅持業務創新和管理提升，鞏固提升核心業務的市場地位，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。

#### 一、 本報告的範圍

在本報告中，「環境、社會及管治」指的是根據上市規則附錄二十七《環境、社會及管治報告指引》(以下簡稱《指引》)所載兩個主要範疇下的事項，「環境(主要範疇A)」和「社會(主要範疇B)」。關於企業管治部分請參考本公司2017年報中的企業管治報告。

本報告中的環境、社會及管治資料涵蓋了和美集團總部及下屬單位的主要業務範圍，不包括聯營、合營和參股公司、新建醫院及南通和美家醫院(因新建醫院暫未營業、南通和美家醫院於2017年8月納入合併範圍，以上相關數據本集團將於2018年度完善績效指標體系納入披露範圍內)。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

This report covers the period from 1 January 2017 to 31 December 2017.

本報告涵蓋期限為2017年1月1日至2017年12月31日。

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

本報告經和美醫療董事會審閱及批准。

## II. STAKEHOLDER ENGAGEMENT

The Company actively communicates with stakeholders, finds out their needs on a timely basis, and responds to them proactively. With regard to the characteristics of our businesses, our major stakeholders include government regulators, investors/shareholders, customers, suppliers, employees and communities.

## 二、利益相關方參與

本公司積極開展與利益相關方的溝通，及時了解利益相關方的需求，並進行積極的回應。基於業務特點，我們的主要利益相關方包括政府監管部門、投資人／股東、客戶、供應商、員工及社區。

| Stakeholders<br>利益相關方            | Expectation and aspiration<br>期望及願景  | Mode of communication<br>溝通方式  |
|----------------------------------|--|--|
| Government regulators<br>政府監管機構  | Compliance<br>合規<br>Transparent governance<br>透明管治   | Meeting<br>會議<br>On-site investigation<br>實地調查<br>Public announcement<br>公告  |
| Investors/shareholders<br>投資者／股東 | Compliance<br>合規<br>Company value enhancement<br>公司價值提升<br>Information transparency<br>信息透明<br>Effective communication<br>有效溝通 | General meeting of shareholders<br>股東大會<br>Annual reports and interim reports<br>年報及中報<br>On-site reception<br>現場接待<br>Email<br>電郵 |
| Customers<br>客戶                  | Customer service<br>客戶服務   | Customer satisfaction surveys<br>客戶滿意度調查   |

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

| Stakeholders<br>利益相關方 | Expectation and aspiration<br>期望及願景      | Mode of communication<br>溝通方式                     |
|-----------------------|--|---|
|                       | Customer complaints<br>客戶投訴              | Customer complaints<br>客戶投訴                       |
|                       | Privacy and safety<br>隱私及安全              | Forums<br>論壇                                      |
|                       |  | Activities<br>活動                                  |
| Suppliers<br>供應商      | Transparent procurement<br>透明採購          | Supplier admission<br>接納供應商                       |
|                       | Fair competition<br>公平競爭                 | Supplier review<br>供應商檢討                          |
|                       | Win-win and mutual benefit<br>雙贏互利       | Supplier evaluation<br>供應商評估                      |
| Employees<br>僱員       | Remuneration and benefits<br>薪金及福利       | Employee activities<br>僱員活動                       |
|                       | Corporate culture<br>企業文化                | Questionnaires<br>問卷調查                            |
|                       | Training and development<br>培訓及發展        | Training and education<br>培訓及教育                   |
|                       | Occupational health and safety<br>職業健康安全 | Responsibilities and accountability system<br>問責制 |
| Communities<br>社區     | Community charity<br>社區公益                | Free medical consultation<br>免費醫療諮詢               |
|                       | Community services<br>社區服務               | Forums<br>論壇                                      |

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### III. ENVIRONMENT

##### I. Emissions

The Group mainly provides medical service, during which our pollutants mainly include medical waste and medical wastewater. In compliance 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, our hospitals drew up related regulations explicitly stipulating the classification of and collecting containers used for medical waste and the requirement and related process of storage, transfer and disposal of the same to prevent the spread of contagious disease and environmental pollution arising from medical waste.

##### I.1 Medical waste

Medical waste, such as used cotton balls, bandage, disposable medical devices, after-surgery waste products, expired drugs, is generated during the diagnosis, treatment and immunization of patients. The Group has formulated and strictly implemented the Medical Waste Management System accordingly. It regulates the handling of medical waste in the process of temporary storage, transportation and disposal in hospitals, prevents the damage to the environment and spread of diseases, in order to effectively protect human health and safety. The medical waste generated by the Group's hospitals will be centralized and delivered to the qualified medical treatment companies for delivery and disposal by type.

#### 三、環境

##### I. 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及醫療污水。根據《醫療衛生機構醫療廢物管理辦法》《醫療廢物管理條例》《消毒管理辦法》等相關法律法規，醫院制定了相關制度，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，防止因醫療廢物導致傳染病傳播和環境污染事故。

##### I.1 醫療廢物

醫療廢物在客戶的診斷、治療或免疫接種過程中產生如使用過的棉球、膠布、一次性醫療器具、術後的廢棄品、過期的藥品等。集團制定了《醫療廢物管理制度》且嚴格按照制度執行，規範醫療廢物在醫院的暫時存放、運送和處置過程並預防其對環境產生危害、傳播疾病，有利於保護人體健康和生命安全，本集團醫院所產生的醫療廢物統一交由有資質的醫療廢物處置公司分類進行清運及處置。

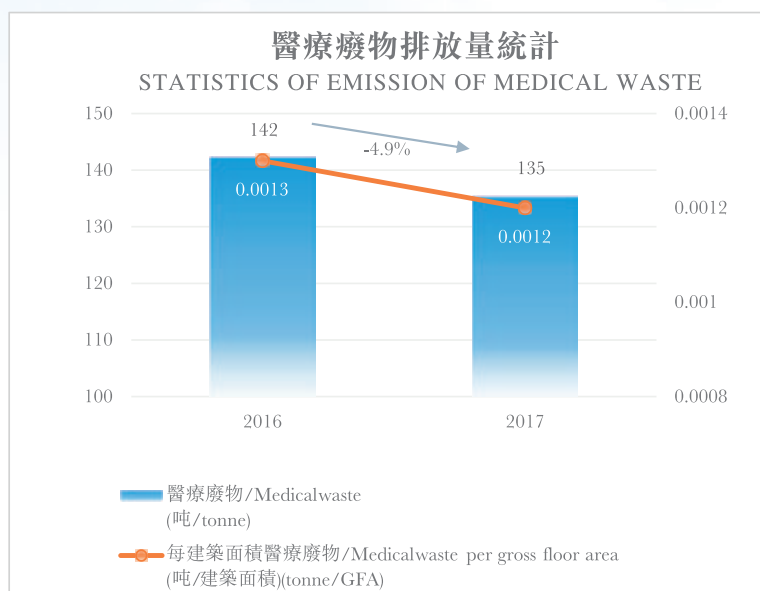


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The following table shows the amount of medical waste generated by the Group in the years set out:

下表載列於所示年度本集團產生的醫療廢物量：



As the generation of medical waste is proportional to customers' visits to hospitals and the demand in clinical business, it is expected that medical waste may increase along with the growth of hospital revenue, such as the use of disposable consumables (repeated use is strictly prohibited). We will strengthen our management and continue to improve the management and control of medical waste.

因醫療廢物的產生與客戶到院就診量及臨床業務的需要相關，預計醫療廢物可能會伴隨醫院收入增長而呈增長趨勢，如一次性耗材使用（嚴格杜絕重複使用）。我們將加強管理，持續完善醫療廢物管控。

#### 1.2 Wastewater

Hospital wastewater includes domestic wastewater, wastewater containing pathogenic microorganisms, and wastewater containing various toxic chemicals. In order to prevent the pollution to the environment by wastewater from hospitals, the Company has standardized the construction and operational management of hospital wastewater treatment facilities, and has enabled hospitals' meeting of wastewater discharge standards. The Company has established the "Wastewater Treatment Management System" in accordance with "Water Pollution Prevention and Control Law of the People's Republic of China" (《中華人民共和國水污染防治法》)

#### 1.2 污水

醫院污水包括生活污水、含病原微生物的污水、含各種化學毒劑的污水等。為防止醫院排放污水對環境產生污染，公司規範了醫院污水處理設施的建設和運行管理，保證醫院污水處理達標排放。依據《中華人民共和國水污染防治法》《中華人民共和國傳染病防治法》，公司為配合國家推進醫院污水處理設施建

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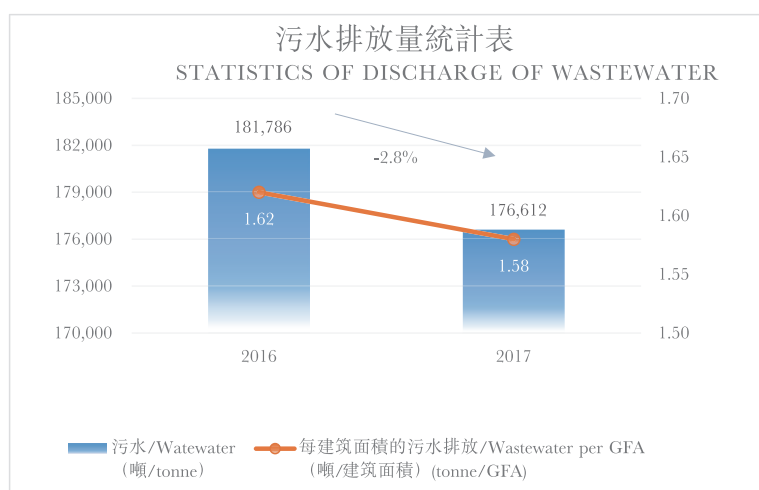
### 環境、社會及管治報告

and “Law of the People’s Republic of China on Prevention and Treatment of Infectious Diseases” (《中國人民共和國傳染病防治法》), and as an effort to support the implementation of “Wastewater Discharge Standard of Medical Institutions” (《醫療機構水污染物排放標準》). It clearly specified that we should dispose wastewater properly; carry out daily disinfection and measurement of residual chlorine; keep the wastewater discharge system operative and smooth; and assure that unsanitized or non-detoxified wastewater is not discharged.

The following table lists the amount of wastewater discharged by the Group’s hospitals during the years indicated:

設和《醫療機構水污染物排放標準》的實施，制定了《污水處理管理制度》，明確規定妥善處理污水，每日消毒處理，測量餘氯；保持污水排放系統順利通暢；未經消毒或無害化處理的污水，不准任意排放。

下表載列於所示年度本集團醫院的污水排放量：



As the generation of wastewater is proportional to customers’ visits to hospitals and the need in clinical business, it is expected that emission of wastewater may increase along with the growth of hospital revenues. The Group’s hospitals conduct regular examination of the condition of wastewater treatment to ensure proper treatment of wastewater. We will strengthen our management and continue to improve the control and treatment of the wastewater.

因污水與客戶到診量及臨床業務的需要相關，預計污水排放可能會伴隨收入增長而呈增長趨勢。本集團醫院定期檢查污水處理情況，以確保污水得到妥善處理，我們將加強管理，持續完善污水管控及處理。

#### 2. Use of Resources

The main areas of resources consumption of the Group’s hospitals are electricity, water and petroleum. The Group has established energy management measures based on objective energy data, and monitors, analyzes and controls the use.

#### 2. 資源使用

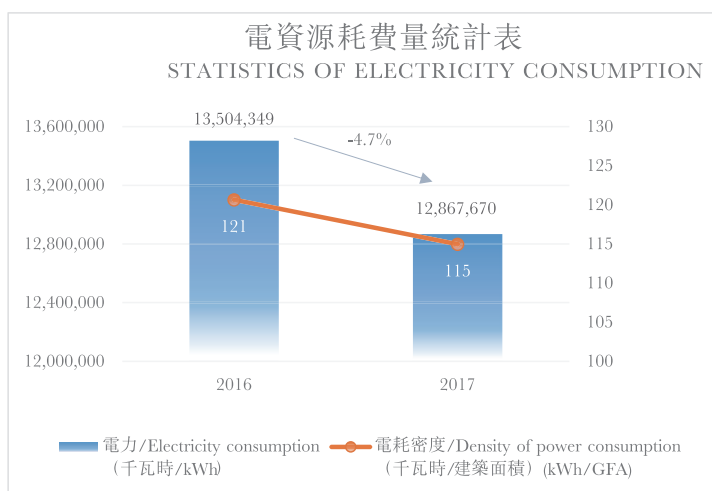
本集團醫院的主要能源消耗為電、水、汽油，本集團已制定能源管理措施，以客觀能源數據為基礎，對能源使用情況進行監控、分析和管控。



## 2.1 Electricity

The electricity consumption of our hospitals mainly comes from air conditioning, water heating, lighting and high-power medical equipment.

The following table lists the electricity consumption of the Group for the years indicated:



The Group's electricity conservation initiatives include:

- (1) Establish management standards for electrical equipment, and stipulate management standards for electricity usage in terms of voltage, current, and utilization rate according to the types of electrical loads;
- (2) Gradually replace high-power lighting with LED lamps and replace the aged central air conditioners with hanging air conditioners;
- (3) Inspect the office and hospital departments every day after work to ensure lights are turned off properly;

## 2.1 電

醫院的電力消耗主要來自於空調、水暖、照明及高耗能的醫療設備等。

下表載列於所示年度本集團電資源消耗情況：

本集團節約用電的舉措包括：

- (1) 確定用電設備的管理標準，根據用電負荷種類，規定使用電壓、電流、電能利用率等管理標準；
- (2) 逐步更換大功率照明燈具為LED燈具，更換老舊中央空調為掛式空調；
- (3) 每天下班後巡查辦公區及醫院相應科室，確保及時關燈；

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| (4) Carry out energy-saving promotion targeted at employees and require them to turn off lights not in use and electrical facilities and equipment in a timely manner;                                      | (4) 對員工進行節能節電宣傳，要求員工做到人走燈滅，及時關閉用電設施設備；       |
| (5) Make full use of natural lighting and minimize the use of lighting in public areas such as entrance halls and passageways;  | (5) 充分利用自然光照明，門廳、通道等公共區儘量減少照明；               |
| (6) Regulate the use of central air conditioning according to the actual situation in the hospital - approval is needed and it shall be controlled by a timer and turned on and off by sessions;            | (6) 中央空調根據醫院內實際情況，經審批方可開啟，採用定時器控制，分時段開啟與關閉；  |
| (7) Turn on summer chillers and maintain a moderate temperature of 26 degrees in the public areas and wards of hospitals;   | (7) 開啟夏季製冷機組，維持醫院公區及病房適宜溫度在 26 度左右；          |
| (8) Analyze the actual consumption trend of each hospital on a monthly basis, sum up experience in a timely manner, find the cause of abnormalities, and make adjustment or improvement in a timely manner; | (8) 按月度分析各醫院的用電實際消耗趨勢，及時總結經驗，查找異常原因，及時調整或改善； |
| (9) In order to ensure power safety, the maintenance department will inspect the power lines regularly to prevent power leakage accidents.  | (9) 為確保用電安全，維修部對電源線路定期檢查，杜絕漏電事故發生。           |

#### 2.2 Water

The consumption of water in the hospitals mainly comes from cooling equipment, plumbing, landscaping, washing during medical procedures, water purification systems, and domestic water.

The following table lists the Group's water consumption in the years indicated:

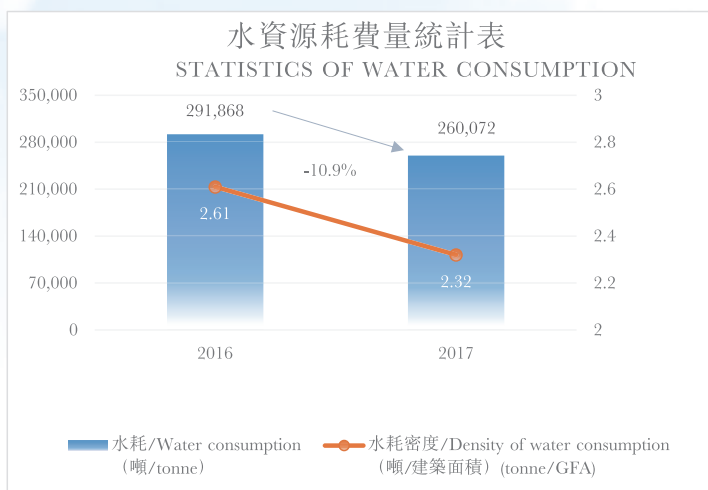
#### 2.2 水

醫院的耗水量主要是來自於冷卻設備、水管裝置、景觀美化、醫療過程沖洗、純淨水系統及生活用水等。

下表載列於所示年度本集團水資源消耗情況：

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The Group's water conservation initiatives include:

- (1) Arrange special personnel to inspect all water facilities and carefully check for any cases of "evaporating, emitting, dripping or leaking of liquid", and repair or replace the leaking equipment in time to ensure the normal functionality of the equipment;
- (2) Replace with water-saving showers and close the small valves in public areas and toilets to control water volume;
- (3) Regulate the opening and closing hours of fountains and pools;
- (4) Carry out regular maintenance and replacement of water facilities and equipment in the hospitals (central air-conditioning, kitchen equipment, etc.);
- (5) Organize awareness promotion for all employees on water conservation awareness.

本集團旨在節約用水的舉措包括：

- (1) 專人巡查各項用水設施，嚴查「跑、冒、滴、漏」的現象，及時維修或更換漏水設備，確保設備正常使用；
- (2) 更換節水型淋浴器，對公共區域及洗手間關小閥門，控制水量；
- (3) 對噴泉及水池等，定時開啟與關閉；
- (4) 對醫院內用水設備設施(中央空調、廚房設備等)定期進行維護保養或更換；
- (5) 對所有員工進行宣傳，樹立節水意識。

### 2.3 Petroleum

The fuel consumption of the hospitals mainly consists of the use of official cars and ambulances.

The table below lists the Group's consumption of petroleum in the years indicated:

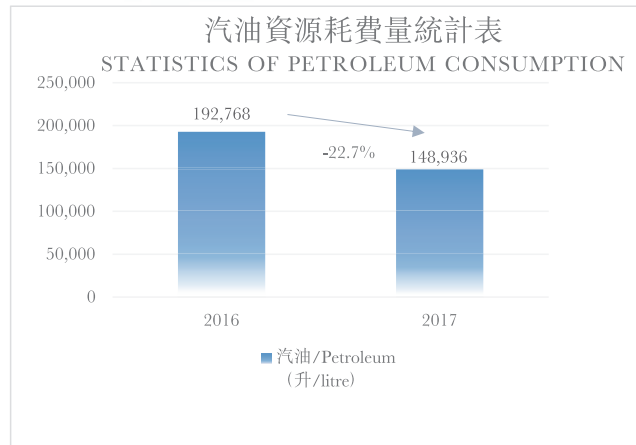
### 2.3 汽油

醫院的耗油量主要來自於公車、救護車等使用。

下表載列於所示年度本集團汽油資源消耗情況：

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The Group's fuel conservation initiatives include:

- (1) Standardize the use of official vehicles, improve the efficiency of vehicles in use, reduce management costs, promote green travel, and maximize the use of vehicle resources;
- (2) Strictly regulate the use of vehicles strictly in accordance with relevant provisions of the hospitals. Application and approval for the use of a car is necessary;

本集團節約油耗的舉措包括：

- (1) 規範公務用車管理，提高車輛使用效率，降低管理成本，提倡綠色出行，實現車輛資源使用最大化；
- (2) 車輛使用嚴格按照醫院的相關規定，派車申請審批通過後方可用車；



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- (3) The driver must record the mileage, refuelling volume and refuelling expense for every use, which will be strictly monitored. The official hospital vehicles shall operate with a driving record table, and the use of a vehicle shall require a filled "official vehicle application form": the odometer on the vehicle will be checked to ensure it matches the previous car record on the record table. The mileage, time, location, purpose, etc. will be recorded after use.

- (3) 駕駛員需記錄每次的里程數、加油量、加油金額等，嚴格考核。醫院用車設置車輛行駛記錄表，並在「公務用車申請單」上體現：在使用前應核對車輛里程表與記錄表上上一次用車的記載是否相符，使用後應記載行駛里程、時間、地點、用途等。

### 3. Environment and natural resources

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, and conduct safe disposal in accordance with national standards. Our staff is also encouraged to take actions that are accountable to the environment in workplace.

### 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。在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、傳染病或者疑似傳染病客戶的排泄物，嚴格按照規定進行消毒，按照國家標準進行安全處理管控，並鼓勵全體員工在工作場所中對環境負責。





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In 2017, there have been no related matters in the industry in which the Group operates that have significant impact on the environment and natural resource.

#### IV. SOCIAL

##### I. Employment

The Group regards employees as its most important and valuable assets for corporate development, and believes that retaining technical professionals and outstanding management personnel is of paramount importance to the human resources management. In accordance with the relevant laws and regulations such as Labour Law and Labour Contract Law. We have established and implemented relevant systems such as the Remuneration Management System and the Labour Contract Management System. The Group seeks to provide the working environment in harmony and in order for employees. 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. We focus on personal development, the work environment and co-governance, and strive to achieve sustainable improvement on recruitment and talent retention.

In 2017, the Group's number of employees remains stable except for those recruited due to the natural growth of business and the implementation of our strategic plan.

**In order to retain talent, the Group has formulated the following measures:**

- (1) When recruiting, we strictly follow the "recruitment and employment process" to ensure the high quality of personnel;
- (2) Provide a good working and learning environment, and equip the hospitals with advanced medical facilities and equipment;

2017年，本集團所在行業並未發生對環境及天然資源造成重大影響的事項。

#### 四、社會

##### I. 僱傭

本集團一直堅信人才是企業發展的寶貴資源和財富，穩留專業技術骨幹和優秀管理人才是人力資源管理的首要任務。根據《勞動法》、《勞動合同法》等法律法規，本集團制定了《勞動合同管理制度》、《薪酬福利管理制度》等相關制度。本集團力求為員工營造和諧、有序的工作環境；力求倡導員工平等與多元化，同時保障僱員的權利，使其不受種族、社會地位、年齡、國籍、宗教、性別等影響；重視個人發展、工作環境及共同治理，實現招聘及留任情況的可持續改善。

2017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。

**為穩留人才，集團制定了如下措施：**

- (1) 招聘時，嚴格按照《人員招聘與錄用流程》，把好人才質量關；
- (2) 提供良好的工作和學習環境，配備先進的醫療設施、設備；

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- (3) Establish a good remuneration and benefit system and a reasonable performance appraisal plan, and formulate a reasonable vacation system;
- (4) Establish a good incentive mechanism and career development space, combined with the actual situation of the hospitals to maximize the development platform;
- (5) Carry out diversified cultural activities, create a harmonious working atmosphere, and promote a large family-style working environment that supports mutual help, mutual respect, mutual solidarity, and friendship.

#### 2. Health and Safety

The Group strictly abides 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 2017, the Group was not prosecuted for any fatal occupational incident.

##### 2.1 To ensure the health of employees, the Group has adopted the following measures:

- (1) Employees are required to provide a medical examination report for the past three months to eliminate communicable diseases and diseases that the State stipulates are not suitable for corresponding positions;

- (3) 建立良好的薪酬福利制度及合理的績效考核分配方案，制定合理的休假制度；
- (4) 建立良好的激勵機制和事業發展空間，結合醫院的實際情況，最大限度地提供發展平台；
- (5) 開展豐富多樣的文化活動，營造和諧的工作氛圍，提倡互幫互助、互敬互重、團結友愛的大家庭式工作環境。

#### 2. 健康與安全

本集團嚴格遵守《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。

2017年，本集團內無發生因工作關係而死亡的事件。

##### 2.1 為確保員工健康，本集團採取如下措施：

- (1) 員工入職要求提供近三個月的體檢報告，以排除傳染性疾病和國家規定不宜從事相應崗位的疾病；

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| <p>(2) The hospitals provide free health check once a year for the employees, monitors the health status of employees, and give corresponding suggestions and measures in a timely manner;</p> <p>(3) As a prevention of needlestick injuries, surgical knife cuts, splashes of blood or laboratory reagents or specimens into the eyes, etc., occupational precautions and treatment have been well in place by hospital to ensure occupational safety of employees. Precautions against exposure to infectious diseases and high-risk operations must be performed to provide employees with preventive measures. Requirements in the "Professional Health Protection for Medical Staff" (《醫務人員職業衛生防護》) must be strictly followed;</p> | <p>(2) 醫院為員工免費提供每年一次的健康檢查，掌握員工的健康狀況，並及時給予相應的建議和措施；</p> <p>(3) 對於針刺傷、手術刀割傷、血液或實驗室試劑或標本濺入眼睛等，醫院做好職業暴露的預防與處理，保障員工的職業安全，對暴露在傳染病環境、進行高風險操作的員工提供預防措施，並嚴格按《醫務人員職業衛生防護》要求執行；</p> |
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- (4) AIDS, Hepatitis B, and Hepatitis C are considered major infectious diseases. Therefore, health check-ups are performed annually for workers who have direct contact with blood, infectious diseases, and dangerous substances. For employees who are involved in the classification and collection, transportation, temporary storage, and disposal of medical waste, which have high exposure to infection, must undergo an annual health check;
- (5) Radiation protection measures are provided to personnel engaged in radiation work and exposure to radiation.

#### 2.2 To ensure the safety of employees, the Group has adopted the following measures:

- (1) Work-related injury insurance has been arranged for all employees. Employees suffering from work-related accidents (such as falling, injury from sharp utensil, and traffic accidents during commuting) can enjoy full-paid sick leave, and apply for reimbursement of medical expenses according to related regulations;
- (2) The hospitals provide necessary equipment, facilities, and training for employees who handle medical waste, and establish a system to provide guidance on the classification and collection of medical waste, as well as treatment methods, accident prevention, and response measures after the occurrence of an accident;
- (3) The hospitals have established a system to ensure that the operation of the public equipment is always in a good state, so as to reduce various risks caused to the employees due to failure of public equipment, as well to improve the reliability of its safe operation;

- (4) 確認艾滋、乙肝、丙肝等為重要傳染病，故對直接接觸血液、傳染病及危險物品的工作人員和從事醫療廢物分類收集、運送、暫時貯存和處理等易感染工作的人員每年進行一次健康檢查；
- (5) 對從事放射工作和接觸放射線的人員提供放射防護措施。

#### 2.2 為確保員工的安全，集團採取了如下措施：

- (1) 為全體員工購買工傷保險，對遇到工傷事故(如跌倒、銳器刺傷、上下班途中交通事故等)的員工，可享受全薪病假，並根據相關規定據實報銷醫藥費用；
- (2) 醫院為處理醫療廢物的員工提供必要的設備、設施和培訓，並建立制度指引醫療廢物的分類、收集、處理方法和事故預防及發生後的應對措施；
- (3) 醫院制定制度確保公共設備的運行始終處於良好狀態，以減少公共設備因故障而對員工安全造成的各種風險，提高其安全運行的可靠性；

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(4) The hospitals provide employees with training on fire safety, personal and property safety, and have formulated a system to guide the protection of safety incidents and emergency measures;

(5) The Group has established a healthy and safe hospital culture, and regularly conducts health and safety education and training, strengthens employees' health and safety awareness, and provides employees with a healthy and safe working environment;

(6) The hospitals have established a security shift mechanism and general shift mechanism to settle the conflicts between doctors and patients and prevent medical disturbance cases.

#### 3. Development and Training

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. The Group constantly encourages employees to continuously improve their quality through training, so as to build a high quality and professional management team that meets 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.

#### 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

(4) 醫院為員工提供消防及人身財產安全的培訓，並制定制度指引安全事故的防護及緊急情況的應急措施；

(5) 建立健康與安全的醫院文化，定期進行健康與安全教育培訓，強化員工的健康與安全意識，並為員工提供健康與安全的工作環境；

(6) 建立保安值班及總值班機制，協調醫患矛盾，防止醫鬧事件。

#### 3. 發展及培訓

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。不斷鼓勵員工通過培訓持續提升自身素質，以打造一支適應本集團業務發展的高素質的專業管理團隊。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。

#### 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



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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.

There were no violations of labor standards that had a material adverse effect on the Group during 2017.

#### 5. Supply Chain Management

The Group's suppliers mainly include agents and distributors of pharmaceuticals and medical devices. The Group attaches great importance to managing the environmental and social risks of the supply chain, and has developed and strictly implemented the Management System for Supplier Evaluation and the Management System for New Supplier and Category Approval 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 qualification evaluation system has reached a 100% coverage.

#### 6. Product Responsibility

The Group adheres to the "customer-centric" principle and integrates with the requirements of the National Health Commission's core hospital system to continuously improve the quality of medical care, improve the standards of medical services, and fully protect customers' safety. Our smiling service, customer satisfaction survey, and the establishment of customer complaint channels are all aimed at providing customers with professional, internationalized, and family-oriented high-end medical services.

門需提前填寫《人員需求表》，並根據職責權限完成審批後提交至招聘部門統一安排招聘，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，對入職人員資料進行審核。

2017年內未發生對本集團產生重大不利影響的違反勞工準則的事項。

#### 5. 供應鏈管理

本集團供應商主要包括藥品及醫療器械的代理商及經銷商。本集團極為重視管理供應鏈的環境及社會風險，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》及《新增供應商及品種審核管理制度》並嚴格按照制度執行，資質審查覆蓋率達到100%。

#### 6. 業務責任

本集團秉承「一切以客戶為中心」的宗旨，結合國家衛生健康委員會核心醫院制度要求，持續改進醫療質量，提升醫療服務水平，全面保障客戶安全。從微笑服務、客戶滿意度調查問卷到設立客戶投訴渠道，均旨在為客戶提供專業化、國際化、家庭化的高端醫療服務。

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In 2017, the Group did not have any violations of the rules governing the use of the Group's products and services that had a significant impact on the Group.

#### 6.1 Customer satisfaction and complaints

The Group's hospitals have a customer service department (the "CS department"), which is responsible for collecting customers' feedback and formulating the "Customer Service Management System". Customers may complain or provide feedback through multiple channels such as personal visit, telephone, email, and suggestion box. After receiving the complaint, the customer service staff shall identify the content of the complaint as soon as possible, and work to provide a solution in the shortest time and give the customer a satisfactory response. For example, the Group's subordinate Shenzhen HarMoniCare Hospital ranked as Shenzhen's most satisfactory hospital in the gynecology category in 2017, winning the honor for two consecutive years and has been widely recognized by the public.

The Group's hospitals attach great importance to customers' complaints and feedback and will actively respond to the feedback through the following measures:

- (1) Carry regular training on in-hospital services, and supervise, coordinate and assess the overall quality of service in a hospital;
- (2) Strengthen the service quality management of various departments, explain to the customers with patience, and comfort the customers' emotions;
- (3) Enrich the waiting areas and leisure corners, and provide refreshment services in order to ease customers' waiting anxiety;

2017年，本集團並無任何違反有關提供及使用本集團業務和服務方面規則，並對本集團有重大影響的事件。

#### 6.1 客戶滿意度及投訴

本集團醫院設有客戶服務部(以下簡稱「客服部」)，專門負責收集客戶反饋，並制定了《客戶服務管理制度》。客戶可通過現場、電話、電子郵件、意見收集箱等多個渠道投訴反饋。客服人員在接到投訴後，第一時間了解投訴內容，力求在最短時間內提供解決方案，給予客戶較滿意的答覆。如2017年度本集團下屬深圳和美醫院在深圳市2017年社會辦醫院婦科類滿意度排名中衛冕第一，且連續兩年榮獲該榮譽，獲得社會公眾的廣泛認可。

本集團醫院重視客戶的投訴反饋，對客戶反饋積極處理，並採取如下措施：

- (1) 定期開展提升院內服務培訓，並對全院服務質量進行監督、協調及考核；
- (2) 加強各科室服務質量管理，向客戶耐心講解，安撫客戶情緒；
- (3) 豐富等候區域休閒項目，提供茶點服務，緩解客戶候診焦慮；

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| <p>(4) The hospital leadership will conduct regular inspections to find the problems and provide guidance in a timely manner;</p> <p>(5) Continuously improve the CS department related working system and the internal service procedures according to the development trend of the medical service industry;</p> <p>(6) Develop response plans to identify and resolve hidden complaints in a timely manner, so as to improve customer satisfaction.</p> | <p>(4) 醫院領導層定時巡查，及時發現問題並指導；</p> <p>(5) 根據醫療行業服務的發展趨勢，不斷完善客服部相關工作制度，優化內部的就診服務流程；</p> <p>(6) 制定應對方案，及時發現並解決投訴隱患，提高客戶滿意度。</p> |
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#### 6.2 Customer privacy protection

The Group's hospitals focus on the protection of customer privacy during the process of providing medical services and keeping customers' medical records. In order to protect customer privacy, the following regulations are formulated and the hospital is required to strictly observe:

- (1) The Group's hospitals have a medical management department that specializes in the management of medical records. The hospitals strictly abide by the Provisions on the Administration of Medical Records in Medical Institutions (《醫療機構病歷管理規定》) in creating, maintaining, reviewing, duplicating, sealing, or unpacking and preserving customers' medical records. They are not allow to access, process, or lose the medical records at their will, without the consent of the clients themselves or their families;
- (2) The Group also organizes regular training to raise employees' privacy awareness and guide them to pay attention to customer privacy protection, and emphasize that they are not allowed to discuss customer-related issues in public places (halls, canteens, elevators, etc.);
- (3) The employees will draw the curtain or close the door or put on the "Inspection in progress, please wait" sign when treating customers;

#### 6.2 客戶隱私保護

本集團醫院在醫療服務、客戶醫療記錄過程中注重客戶隱私的保護。為保護客戶隱私，特制定了以下規定，並要求醫院嚴格遵守：

- (1) 本集團醫院設有醫務管理部，專門負責病歷管理。醫院嚴格遵守《醫療機構病歷管理規定》，對客戶醫療記錄進行創建、維護、審閱與複製、密封或拆封及保存，未經客戶本人或家屬同意，不得隨意將其病歷查閱、處理、清除、丟失；
- (2) 本集團亦通過定期培訓，提高員工的客戶隱私意識，注意客戶隱私保護，不在公共場合(大廳、食堂、電梯等)討論與客戶有關的問題；
- (3) 接待客戶時拉簾或關門，或掛有「檢查中，請稍後」的提醒標誌；

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- (4) The hospitals' information system sets the authority according to the position level, access to and extraction of customer information will not be allowed without authorization.

#### 7. Anti-corruption

The Group strictly adheres to relevant laws and regulations including the Company Law of the People's Republic of China, 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 has formulated an anti-corruption management system based on the actual situation, and established phone line and email for complaints and reports which are published on the website by all units. Employees and business partners may make anonymous reports through dedicated phone line and email.

The Group has a risk control and audit department that assists the Company's management in establishing a sound internal control system through routine auditing, risk management and internal control evaluation to prevent fraud. Reports in respects of employees or outsiders in real names or anonymously are subject to anti-fraud investigations, and such cases are reported to the Board of Directors in a timely manner.

It is forbidden for medical staff to accept red pockets in the Group's hospitals. Medical staff are not allowed to privately receive any form of payment or benefits from customers. It also requires all medical staff to report to management on all cases of customers giving red pockets.

In 2017, 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 were forced to be terminated or stopped performance due to corruption related non-compliance.

- (4) 醫院信息系統根據崗位級別設置權限，未經授權無法查詢和提取客戶信息。

#### 7. 反貪污

本集團嚴格遵守《中華人民共和國公司法》《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。根據實際情況，本集團制定了《反舞弊管理制度》，建立了投訴、舉報電話及郵箱，要求各單位在網站中進行公示，員工及業務夥伴均可通過專線電話及電子郵件進行匿名舉報。

本集團設有風控審計部，通過常規審計、風險管理、內部控制評價，協助公司管理層建立健全內部控制體系，以預防舞弊行為的發生。對員工或外部實名或匿名舉報，實施反舞弊調查，並及時匯報董事會。

本集團醫院嚴禁醫務人員收受紅包，不得私下收取客戶任何形式的款項或好處。並要求所有醫務人員需向管理層報告客戶提供紅包的一切情況。

2017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。

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#### 8. Community investment

The Group adheres to the values of “Building Humanistic Medical Care and Creating a Brand of 100 Years”, and is committed to contributing to the community, supporting education, culture and art and other charitable activities with love. Internally, the Group establishes 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 wellbeing 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.

##### 8.1. Charity activities

- (1) In the China Charity Festival, Harmonicare was awarded with the “Annual Responsible Brand Award” by the Organizing Committee for two consecutive years;
- (2) The Group’s hospitals jointly launched a large-scale charity activity, namely “Mother’s Love in 10 Square Metres” with UNICEF and opened “Mother’s Love in 10 Square Metres” breastfeeding room at multiple cities across the country to provide a convenient breastfeeding place for local breastfeeding mothers so as to give more support and respect to breastfeeding mothers;
- (3) Regarding the “Love Donation Ceremony for Study Aid for Making Dreams Come True” for 2017 organized by the Red Cross Society of Nangang District, Harbin, the Heilongjiang HarMoniCare Hospital of the Group, as a love unit that has always been committed to charity activities, has made contributions and donations to 10 poor students with excellent results in the 73rd and the 37th secondary schools in Harbin City;

#### 8. 社區投資

本集團奉行「打造人文醫療，創建百年品牌」的價值觀，用自己的愛心，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，始終把積極履行社會責任，提升人們健康水平作為企業發展的重要內容。

##### 8.1 公益活動

- (1) 在中國公益節上，和美醫療連續兩年獲得組委會頒發的「年度責任品牌」獎；
- (2) 集團旗下醫院共同啟動聯合國兒童基金會「母愛10平方」大型公益活動，在全國多個城市同時開設「母愛10平方」母乳餵養室，為當地的母乳媽媽提供便捷的哺乳場所，以給予母乳餵養的媽媽們更多支持和尊重；
- (3) 哈爾濱市南崗區紅十字會舉辦了2017年「博愛圓夢助學捐贈發放儀式」，集團旗下的黑龍江和美醫院作為一家始終致力於公益事業的愛心單位，此次共出資捐助了哈爾濱市第73中學、第37中學的10位成績優異的貧困學子；



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- (4) For the purpose of promoting Epidural Anaesthesia, Harmonicare cooperates with the No Pain Labor & Delivery-Global Health Initiative, an American organization to explore Epidural Anaesthesia technology that suits China's national conditions, and achieved preliminary results on 8 March 2017 - co-published the "White Paper on Painless Childbirth in China", formulating the technical specifications for Epidural Anaesthesia and outlining the work responsibilities of the staff at all levels in details, and interpreting the anomalies that may arise during the Epidural Anaesthesia and measures. It is a guidance for Epidural Anaesthesia of obstetrics, and also supports the charity channel "Epidural Anaesthesia in China" at Tencent.com, which describes the advantages of Epidural Anaesthesia to the expectant mothers. The hospitals of the Group sent blessings to the pregnant women in relation to their respective professions;
- (4) 為提倡無痛分娩，和美醫療牽手美國無痛分娩中國行公益組織共同探索適合中國國情的無痛分娩技術，並於2017年3月8日取得初步成果——共同發佈了《無痛分娩白皮書》，書中詳細制訂了無痛分娩的技術規範和各級人員的工作職責，解讀了無痛分娩過程中可能出現的異常情況及對策，是產科無痛分娩指導性的文件。同時通過騰訊網拍攝的「無痛分娩中國行」公益視頻，向准媽媽直觀的描述了無痛分娩的優點，集團各醫院從各自專業的角度為孕產婦們送去了祝福；
- (5) Based on the "International Fertility Dance Festival" event, The Group's Shenzhen HarMonicare Hospital challenges the Guinness World Records in a brand new form once again, setting the benchmark for the Shenzhen Maternity Campaign again and creating miracles.
- (5) 集團旗下的深圳和美醫院以「國際生育舞蹈音樂節」活動為基礎，以全新的形式再次挑戰吉尼斯世界紀錄，為深圳孕婦運動再次樹立標桿，創造奇跡。

#### 8.2 Free medical clinic activities

- (1) Fuzhou Modern Hospital has successively delivered lectures on excellent pregnancy and health for residents in Minhou Art School, Minhou Dayuan Village Committee, Minhou Jingxi Town, Minhou Nanyu Town, Minhou Shangjie Town, Minhou Shanggan Town, Minhou Qingkou Town, Qipu Village Committee, Wufeng Street Service Centre, and Huada Street Service Centre in Fuzhou City;

#### 8.2 醫療義診活動

- (1) 福州現代醫院先後走進福州市閩侯美術學校、閩侯大元村委、閩侯荊溪鎮、閩侯南嶼鎮、閩侯上街鎮、閩侯尚幹鎮、閩侯青口鎮、洽浦村委、五鳳街道服務中心、華大街道服務中心等，為居民開展優生優育健康知識講座；

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- (2) Wuhan Modern Hospital has successively provided residents with free clinic services such as measurement of blood pressure in a number of communities including the Yingqian community, Renshou community, Laojiao community, Xianghe community and Nanxiang community in Wuhan City.

#### 8.3 Health and Safety Seminar

- (1) On 11 March 2017, the Group's Shenzhen HarMoniCare Hospital cooperated with Bliss Mom to hold a "Birth memory & happiness sharing session" with breeding experts from the Asia-Pacific region in the international conference room of Kexing Science Park in Nanshan District in Shenzhen City. Professor Akira Ikegawa, a birth memory expert in Japan, shared healthy pregnancy with hundreds of pregnant women on the spot;
- (2) On 4 June 2017, the Group's Beijing HarMoniCare Hospital cooperated with Deepcare to hold the "Sino-American Exchange Conference for Helping Pregnancy" in the conference hall of Beijing HarMoniCare Hospital. The experts from China and USA were invited to answer any doubts and uncover the mystery of in vitro fertilization;
- (3) On 16 September 2017, Shenzhen HarMoniCare Hospital specially organized the "Reproductive experts in assisting pregnancy in Shenzhen" activity to help the majority of patients to quickly understand the reasons for infertility and find out the best pregnancy plan. In this activity, Professor Zhuo Lewen, a famous doctor in China South was invited to cooperate with the experts of Shenzhen HarMoniCare Hospital to provide medical treatment for the benefit of infertility families in Shenzhen.

- (2) 武漢現代醫院先後走進武漢市營前社區、仁壽社區、老甫社區、祥和社區、南巷社區等多個社區，為居民提供量血壓等義診服務。

#### 8.3 健康安全講座

- (1) 2017年3月11日，集團旗下的深圳和美醫院攜手悅月時光，於深圳市南山區科興科學園國際會議室，隆重舉辦一場由亞太孕育專家分享的「胎內記憶&幸福誕生分享會」，日本胎內記憶專家池川明教授與現場幾百位孕媽分享健康孕程；
- (2) 2017年6月4日，集團旗下的北京和美醫院攜手德璞舉辦的「中美大咖助孕寶寶交流會」，在北京和美醫院報告廳舉行，中美專家為現場嘉賓答疑解惑，揭開試管助孕的奧秘；
- (3) 2017年9月16日，深圳和美醫院為幫助廣大客戶快速了解自身不孕不育癥結，找到最佳孕育方案，特舉辦了「送子聖手，助孕鵬城」活動，此次活動特邀華南名醫卓樂雯教授與深圳和美醫院專家聯合會診，造福鵬城不孕不育家庭。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### 8.4 Awards and accolades

- (1) On 1 January 2017, Wuhan Modern Hospital was named as an enterprise that “abides by the contract and emphasizes credit” by the Industrial and Commercial Bureau of Qiaokou District;
- (2) On 8 March 2017, Heilongjiang HarMoniCare Hospital won the honorary title of “Wuyi Demonstration Post in Harbin” and the vice president won the honorary title of the “Most Beautiful Female Employee in Harbin”;
- (3) On 19 July 2017, at the China Hospital Development Conference for 2017 held in Hangzhou, Beijing HarMoniCare Hospital, one of the high-end brands of the Group, won the “2016 Private Hospital Network Brand Hot List (Top 50)” and the “2016 Private Hospital New Media List (Top 50)” awards.

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.

According to the new disclosure requirements of the HKEx’s Environmental, Social and Governance Reporting Guidelines, the Group will continue to perform day-to-day management of information on environmental, social and governance reporting in order to comply with the new disclosure requirements.

#### 8.4 所獲榮譽

- (1) 2017年1月1日，武漢現代醫院被橋口區工商局評選為「守合同，重信用」企業；
- (2) 2017年3月8日，黑龍江和美醫院榮獲「哈爾濱市五一巾幗示範崗」榮譽稱號、副院長榮獲「哈爾濱市最美女職工」榮譽稱號；
- (3) 2017年7月19日，在杭州舉辦的2017年中國醫院發展大會上，作為本醫療集團旗下高端品牌之一的北京和美醫院榮獲「2016年度民營醫院網絡品牌熱度榜(50強)」和「2016年度民營醫院新媒體影響力榜(50強)」兩大獎項。

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。

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工作，以遵守有關新披露要求。

**Deloitte.**

**德勤**

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 108 to 253, which comprise the consolidated statement of financial position as at 31 December 2017, 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 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") 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 ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). 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 HKICPA's 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.

## 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.

## 意見

吾等已審計列載於第108至253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2017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會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則真實而公平地反映貴集團於2017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(「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。

## 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。

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### 獨立核數師報告(續)

#### Key audit matter

##### 關鍵審核事項

Fair value determination of medical license acquired in business combination

釐定於業務合併中收購之醫療執照之公平值

We identified the fair value determination of medical license separately identified in the acquisition of subsidiary as a key audit matter due to the significance of the balance of recognised medical license. Judgements and use of assumptions are involved in estimating the fair value of medical license.

吾等判定釐定於收購附屬公司時單獨識別之醫療執照之公平值為關鍵審核事項，此乃由於已確認醫療執照之重大程度所致。估計醫療執照之公平值涉及判斷及採用假設。

As of the acquisition date, the purchase method of accounting for business combinations requires the Group to recognise, separately from goodwill, the fair value of identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The management's application of the recognition principle and conditions result in recognising some assets and liabilities that the acquiree had not previously recognised as assets and liabilities in its consolidated financial statements.

截至收購日期，業務合併之購買會計方法要求貴集團將所收購可識別資產、所承擔負債及被收購方之任何非控股權益之公平值與商譽分開確認。管理層應用確認原則及條件令被收購方過往並無確認之部分資產及負債於財務報表中確認為資產及負債。

#### How our audit addressed the key audit matter

##### 吾等之審核如何處理關鍵審核事項

Our procedures in relation to the fair value determination of medical license acquired in the acquisition included:

吾等就釐定於收購中所收購醫療執照之公平值進行之程序包括：

- Evaluating the independent external valuer's competence, objectivity and qualification.
- 評估獨立外部估值師之勝任性、客觀性及資質。
- Evaluating, with the assistance of our internal valuation specialists, the appropriateness of the valuation methodology and key assumptions as follows:
  - 在吾等內部估值專業人士之協助下，按以下方式評估估值方法及主要假設是否適當：
    - compound growth rate by reference to the valuation report from the independent external valuer;
    - 參考獨立外部估值師出具之估值報告評估複合增長率；
    - long-term revenue growth rate by reference to the long-term inflation rate of China;
    - 參考中國長期通脹率評估長期收益增長率；
    - discount rate used in valuing the medical license, based on cost of equity and risk premium, industry market available data, specific risks of the Company.
    - 根據權益及風險溢價、行業市場可得數據及貴公司之特定風險評估醫療執照估值所用之貼現率。



## Key audit matter

## 關鍵審核事項

## How our audit addressed the key audit matter

## 吾等之審核如何處理關鍵審核事項

Fair value determination of medical license acquired in business combination

釐定於業務合併中收購之醫療執照之公平值

The fair value of medical license recognised at the acquisition date of respective business combination entered into by the Group is disclosed in notes 18 and 34 to the consolidated financial statements.

於 貴集團所進行各項業務合併之收購日期確認之醫療執照之公平值於綜合財務報表附註 18 及 34 披露。

Details of the significant judgements applied and assumptions used in estimating the fair value of medical license at the acquisition dates of respective business combination entered into by the Group are disclosed in note 4 to the consolidated financial statements.

估計於 貴集團所進行各項業務合併之收購日期醫療執照之公平值所應用重大判斷及所採用假設之詳情於綜合財務報表附註 4 披露。

The management involved independent external valuer to assist determining the application of valuation methodology and key assumptions used in the acquisition that results in the recognition of medical license as other intangible assets to the consolidated financial statements. The key assumptions include compound growth rate, long-term revenue growth rate, discount rate, financial forecast and useful life of medical license.

管理層讓獨立外部估值師協助決定將令醫療執照獲確認為其他無形資產之收購所採用之估值方法及主要假設應用於綜合財務報表。主要假設包括複合增長率、長期收益增長率、貼現率、財務預測及醫療執照使用年期。

- Evaluating the appropriateness of other key assumptions and inputs, including the financial forecast and useful life of medical license by comparing them to historical performance and comparable industry data.
- 通過與歷史表現及可比較行業數據進行比較而評估其他關鍵假設及輸入數據（包括財務預測及醫療執照使用年期）是否合適。

## 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 issued by the IASB, 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會計準則理事會頒佈的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。

**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 HKSAs 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 HKSAs, 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.

**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不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上或承擔任何責任。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。

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### 獨立核數師報告(續)

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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.

#### 核數師就審核綜合財務報表須承擔的責任(續)

- 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。
- 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。

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

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.

The engagement partner on the audit resulting in the independent auditor's report is Tung Wai Lung Ricky.

**Deloitte Touche Tohmatsu**  
Certified Public Accountants  
Hong Kong  
20 March 2018

**核數師就審核綜合財務報表須承擔的責任  
(續)**

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。

負責此審核項目與簽發獨立核數師報告的項目合夥人為董偉龍。

**德勤•關黃陳方會計師行**  
執業會計師  
香港  
2018年3月20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 2017

截至2017年12月31日止年度

|  |                             | Notes | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|-----------------------------|-------|--|--|
|  |                             | 附註    |  |  |
| Revenue  | 收益                          | 5     | 924,151  | 859,701  |
| Cost of sales and services   | 銷售及服務成本                     |       | (496,548)  | (439,713)  |
| Gross profit   | 毛利                          |       | 427,603  | 419,988  |
| Other income   | 其他收入                        | 7     | 13,063   | 18,339   |
| Other gains and losses   | 其他收益及虧損                     | 8     | (16,554)   | 27,258   |
| Selling and distribution expenses  | 銷售及分銷開支                     |       | (242,422)  | (214,931)  |
| Administrative expenses  | 行政開支                        |       | (138,905)  | (123,177)  |
| Other expenses   | 其他開支                        | 9     | (4,213)  | (2,768)  |
| Share of loss of associates  | 應佔聯營公司虧損淨額                  |       | (4,625)  | (823)  |
| Profit before tax  | 除稅前利潤                       | 10    | 33,947   | 123,886  |
| Income tax expense   | 所得稅開支                       | 11    | (4,509)  | (26,615)   |
| <b>Profit for the year</b>   | <b>年內利潤</b>                 |       | <b>29,438</b>  | <b>97,271</b>  |
| <b>Other comprehensive income</b>  | <b>其他全面收入</b>               |       |  |  |
| <i>Item that may be reclassified<br/>subsequently to profit or loss:</i> | <i>其後可能重新分類至<br/>損益之項目：</i> |       |  |  |
| Share of other comprehensive income<br>of associates                     | 應佔聯營公司其他全面<br>收入            |       | 42   | 228  |
| Other comprehensive income<br>for the year, net of income tax            | 年內其他全面收入，<br>扣除所得稅          |       | 42   | 228  |
| <b>Total comprehensive income<br/>for the year</b>                       | <b>年內全面收入<br/>總額</b>        |       | <b>29,480</b>  | <b>97,499</b>  |

# 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 2017

截至2017年12月31日止年度

|   |                     | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|---|---------------------|--|--|
|   | Notes<br>附註         |  |  |
| Profit for the year attributable to:                        | 以下各方應佔年內利潤：         |  |  |
| Owners of the Company                                       | 本公司擁有人              | 27,394   | 95,708   |
| Non-controlling interests                                   | 非控股權益               | 2,044  | 1,563  |
|   |                     | 29,438   | 97,271   |
| Total comprehensive income<br>for the year attributable to: | 以下各方應佔年內全面<br>收入總額： |  |  |
| Owners of the Company                                       | 本公司擁有人              | 27,436   | 95,936   |
| Non-controlling interests                                   | 非控股權益               | 2,044  | 1,563  |
|   |                     | 29,480   | 97,499   |
| Earnings per share  | 每股盈利                |  |  |
| – Basic and diluted (RMB cents)                             | – 基本及攤薄<br>(每股人民幣分) | 3.61   | 12.53  |

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At at 31 December 2017  
於2017年12月31日

|   |                                      |       | 31/12/2017  | 31/12/2016  |
|---|--------------------------------------|-------|-------------|-------------|
|   |                                      |       | 2017年12月31日 | 2016年12月31日 |
|   |                                      | Notes | RMB'000     | RMB'000     |
|   |                                      | 附註    | 人民幣千元       | 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    | 300,784     | 253,262     |
| Land use right  | 土地使用權                                | 16    | 119,156     | —           |
| Goodwill  | 商譽                                   | 17    | 122,283     | 49,302      |
| Other intangible assets   | 其他無形資產                               | 18    | 136,180     | 95,793      |
| Interests in associates   | 於聯營公司之權益                             | 20    | 27,342      | 7,628       |
| Prepaid rental  | 預交租金                                 |       | —           | 1,222       |
| Rental deposits   | 租金按金                                 |       | 10,299      | 9,281       |
| Deferred tax assets   | 遞延稅項資產                               | 21    | 54,277      | 33,080      |
| Financial assets designated<br>as at fair value through<br>profit or loss ("FVTPL") | 指定為按公平值計入<br>損益之金融資產<br>(「按公平值計入損益」) | 22    | 99,723      | 48,000      |
| Other long-term assets  | 其他長期資產                               | 23    | 81,989      | —           |
|   |                                      |       | 952,033     | 497,568     |
| Current assets  | 流動資產                                 |       |             |             |
| Inventories   | 存貨                                   | 24    | 22,300      | 24,583      |
| Loan receivables  | 應收貸款                                 | 25    | 130,957     | 5,000       |
| Trade receivables   | 貿易應收款項                               | 26    | 46,295      | 29,086      |
| Prepayments, deposits and<br>other receivables                                      | 預付款、按金及<br>其他應收款項                    | 27    | 134,162     | 56,327      |
| Amounts due from related parties  | 應收關聯方款項                              | 38    | 29,378      | 4,015       |
| Time deposits   | 定期存款                                 | 28    | 45,000      | 115,000     |
| Cash and cash equivalents   | 現金及現金等價物                             | 28    | 466,995     | 951,996     |
|   |                                      |       | 875,087     | 1,186,007   |

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

## 綜合財務狀況表(續)

At at 31 December 2017  
於2017年12月31日

|  |             |             | 31/12/2017<br>2017年12月31日 | 31/12/2016<br>2016年12月31日 |
|--|-------------|-------------|---------------------------|---------------------------|
|  |             | Notes<br>附註 | RMB'000<br>人民幣千元          | RMB'000<br>人民幣千元          |
| Current liabilities                          | 流動負債        |             |                           |                           |
| Trade payables                               | 貿易應付款項      | 29          | 16,020                    | 16,552                    |
| Other payables and accruals                  | 其他應付款項及應計費用 | 30          | 128,543                   | 141,300                   |
| Amounts due to a related party               | 應付關聯方款項     | 38          | 924                       | 70,253                    |
| Tax payables                                 | 應付稅項        |             | 21,990                    | 24,087                    |
| Provision                                    | 撥備          | 31          | 900                       | 1,053                     |
|  |             |             | 168,377                   | 253,245                   |
| Net current assets                           | 流動資產淨額      |             | 706,710                   | 932,762                   |
| Total assets less current liabilities        | 總資產減流動負債    |             | 1,658,743                 | 1,430,330                 |
| Non-current liabilities                      | 非流動負債       |             |                           |                           |
| Accrued rental expenses                      | 應計租金開支      |             | 28,710                    | 31,438                    |
| Deferred tax liabilities                     | 遞延稅項負債      | 21          | 47,925                    | 15,511                    |
|  |             |             | 76,635                    | 46,949                    |
| Net assets                                   | 資產淨額        |             | 1,582,108                 | 1,383,381                 |
| Capital and reserves                         | 資本及儲備       |             |                           |                           |
| Share capital                                | 股本          | 32          | 598                       | 598                       |
| Share premium and reserves                   | 股份溢價及儲備     |             | 1,353,507                 | 1,388,500                 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益  |             | 1,354,105                 | 1,389,098                 |
| Non-controlling interests                    | 非控股權益       |             | 228,003                   | (5,717)                   |
| Total equity                                 | 總權益         |             | 1,582,108                 | 1,383,381                 |

The consolidated financial statements on pages 108 to 253 were approved and authorised for issue by the board of directors on 20 March 2018 and are signed on its behalf by:

第108頁至253頁之綜合財務報表乃經董事會於2018年3月20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

Fang Zhifeng  
方志鋒  
Director  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2017

截至2017年12月31日止年度

|   |                                    | Attribute to owners of the Company<br>本公司權益持有人應佔 |  |  |  |   |   |   |  |                                     |   |                                 |
|---|------------------------------------|--|--|--|--|---|---|---|--|-------------------------------------|---|---------------------------------|
|   |                                    | Share<br>capital<br>股本<br>RMB'000<br>人民幣千元       | Share<br>premium<br>股份溢價<br>RMB'000<br>人民幣千元 | Other<br>reserve<br>其他儲備<br>RMB'000<br>人民幣千元 | Treasury<br>share<br>reserve<br>庫存<br>股份儲備<br>RMB'000<br>人民幣千元 | Share<br>option<br>reserve<br>購股權儲備<br>RMB'000<br>人民幣千元 | Translation<br>reserve<br>(note i)<br>兌換儲備<br>(附註i)<br>RMB'000<br>人民幣千元 | Statutory   | Retained   | Sub-total<br>總計<br>RMB'000<br>人民幣千元 | Non-<br>controlling<br>interests<br>非控股<br>權益應佔<br>RMB'000<br>人民幣千元 | Total<br>總計<br>RMB'000<br>人民幣千元 |
|   |                                    |  |  |  |  |   |   | (note ii)<br>法定<br>盈餘儲備<br>(附註ii)<br>RMB'000<br>人民幣千元 | profits<br>(Accumulated<br>losses)<br>保留利潤<br>(累計虧損)<br>RMB'000<br>人民幣千元 |                                     |   |                                 |
| Balance at 1 January 2016   | 2016年1月1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<br>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<br>interests                                  | 支付予非控股權益的股息                        | —  | —  | —  | —  | —   | —   | —   | —  | —                                   | (1,282)   | (1,282)                         |
| Dividends recognised as distribution<br>(note 13)                               | 確認為分派的股息<br>(附註13)                 | —  | (42,057)                                     | —  | —  | —   | —   | —   | —  | (42,057)                            | —   | (42,057)                        |
| Shares repurchased and cancelled<br>(note 32)                                   | 已購回及註銷之股份<br>(附註32)                | (10)   | (50,418)                                     | —  | —  | —   | —   | —   | —  | (50,428)                            | —   | (50,428)                        |
| Transaction costs attributable to<br>repurchase of ordinary shares              | 購回普通股產生之交易成本                       | —  | (209)  | —  | —  | —   | —   | —   | —  | (209)                               | —   | (209)                           |
| Expenses recognised on equity settled<br>share-based payments<br>(note 33)      | 就以股權結算以股份為基礎的<br>付款確認之開支<br>(附註33) | —  | —  | —  | —  | 20  | —   | —   | —  | 20                                  | 5   | 25                              |
| Acquisition of non-controlling interest in<br>Fuzhou Modern Hospital (note iii) | 收購福州現代醫院<br>的非控股權益 (附註iii)         | —  | —  | (23,073)                                     | —  | —   | —   | —   | —  | (23,073)                            | (5,727)   | (28,800)                        |
| Acquisition of a non-wholly owned<br>subsidiary                                 | 收購一間非全資附屬公司                        | —  | —  | —  | —  | —   | —   | —   | —  | —                                   | (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 2017  
截至2017年12月31日止年度

Attribute to owners of the Company  
本公司權益持有人應佔

|  |                                | Share<br>capital<br>股本<br>RMB'000<br>人民幣千元 | Share<br>premium<br>股份溢價<br>RMB'000<br>人民幣千元 | Other<br>reserve<br>其他儲備<br>RMB'000<br>人民幣千元 | Treasury<br>share<br>reserve<br>庫存<br>股份儲備<br>RMB'000<br>人民幣千元 | Share<br>option<br>reserve<br>購股權儲備<br>RMB'000<br>人民幣千元 | Translation<br>reserve<br>(note i)<br>兌換儲備<br>(附註i)<br>RMB'000<br>人民幣千元 | Statutory<br>surplus<br>reserve<br>(note ii)<br>法定<br>盈餘儲備<br>(附註ii)<br>RMB'000<br>人民幣千元 | Retained<br>profits<br>(Accumulated<br>losses)<br>保留利潤<br>(累計虧損)<br>RMB'000<br>人民幣千元 | Sub-total<br>總計<br>RMB'000<br>人民幣千元 | Non-<br>controlling<br>interests<br>非控股<br>權益應佔<br>RMB'000<br>人民幣千元 | Total<br>總計<br>RMB'000<br>人民幣千元 |
|--|--------------------------------|--|--|--|--|---|---|--|--|-------------------------------------|---|---------------------------------|
| Balance at 1 January 2017  | 2017年1月1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                       |
| Profit for the year  | 年內利潤                           | —  | —  | —  | —  | —   | —   | —  | 27,394   | 27,394                              | 2,044   | 29,438                          |
| Other comprehensive income<br>for the year   | 年內其他全面收入                       | —  | —  | —  | —  | —   | 42  | —  | —  | 42                                  | —   | 42                              |
| Appropriations   | 轉撥                             | —  | —  | —  | —  | —   | —   | 6,339  | (6,339)  | —                                   | —   | —                               |
| Dividends recognised as distribution<br>(note 13)  | 確認為分派的股息<br>(附註13)             | —  | (37,921)                                     | —  | —  | —   | —   | —  | —  | (37,921)                            | —   | (37,921)                        |
| Purchase of shares under<br>Restricted Share Incentive<br>Scheme (note 32)               | 根據限制性股份<br>激勵計劃<br>購買股份 (附註32) | —  | —  | —  | (13,650)   | —   | —   | —  | —  | (13,650)                            | —   | (13,650)                        |
| Reversal of equity-settled<br>share-based payments (note 33)                             | 撥回就以股權結算之股份<br>支付 (附註33)       | —  | —  | —  | —  | (4,656)   | —   | —  | —  | (4,656)                             | (52)  | (4,708)                         |
| Acquisition of non-controlling<br>interest (note iv)                                     | 收購非控股權益 (附註iv)                 | —  | —  | (6,202)                                      | —  | —   | —   | —  | —  | (6,202)                             | (885)   | (7,087)                         |
| Recognition of non-controlling interest<br>in Zhengzhou HarMoniCare<br>Hospital (note v) | 確認鄭州和美<br>醫院的非控股權益<br>(附註v)    | —  | —  | —  | —  | —   | —   | —  | —  | —                                   | 14,400  | 14,400                          |
| Acquisition of a non-wholly owned<br>subsidiary (note 34)                                | 收購非全資附屬公司<br>(附註34)            | —  | —  | —  | —  | —   | —   | —  | —  | —                                   | 217,881   | 217,881                         |
| Adjustments to non-controlling interest  | 非控股權益調整                        | —  | —  | —  | —  | —   | —   | —  | —  | —                                   | 332   | 332                             |
| Balance at 31 December 2017  | 2017年12月31日的結餘                 | 598  | 1,264,166                                    | (14,390)                                     | (13,650)   | —   | 270   | 76,815   | 40,296   | 1,354,105                           | 228,003   | 1,582,108                       |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

### 綜合權益變動表(續)

For the year ended 31 December 2017

截至2017年12月31日止年度

Notes:

- (i) Exchange differences arising on foreign currency translation of a foreign associate are recognised in other comprehensive income.
- (ii) According to 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 China Accounting Standards ("CASs"), to the statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The statutory surplus reserve can be utilised, 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.
- (iii) On 9 September 2016, Guiyang HarMoniCare Hospital acquired 16% non-controlling interest of Fuzhou Modern Hospital at a consideration of RMB28,800,000. The consideration was fully paid in October 2016.
- (iv) On 10 April 2017, Guiyang HarMoniCare Hospital acquired 3.5% non-controlling interest of Guiyang Modern Hospital at a consideration of RMB1,131,000. On 22 May 2017, Guiyang HarMoniCare Hospital acquired 3% non-controlling interest of Guangzhou Woman Hospital at a consideration of RMB2,620,000. On 27 May 2017, Guiyang HarMoniCare Hospital acquired 4.5% non-controlling interest of Chongqing Liren Hospital at a consideration of RMB2,486,000. The consideration with a total amounts of RMB6,237,000 was fully paid in October 2017.
- On 23 December 2017, Guiyang HarMoniCare Hospital acquired 3% non-controlling interest of Chongqing Wanzhou HarMoniCare Hospital at a consideration of RMB850,000. The amount of consideration payable for acquisition of non-controlling interest is RMB850,000.
- (v) Zhengzhou HarMoniCare Hospital was set up on 1 March 2017 with injection of share capital amounting to RMB36,000,000, including non-controlling interest of RMB14,400,000.

附註：

- (i) 換算一間海外聯營公司之匯兌差額於其他全面收益內確認。
- (ii) 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%。
- (iii) 於2016年9月9日，貴陽和美醫院收購福州現代醫院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。
- (iv) 於2017年4月10日，貴陽和美醫院收購貴陽現代醫院3.5%的非控股權益，代價為人民幣1,131,000元。於2017年5月22日，貴陽和美醫院收購廣州女子醫院3%的非控股權益，代價為人民幣2,620,000元。於2017年5月27日，貴陽和美醫院收購重慶麗人醫院4.5%的非控股權益，代價為人民幣2,486,000元。代價總額人民幣6,237,000元於2017年10月悉數支付。
- 於2017年12月23日，貴陽和美醫院收購重慶萬州和美醫院3%的非控股權益，代價為人民幣850,000元。收購非控股權益的應付代價金額為人民幣850,000元。
- (v) 鄭州和美醫院於2017年3月1日成立，股本注資金額為人民幣36,000,000元，包括非控股權益人民幣14,400,000元。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2017  
截至2017年12月31日止年度

|  |                                  | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|----------------------------------|--|--|
| Profit before tax  | 除稅前利潤                            | 33,947   | 123,886  |
| Adjustments for:   | 就以下各項作出調整：                       |  |  |
| Depreciation of property,<br>plant and equipment                       | 物業、廠房及設備折舊                       | 51,200   | 39,471   |
| Amortisation of other intangible assets                                | 其他無形資產攤銷                         | 7,454  | 4,201  |
| Amortisation of land use right   | 土地使用權攤銷                          | 1,019  | —  |
| Share of loss of associates  | 應佔聯營公司虧損                         | 4,625  | 823  |
| Gains on disposal of interests<br>in an associate                      | 出售一間聯營公司權益<br>的收益                | (60)   | —  |
| Loss on disposal of property,<br>plant and equipment, net              | 出售物業、廠房及<br>設備的虧損淨額              | 357  | 918  |
| Impairment recognised on trade and<br>other receivables                | 貿易及其他應收款項<br>確認的減值               | 2,476  | 111  |
| Foreign exchange losses (gains)  | 匯兌損失(收益)                         | 20,336   | (22,184)   |
| (Income) expenses recognised on equity<br>settled share-based payments | 就以股權結算以股份為<br>基礎的付款確認之<br>(收入)開支 | (4,708)  | 25   |
| Interest income from bank deposits                                     | 銀行存款之利息收入                        | (8,301)  | (15,374)   |
| Interest income from certificates of deposit                           | 存款證之利息收入                         | —  | (628)  |
| Interest income from loan receivables                                  | 應收貸款利息收入                         | (774)  | —  |
| Interest income from amounts due<br>from an associate                  | 應收一間聯營公司款項<br>利息收入               | (539)  | —  |
| Net gain arising on financial assets<br>designated as at FVTPL         | 指定為按公平值計入損益<br>之金融資產產生之<br>收益淨額  | (3,391)  | (332)  |
| Net gain arising on bank financial products                            | 銀行理財產品之收益淨額                      | (3,283)  | (5,771)  |
| Operating cash flows before movements in<br>working capital            | 營運資金變動前的<br>經營現金流量               | 100,358  | 125,146  |

# CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

## 綜合現金流量表(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

|   |                         | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|---|-------------------------|--|--|
| Movements in working capital  | 營運資金變動                  |  |  |
| Decrease (increase) in inventories                                    | 存貨減少(增加)                | 3,639  | (408)  |
| (Increase) decrease in trade receivables                              | 貿易應收款項<br>(增加)減少        | (16,899)   | 8,343  |
| (Increase) decrease in prepayments,<br>deposits and other receivables | 預付款、按金及其他<br>應收款項(增加)減少 | (27,397)   | 3,730  |
| Increase in amounts due from<br>related parties                       | 應收關聯方款項<br>增加           | (363)  | (15)   |
| Decrease in trade payables  | 貿易應付款項減少                | (4,396)  | (12,786)   |
| Decrease in other payables<br>and accruals                            | 其他應付款項及應計<br>費用減少       | (13,324)   | (5,842)  |
| Increase in amounts due to<br>a related party                         | 應付關聯方款項<br>增加           | 269  | 655  |
| (Increase) decrease in rental deposits                                | 租賃按金(增加)減少              | (999)  | 201  |
| Decrease in accrued rental expenses                                   | 應計租金開支減少                | (1,657)  | (612)  |
| (Decrease) increase in provision                                      | 撥備(減少)增加                | (153)  | 231  |
| Cash generated from operations  | 經營所得現金                  | 39,078   | 118,643  |
| Income taxes paid   | 已付所得稅                   | (29,525)   | (28,643)   |
| Interest received from bank deposits                                  | 已收銀行存款之利息               | 9,141  | 15,892   |
| Net cash generated from operating activities                          | 經營活動所得現金淨額              | 18,694   | 105,892  |

# CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

## 綜合現金流量表(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

|  |                          | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|--------------------------|--|--|
| Cash flows from investing activities                           | 投資活動所得現金流量               |  |  |
| Purchases of property,<br>plant and equipment                  | 購置物業、廠房及設備               | (119,936)  | (46,288)   |
| Proceeds from disposal of property,<br>plant and equipment     | 出售物業、廠房及<br>設備所得款項       | 176  | 93   |
| Purchase of other intangible assets                            | 購置其他無形資產                 | (1,189)  | (4,019)  |
| Purchase of certificates of deposit                            | 購入存款證                    | —  | (523,291)  |
| Interest income from certificates of deposit                   | 存款證之利息收入                 | —  | 628  |
| Redemption of certificates of deposit                          | 贖回存款證                    | —  | 848,160  |
| Purchase of bank financial products                            | 購入銀行理財業務                 | (340,000)  | (1,133,440)  |
| Redemption of bank financial products                          | 贖回銀行理財業務                 | 343,283  | 1,139,211  |
| Redemption (placement) of time deposits                        | 贖回(存放)定期存款               | 70,000   | (115,000)  |
| Acquisition of investments in associates                       | 收購於聯營公司之投資               | (25,002)   | (8,223)  |
| Deposit for acquisitions of businesses                         | 收購業務的按金                  | (44,643)   | —  |
| Advance to Heilongjiang HarMoniCare<br>Hospital                | 向黑龍江和美醫院支付<br>往來款項       | —  | (11,000)   |
| Net cash (outflow) inflow on acquisitions<br>of subsidiaries   | 收購附屬公司之<br>現金(流出)流入淨額    | (25,084)   | 12,756   |
| Capital contribution from<br>non-controlling interests         | 非控股權益注資                  | 14,400   | —  |
| Deposits paid for proposed acquisitions<br>of businesses       | 提議收購業務之已付按金              | (35,000)   | (9,000)  |
| Loans to third parties   | 向第三方提供貸款                 | (120,957)  | (5,000)  |
| Withdrawal of loan from third parties                          | 收回第三方貸款                  | 5,000  | —  |
| Payments to acquire financial assets<br>designated as at FVTPL | 收購指定為按公平值計<br>入損益之金融資產付款 | (48,000)   | (48,000)   |
| Loans to associates  | 向聯營公司提供貸款                | (29,000)   | (4,000)  |
| Withdrawal of loan from an associate                           | 收回聯營公司貸款                 | 4,000  | —  |
| Net cash (used in) generated from<br>investing activities      | 投資活動(所用)所得<br>現金淨額       | (351,952)  | 93,587   |



# CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

## 綜合現金流量表(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

|  |                   | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|-------------------|--|--|
| Cash flows from financing activities   | 融資活動所得現金流量        |  |  |
| Consideration paid for acquisitions of non-controlling interest in subsidiaries        | 收購於附屬公司之非控股權益已付代價 | (6,237)  | (28,800)   |
| Dividends paid   | 已付股息              | (37,849)   | (43,698)   |
| Repayments to related parties  | 還款予關聯方            | (69,598)   | (45,000)   |
| Repayments to third parties  | 還款予第三方            | (4,000)  | —  |
| Purchase of ordinary shares, including transaction costs                               | 購入普通股包括交易成本       | (13,650)   | (50,637)   |
| Net cash used in financing activities  | 融資活動所用現金淨額        | (131,334)  | (168,135)  |
| Net (decrease) increase in cash and cash equivalents                                   | 現金及現金等價物(減少)增加淨額  | (464,592)  | 31,344   |
| Cash and cash equivalents at the beginning of the year                                 | 年初現金及現金等價物        | 951,996  | 901,994  |
| Effect of foreign exchange rate changes, net   | 匯率變動之影響淨額         | (20,409)   | 18,658   |
| 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 | 466,995  | 951,996  |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017  
截至2017年12月31日止年度

### I. GENERAL INFORMATION

The Company is 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 address of 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 the Group are principally engaged in provision of specialised hospital services, especially in obstetrics and gynaecology and supply chain business in the PRC.

The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with the effect from 7 July 2015.

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

### I. 一般資料

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，本公司之股份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 (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

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

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

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

Amendments to IAS 7

國際會計準則第7號(修訂本)

*Disclosure Initiative*

*披露計劃*

Amendments to IAS 12

國際會計準則第12號(修訂本)

*Recognition of Deferred Tax Assets for Unrealised Losses*

*就未實現虧損確認遞延稅項資產*

Amendments to IFRS 12

國際財務報告準則第12號(修訂本)

*As part of the Annual Improvements to IFRSs 2014-2016 Cycle.*

*作為國際財務報告準則2014年至2016年週期之年度改進的一部分。*

Except as described below, 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.

##### Amendments to IAS 7 *Disclosure Initiative*

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in note 39. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 39, the application of these amendments has had no impact 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」)

##### 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。

除下文所述者外，於本年度應用國際財務報告準則(修訂本)對當前及過往年度的本集團財務表現及狀況及／或該等綜合財務報表所載披露並無重大影響。

##### 國際會計準則第7號(修訂本)披露計劃

本集團已於本年度首次應用該等修訂本。該等修訂本要求實體作出披露，以使財務報表使用者能評估融資活動所產生負債之變動，包括現金及非現金變動。此外，該等修訂本亦要求披露金融資產之變動，前提是該等金融資產所產生現金流量已經或未來現金流量將會計入融資活動所產生現金流量。

具體而言，該等修訂本要求披露以下各項：(i) 融資現金流量變動；(ii) 取得或喪失附屬公司或其他業務控制權之變動；(iii) 外匯匯率變動之影響；(iv) 公平值變動及(v) 其他變動。

該等項目年初及年末結餘的對賬載於附註39。與該等修訂本的過渡條文一致，本集團並無披露往年比較資料。除附註39的額外披露外，該等修訂本的應用並無對本集團綜合財務報表造成影響。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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               | <i>Financial Instruments<sup>1</sup></i>   |
| 國際財務報告準則第9號          | 金融工具 <sup>1</sup>  |
| IFRS 15              | <i>Revenue from Contracts with Customers and the related Amendments<sup>1</sup></i>      |
| 國際財務報告準則第15號         | 與客戶之合約收益及有關修訂本 <sup>1</sup>  |
| IFRS 16              | <i>Leases<sup>2</sup></i>  |
| 國際財務報告準則第16號         | 租賃 <sup>2</sup>  |
| IFRS 17              | <i>Insurance Contracts<sup>4</sup></i>   |
| 國際財務報告準則第17號         | 保險合約 <sup>4</sup>  |
| IFRIC 22             | <i>Foreign Currency Transactions and Advance Consideration<sup>1</sup></i>               |
| 國際財務報告詮釋委員會詮釋第22號    | 外幣交易及預付代價 <sup>1</sup>   |
| IFRIC 23             | <i>Uncertainty over Income Tax Treatments<sup>2</sup></i>                                |
| 國際財務報告詮釋委員會詮釋第23號    | 所得稅處理不確定性 <sup>2</sup>   |
| Amendments to IFRS 2 | <i>Classification and Measurement of Share-based Payment Transactions<sup>1</sup></i>    |
| 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>   |
| Amendments to IFRS 4 | <i>Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts<sup>1</sup></i> |
| 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>                                      |
| Amendments to IFRS 9 | <i>Prepayment Features with Negative Compensation<sup>2</sup></i>                        |
| 國際財務報告準則第9號(修訂本)     | 具有負補償的預付款項特性 <sup>2</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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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)

Amendments to IFRS 10 and IAS 28

國際財務報告準則第10號及國際會計準則  
第28號(修訂本)

Amendments to IAS 19

國際會計準則第19號(修訂本)

Amendments to IAS 28

國際會計準則第28號(修訂本)

Amendments to IAS 28

國際會計準則第28號(修訂本)

Amendments to IAS 40

國際會計準則第40號(修訂本)

Amendments to IFRSs

國際財務報告準則(修訂本)

*Sale or Contribution of Assets between an Investor and its Associate or  
Joint Venture<sup>2</sup>*

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>

*Plan Amendment, Curtailment or Settlement<sup>2</sup>*

計劃修訂、縮減或清償<sup>2</sup>

*Long-term Interests in Associates and Joint Ventures<sup>2</sup>*

於聯營公司及合營企業的長期權益<sup>2</sup>

*As part of the Annual Improvements to IFRS Standards 2014-2016 Cycle<sup>1</sup>*

作為國際財務報告準則2014年至2016年週期之年度改進的一部分<sup>1</sup>

*Transfers of Investment Property<sup>1</sup>*

轉讓投資物業<sup>1</sup>

*Annual Improvements to IFRS Standards 2015-2017 Cycle<sup>2</sup>*

國際財務報告準則2015年至2017年週期之年度改進<sup>2</sup>

<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 2021

Except as described below, the directors of the Company do not anticipate that the application of all other new and amendments to IFRSs and Interpretations issued but not yet effective will have a material impact 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> 於待定日期或之後開始的年度期間生效

<sup>4</sup> 於2021年1月1日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所有其他已頒佈但尚未生效之新訂國際財務報告準則及修訂本及詮釋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 2017  
截至2017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 9 *Financial Instruments*

IFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of IFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (“FVTOCI”). All other financial assets are measured at their fair value at subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

#### 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9號金融工具

國際財務報告準則第9號引入分類及計量  
金融資產、金融負債、一般對沖會計法  
之新規定及金融資產之減值規定。

與本集團相關的國際財務報告準則第9號  
之關鍵規定：

- 國際財務報告準則第9號範圍內之  
所有已確認金融資產其後均須按攤  
銷成本或公平值計量。具體而言，  
於目的為收取合約現金流量的業務  
模式下持有以及附有僅作本金及尚  
未償還本金利息付款之合約現金流  
量的債務投資，一般於其後會計期  
末按攤銷成本計量。於通過同時收  
取合約現金流量及出售金融資產達  
成目的的業務模式下持有以及附有  
合約條款令於特定日期產生的僅作  
本金及尚未償還本金利息付款之  
現金流量的債務工具，一般以公平  
值計入其他全面收益(「公平值計入  
其他全面收益」)計量。所有其他金  
融資產均於其後會計期間按公平值  
計量。此外，根據國際財務報告準  
則第9號，實體可作出不可撤回之  
選擇，以於其他全面收益呈報權益  
投資(並非持作買賣)公平值之其  
後變動(僅股息收入一般於損益確  
認)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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 9 *Financial Instruments* (Continued)

- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effect of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39 *Financial Instruments: Recognition and Measurement*, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- in relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

#### 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9號金融工具(續)

- 就計量指定為按公平值計入損益列賬之金融負債而言，國際財務報告準則第9號規定該金融負債之信貸風險變動以致該負債公平值變動之金額於其他全面收益呈報，除非於其他全面收益確認負債之信貸風險變動影響將造成或加大損益之會計錯配則作別論。金融負債之信貸風險引致之公平值變動其後不會重新分類至損益。根據國際會計準則第39號金融工具：確認及計量，指定為按公平值計入損益列賬之金融負債之所有公平值變動金額於損益呈報。
- 就金融資產之減值而言，與國際會計準則第39號項下按已產生信貸虧損模式計算相反，國際財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映自初步確認以來信貸風險之變動。換言之，毋須再待發生信貸事件後方確認信貸虧損。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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 9 *Financial Instruments* (Continued)

Based on the Group's financial instruments and risk management policies as at 31 December 2017, the directors of the Company anticipate the following potential impact on initial application of IFRS 9:

##### *Classification and measurement*

- Debt instruments classified as loan receivables carried at amortised cost as disclosed in note 25: these are held within a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest on the principal outstanding. Accordingly, these financial assets will continue to be subsequently measured at amortised cost upon the application of IFRS 9;
- All other financial assets and financial liabilities will continue to be measured on the same bases as is currently measured under IAS 39.

#### 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9號金融工具(續)

根據本集團於2017年12月31日的金融工具及風險管理政策，本公司董事預計會出現對初步應用國際財務報告準則第9號產生的下列潛在影響：

##### *分類及計量*

- 附註25披露之按攤銷成本入賬之分類為應收貸款的債務工具：該等債務工具於目的為收取僅作本金及尚未償還本金利息付款的合約現金流量之業務模式下持有。因此，應用國際財務報告準則第9號後，該等金融資產其後將繼續按攤銷成本計量；
- 所有其他金融資產及金融負債將繼續以與國際會計準則第39號項下目前所計量之相同基準計量。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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 9 *Financial Instruments* (Continued)

###### *Impairment*

In general, the directors of the Company anticipate that the application of the expected credit loss model of IFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised costs and other items that are subject to the impairment provision upon application of IFRS 9 by the Group.

Based on the assessment by the directors of the Company, if the expected credit loss model were to be applied by the Group, the accumulated amount of impairment loss to be recognised by Group as at 1 January 2018 would be slightly increased as compared to the accumulated amount recognised under IAS 39 mainly attributable to expected credit losses provision on trade receivables, deposits, and other receivables and amounts due from related parties. Such further impairment recognised under expected credit loss model would reduce the opening retained profits and increase the deferred tax assets at 1 January 2018.

#### 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9號金融工具(續)

###### 減值

大致而言，本公司董事預計應用國際財務報告準則第9號之預期信貸虧損模式，將導致於應用國際財務報告準則第9號後就本集團按攤銷成本計量之金融資產，以及須作出減值撥備之其他項目尚未產生的信貸虧損提前作出撥備。

根據本公司董事的評估，倘本集團將應用預期信貸虧損模式，本集團將於2018年1月1日確認的累計減值虧損金額與根據國際會計準則第39號確認的累計金額相比將略有增加，主要是由於貿易應收款項、按金及其他應收款項及應收關聯方款項的預期信貸虧損撥備。預期信貸虧損模式項下已確認的進一步減值將減少年初保留利潤並增加於2018年1月1日的遞延稅項資產。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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

#### 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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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* (Continued)

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.

In 2016, the IASB issued Clarifications to IFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate that the application of IFRS 15 in the future may result in more disclosures, however, the directors of the Company do not anticipate that the application of IFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

#### 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*（續）

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。

於2016年，國際會計準則理事會發佈國際財務報告準則第15號之澄清，內容有關識別履約責任、當事人相對代理人的代價以及特許應用指引。

本公司董事預計未來應用國際財務報告準則第15號可能導致需要作出更多披露，然而，本公司董事預計應用國際財務報告準則第15號對各自報告期間確認的收益的時間及金額不會產生重大影響。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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 while other operating lease payments are presented as operating cash flows. Upon the application of 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 by the Group.

#### 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。應用國際財務報告準則第16號後，有關租賃負債的租金將分類為本金及利息部分，本集團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 2017  
截至2017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 2017, the Group has non-cancellable operating lease commitments in respect of premises leased for hospitals and offices amounted to RMB612 million as disclosed in note 35. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon the application of IFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

#### 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2017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612,000,000元載於附註35。初步評估顯示該等安排將符合租賃的定義。於應用國際財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應負債，惟其屬低價值或短期租賃則除外。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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)

In addition, the Group currently considers refundable rental deposits paid of RMB10 million as rights under leases to which IAS 17 applies. Based on the definition of lease payments under IFRS 16, such deposits are not payment relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

Furthermore, the application of new requirements may result in 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)

此外，本集團目前將已付可退還租賃按金人民幣10百萬元視作國際會計準則第17號所適用之租賃項下權利。根據國際財務報告準則第16號項下租賃付款的定義，有關按金並非與使用相關資產權利有關的付款，因此，有關按金的賬面值可予調整至攤銷成本且有關調整被視作額外租賃付款。已付可退還租賃按金的調整將計入使用權資產的賬面值。

此外，應用新規定可能導致計量、呈報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 2017  
截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 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 at the end of each reporting period 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, 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*.

### 3. 主要會計政策

#### 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各報告期末之公平值計量。

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號以股份為基礎的付款範圍內的以股份為基礎的付款交易、國際會計準則第17號範圍內的租賃交易，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號存貨中的可變現淨值或國際會計準則第36號資產減值中的使用價值)除外。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Basis of preparation (Continued)

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.

For financial instruments which are transferred at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that the results of the valuation technique equals the transaction price.

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 policies are set out below.

#### 3. 主要會計政策(續)

##### 編製基準(續)

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。

就按公平值轉撥之金融工具以及於其後期間將使用不可觀察輸入數據計量公平值的估值技術而言，該估值技術乃經校準，因而估值技術結果等同於交易價格。

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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 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.

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

#### 3. 主要會計政策(續)

##### 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。

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及負債、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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Changes in the Group's ownership interests in existing 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 and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. 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 to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs).

#### 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

並無導致本集團失去附屬公司控制權的本集團於現有附屬公司的擁有權權益變動，乃按權益交易入賬。本集團的權益及非控股權益相關部分的賬面值，乃予以調整以反映彼等於附屬公司相關權益的變動，包括按照本集團及非控股權益之權益比例於本集團與非控股權益之間再分配相關儲備。

經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。

倘本集團失去一間附屬公司之控制權，該附屬公司的資產及負債及非控股權益(如有)則終止確認。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)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 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 recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;

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 re-assessment, the net amount 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 are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. 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.

#### 3. 主要會計政策(續)

##### 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；

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，初步按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或按公平值計量。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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Business combinations (Continued)

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset and a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

#### 3. 主要會計政策(續)

##### 業務合併(續)

倘本集團於業務合併中所轉讓之代價包括或然代價安排所產生之資產或負債，該或然代價按其收購日期公平值計量且作為於業務合併中所轉讓代價的一部分入賬。符合作為計量期間調整的或然代價公平值變動可追溯調整，並對商譽作出相應調整。計量期間調整乃於「計量期間」（自收購日期起不得超過一年）所獲有關於收購日期存在之事實及情況的額外資料導致的調整。

就不符合作為計量期間調整的或然代價之其後會計處理乃取決於或然代價如何分類。分類為權益的或然代價於其後報告日期不會重新計量且其後結算於權益內入賬。分類為資產和負債的或然代價於其後報告日期重新計量至公平值且相應收益或虧損於損益確認。

倘業務合併分階段完成，本集團先前所持被收購方股權重新計量至收購日期（即本集團取得控制權之日）之公平值且所產生之收益或虧損（如有）於損益確認。來自收購日期前已於其他全面收益確認的被收購方權益之金額重新分類至損益（倘該等權益已出售，有關處理將屬適當）。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Business combinations (Continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

##### 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 group 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.

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 group 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 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 on a pro-rata basis based on the carrying amount of each asset in the unit (or group 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 (or any of the cash-generating unit within group of cash-generating units in which the Group monitors goodwill).

#### 3. 主要會計政策(續)

##### 業務合併(續)

倘於進行合併之報告期末業務合併之初步會計處理仍未完成，本集團則就仍未完成會計處理之項目呈報暫定金額。該等暫定金額於計量期間（見上文）予以調整，及確認額外資產或負債以反映所獲有關於收購日期存在之事實及情況的新資料（倘已獲知悉，則會影響於當日確認之金額）。

##### 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。

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）於該報告期末前測試減值。如可收回金額少於其賬面值，減值虧損首先分配以減少任何商譽之賬面值，其後以該單位（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（或本集團監控商譽之現金產生單位組別內之任何現金產生單位）。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Investments 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. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. 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聯營公司的損益及其他全面收益。聯營公司淨資產(而非損益及其他全面收益)的變動並無入賬，除非有關變動導致本集團所持擁有權益變動則另作別論。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 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Investments 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 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.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of investments in the associates that are not related to the Group.

##### 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 not yet to be rendered are deferred.

#### 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。

倘集團實體與本集團聯營公司進行交易，則僅在於聯營公司的投資與本集團於聯營公司的權益無關時，交易所產生損益方於本集團的綜合財務報表確認。

##### 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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition (Continued)

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.

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 apportionment 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)

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。

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攤分基準累計計算，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 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Leasehold land and building

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element 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 property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease rental” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

##### 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

當本集團就包括租賃土地及樓宇部分的物業權益作出付款時，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分別評估各部分的分類情況，除非肯定兩個部分均屬經營租賃，於此情況下，整個物業為經營租賃入賬。具體而言，所有代價(包括任何一筆過預付款項)於初步確認時按土地部分及樓宇部分中的租賃權益相關公平值比例於租賃土地與樓宇部分間分配。

在相關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。倘租賃付款無法於租賃土地與樓宇部分間可靠分配，則整個物業一般以猶如該租賃土地屬融資租賃之方式分類。

##### 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 2017  
截至2017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 operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period, income and expenses items are translated at the average exchange rates for the period. 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).

##### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

##### 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.

#### 3. 主要會計政策(續)

##### 外幣(續)

就呈報綜合財務報表而言，本集團業務之資產及負債使用報告期末之現行匯率換算為本集團之呈報貨幣(即人民幣)。收入及費用項目均按該期間之平均匯率換算。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))。

##### 借款成本

收購、建設或生產合資格資產(即需要一段頗長時間以達成其擬定用途或作銷售之資產)之直接應佔借款成本均計入該等資產成本，直至該等資產大致上可用於其擬定用途或作銷售時為止。

特定借款於撥作合資格資產的支出前用作短暫投資所賺取的投資收入自合資格資本化的借款成本中扣除。

所有其他借款成本於其產生期間於損益確認。

##### 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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Retirement benefit costs

The employees of the Group are members of state-managed retirement benefit schemes, and 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.

##### 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 transactions

###### *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 of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions 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 based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, 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.

#### 3. 主要會計政策(續)

##### 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。

##### 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(並無計及所有非市場歸屬條件)，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，本集團均會根據對所有相關非市場歸屬條件的評估，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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Share-based payment arrangements (Continued)

##### Equity-settled share-based payment transaction (Continued)

##### *Share options granted to employees (Continued)*

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 profits.

##### 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.

#### 3. 主要會計政策(續)

##### 以股份為基礎的付款安排(續)

##### 以股權結算以股份為基礎的付款交易(續)

##### *向僱員授出購股權(續)*

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利潤。

##### 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他資產及負債而產生，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，則遞延稅項負債不予確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Taxation (Continued)

##### Deferred tax (Continued)

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.

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 assets and liabilities 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.

#### 3. 主要會計政策(續)

##### 稅項(續)

##### 遞延稅項(續)

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。

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。

遞延稅項資產及負債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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Property, plant and equipment

Property, plant and equipment other than construction in progress as described below are stated at cost less subsequent accumulated depreciation and subsequent 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.

Depreciation is recognised so as to write off the cost of assets 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 each 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.

##### Other intangible assets

##### Other intangible assets acquired separately

Other intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation 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.

#### 3. 主要會計政策(續)

##### 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後續累計減值虧損(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。

折舊以直線法撇銷資產(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各報告期末檢討，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。

##### 其他無形資產

##### 單獨收購的其他無形資產

單獨收購具有有限可使用年期的其他無形資產以成本減累計攤銷和任何累計減值虧損列賬。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。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Other intangible assets (Continued)

##### Other intangible assets acquired in a business combination

Other intangible assets acquired in a business combination are medical licenses recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, other intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as other intangible assets that are acquired separately.

##### Derecognition of other intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and 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.

##### Impairment on tangible and other intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and other 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 relevant asset is estimated in order to determine the extent of the impairment loss (if any). Other intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

#### 3. 主要會計政策(續)

##### 其他無形資產(續)

##### 於業務合併收購的其他無形資產

於業務合併收購並獨立於商譽確認的其他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其他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。

##### 終止確認其他無形資產

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及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。

##### 有形及其他無形資產(商業除外)減值

於報告期末，本集團檢討具有有限可使用年期之有形及其他無形資產的賬面值，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，則估計相關資產的可收回金額，以確定減值虧損程度(如有)。尚未可供使用的其他無形資產至少每年及於出現可能減值的跡象時進行減值測試。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Impairment of tangible and other intangible assets other than goodwill (Continued)

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. When 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 (or a cash-generating unit) 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)

##### 有形及其他無形資產減值(商業除外)(續)

倘不可能估計個別資產的可收回金額時，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(或現金產生單位)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 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs necessary to make the sale.

##### Provision

Provision is 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 that 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。存貨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 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Financial instruments (Continued)

###### Financial assets

Financial assets are classified into the following specified categories: financial assets at FVTPL 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. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date/settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

###### *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.

###### *Financial assets at FVTPL*

Financial assets are classified as at FVTPL when the financial asset is (i) held for trading, or (ii) it is designated as at FVTPL.

#### 3. 主要會計政策(續)

##### 金融工具(續)

###### 金融資產

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。所有以正規途徑購買或銷售的金融資產乃按交易日期／支付日期基準確認及撤除確認。正規途徑買賣或銷售乃要求於市場法規或慣例所確定的時間框架內交付資產的金融資產買賣或銷售。

###### *實際利率法*

實際利率法為計算債務工具攤銷成本及於有關期間分配利息收入的方法。實際利率指將債務工具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，利息收入按實際利息法確認。

###### *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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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 41.

##### 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, deposits and other receivables, amounts due from related parties, loan receivables, certificates of deposit, time deposits and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment.

#### 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41。

##### 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、按金及其他應收款項、應收關聯方款項、應收貸款、存款證、定期存款以及現金及現金等價物)使用實際利率法按攤銷成本減任何減值列賬。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *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 when 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.

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.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *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。

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。

對於按成本列賬的金融資產，減值虧損的金額按該資產的賬面值與根據類似金融資產現時的市場回報率貼現的估計未來現金流量現值之間的差額計量。有關減值虧損不會於其後期間撥回。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Impairment of financial assets (Continued)*

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, deposits 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 trade receivables, deposits and other receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

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.

#### 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)*

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、按金及其他應收款項除外，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、按金及其他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。

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後發生的某一事件有關，則先前確認的減值通過損益予以撥回，惟撥回減值當日金融資產的賬面值不得超逾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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Financial instruments (Continued)

##### Financial liabilities and equity instruments (Continued)

###### *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.

###### *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.

#### 3. 主要會計政策(續)

##### 金融工具(續)

##### 金融負債及權益工具(續)

###### *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利潤或虧損確認收益或虧損。

###### *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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017

截至2017年12月31日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Financial instruments (Continued)

##### Financial liabilities and equity instruments (Continued)

##### *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)

##### 金融負債及權益工具(續)

##### *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 2017  
截至2017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 amounts 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 estimate is revised if the revision affects only that period, or in the period of the revision and 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 the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### Initial recognition of other intangible assets in business combination

The business combination was related to the Group's acquisition of 51% equity interests in Nantong Hemeijia Hospital as disclosed in note 34.

As of the acquisition date, the purchase method of accounting for business combinations requires the Group to identify assets acquired, the liabilities assumed and any non-controlling interest in the acquiree and estimate their fair values. The Group's application of the recognition principle and conditions resulted in recognising some assets and liabilities that the acquiree had not previously recognised as assets and liabilities in its financial statements. A medical license was separately identified and estimated a fair value of RMB46,600,000 in 2017 as disclosed in notes 18 and 34.

Determination of the fair value of medical licenses requires the use of significant judgements and assumptions on estimating compound growth rate, long-term revenue growth rate, and the discount rate, financial forecast and useful lives of medical licenses valuation.

#### 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

以下為報告期末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。

##### 於業務合併中獲得其他無形資產的初始確認

有關本集團收購南通和美家醫院51%股權之業務合併載於附註34。

截至收購日期,採用收購法對業務合併入賬要求本集團確認所收購資產、所承擔負債及被收購方任何非控股權益並估計其公平值。本集團應用該確認原則及條件導致確認被收購方之前並未於其財務報表中確認的若干資產及負債。如附註18及34所披露,醫療執照於業務合併中單獨確認,2017年估計的公平值為人民幣46,600,000元。

釐定醫療牌照之公平值要求於估算醫療執照估值的複合增長率、長期收益增長率及貼現率、財務預測及可使用年期時進行重大判斷及假設。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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 medical licenses

The Group's management determines the estimated useful lives, residual values and the amortisation method in determining the related amortisation charges for its medical licenses. This estimate is based on the management's best estimate of the useful lives of medical licenses of similar nature and functions. The management will increase the 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. Actual economic useful lives may differ from estimated economic useful lives. Periodic review could result in a change in amortisation period and therefore amortisation charge in the future periods.

In addition, the management assesses impairment whenever events or changes in circumstances indicate that the carrying amount of medical licenses may not be recoverable. When the recoverable amounts of medical licenses differ from the original estimates, adjustment will be made and recognised in the period in which such event 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)

##### 醫療執照的估計可使用年期及減值

於釐定醫療執照的相關攤銷費時，本集團管理層會釐定估計可使用年期、剩餘價值及攤銷方法。該估計基於管理層對性質及功能相若醫療執照的可使用年期的最佳估計作出。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。定期檢討可能導致攤銷期出現變動，因而致使未來期間產生攤銷費。

此外，管理層於發生顯示或不能收回醫療執照賬面值的事件或情況變動時對減值作出評估。當醫療執照的可收回金額與初始估計不同時，將作出調整並於該事件發生期間進行確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
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#### 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 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 2017, the carrying amount of goodwill was RMB122,283,000 (2016: RMB49,302,000). Details of the recoverable amount calculation are disclosed in note 19.

#### 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。計算使用價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2017年12月31日，商譽賬面值為人民幣122,283,000元（2016年：人民幣49,302,000元）。有關計算可收回金額之詳情載於附註19。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

##### Key sources of estimation uncertainty (Continued)

###### 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 2017, the carrying amount of deferred tax assets were approximately RMB54,277,000 (2016: RMB33,080,000). Further details are contained in note 21.

###### Impairment of loan receivables, trade receivables and other receivables

In determining whether there is an 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 conditions. 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 future cash flows are less than expected, a material impairment loss may arise. The carrying amount of the loan receivables, the trade receivables and other receivables are disclosed in note 25, 26 and 27.

#### 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)

###### 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2017年12月31日，遞延稅項資產的賬面值約為人民幣54,277,000元(2016年：人民幣33,080,000元)。進一步詳情載於附註21。

###### 應收貸款、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。倘未來現金流量少於預期，可能會導致重大減值虧損。應收貸款、貿易應收款項及其他應收款項的賬面值披露於附註25、26及27。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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 31. 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31。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 2017  
截至2017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：

|   |             | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|---|-------------|--|--|
| Specialised hospital services:                            | 專科醫院服務：     |  |  |
| Provision of healthcare services                          | 提供醫療服務      | 792,731  | 745,876  |
| Sales of pharmaceuticals and medical devices              | 銷售藥品及醫療設施   | 95,071   | 87,952   |
| Supply of pharmaceuticals and<br>medical devices business | 供應藥品及醫療設施業務 | 36,349   | 25,873   |
|   |             | 924,151  | 859,701  |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017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 services**

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 2017  
截至2017年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

Segment information about the Group's operating and reportable segment is presented below.

### 6. 分部資料(續)

本集團營運及可報告分部相關的分部資料呈列如下。

|   |                         | Specialised<br>hospital services<br>專科醫院服務<br>RMB'000<br>人民幣千元 | Supply of<br>pharmaceuticals<br>and medical<br>devices business<br>供應藥品及<br>醫療設施業務<br>RMB'000<br>人民幣千元 | Total<br>總計<br>RMB'000<br>人民幣千元 |
|---|-------------------------|--|--|---------------------------------|
| <b>For the year ended</b>                   | <b>截至2017年12月31日止年度</b> |  |  |                                 |
| <b>31 December 2017</b>                     |                         |  |  |                                 |
| External revenue                            | 外界收益                    | 887,802  | 36,349   | 924,151                         |
| Inter-segment revenue                       | 內部收益                    | —  | 46,678   | 46,678                          |
| Segment revenue                             | 分部收益                    | 887,802  | 83,027   | 970,829                         |
| Eliminations                                | 對銷                      |  |  | (46,678)                        |
| Consolidated revenue                        | 綜合收益                    |  |  | 924,151                         |
| Segment results                             | 分部業績                    | 74,458   | 8,972  | 83,430                          |
| Unallocated results                         | 未分配業績                   |  |  | (49,483)                        |
| Profit before tax                           | 除稅前利潤                   |  |  | 33,947                          |
| <b>As at 31 December 2017</b>               | <b>於2017年12月31日</b>     |  |  |                                 |
| Segment assets                              | 分部資產                    | 791,700  | 64,125   | 855,825                         |
| Goodwill                                    | 商譽                      | 122,283  | —  | 122,283                         |
| Unallocated assets                          | 未分配資產                   |  |  | 1,368,232                       |
| Elimination of inter-segment<br>receivables | 內部應收款項對銷                |  |  | (519,220)                       |
| Consolidated assets                         | 綜合資產                    |  |  | 1,827,120                       |
| Segment liabilities                         | 分部負債                    | 582,822  | 42,760   | 625,582                         |
| Unallocated liabilities                     | 未分配負債                   |  |  | 138,650                         |
| Elimination of inter-segment<br>payables    | 內部應付款項對銷                |  |  | (519,220)                       |
| Consolidated liabilities                    | 綜合負債                    |  |  | 245,012                         |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

### 6. 分部資料(續)

|   |                                    | Specialised<br>hospital services<br>專科醫院服務<br>hospital services<br>RMB'000<br>人民幣千元 | Supply of<br>pharmaceuticals<br>and medical<br>devices business<br>供應藥品及<br>醫療設施業務<br>devices business<br>RMB'000<br>人民幣千元 | Total<br>總計<br>Total<br>RMB'000<br>人民幣千元 |
|---|------------------------------------|---|--|--|
| Other segment information   | 其他分部資料                             |   |  |  |
| Amounts included in the<br>measure of segment results:  | 計量分部業績計入的金額：                       |   |  |  |
| Depreciation and amortisation   | 折舊及攤銷                              | 55,155  | 697  | 55,852                                   |
| Unallocated depreciation and<br>amortisation  | 未分配折舊及攤銷                           |   |  | 3,821                                    |
| Loss on disposal of property,<br>plant and equipment, net   | 出售物業、廠房及設備<br>的虧損淨額                | 356   | 1  | 357                                      |
| Addition to non-current<br>assets (note)  | 非流動資產增加(附註)                        | 339,080   | 31   | 339,111                                  |
| Unallocated addition to<br>non-current assets   | 未分配非流動資產增加                         |   |  | 1,141                                    |
| Amounts regularly provided to<br>the CODM but not included<br>in the measure of<br>segment results: | 定期向主要經營決策者<br>提供但計量分部業績<br>不計入的金額： |   |  |  |
| Income tax expense  | 所得稅開支                              | 2,030   | 2,479  | 4,509                                    |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

### 6. 分部資料(續)

|   |                         | Specialised<br>hospital services<br>專科醫院服務<br>RMB'000<br>人民幣千元 | Supply of<br>pharmaceuticals<br>and medical<br>devices business<br>供應藥品及<br>醫療設施業務<br>RMB'000<br>人民幣千元 | Total<br>總計<br>RMB'000<br>人民幣千元 |
|---|-------------------------|--|--|---------------------------------|
| <b>For the year ended</b>                   | <b>截至2016年12月31日止年度</b> |  |  |                                 |
| <b>31 December 2016</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                         |
| <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<br>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<br>payables    | 內部應付款項對銷                |  |  | (415,633)                       |
| Consolidated liabilities                    | 綜合負債                    |  |  | 300,194                         |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 6. SEGMENT INFORMATION (Continued)

### 6. 分部資料(續)

|   |                                    | Specialised<br>hospital services<br>專科醫院服務<br>RMB'000<br>人民幣千元 | Supply of<br>pharmaceuticals<br>and medical<br>devices business<br>供應藥品及<br>醫療設施業務<br>RMB'000<br>人民幣千元 | Total<br>總計<br>RMB'000<br>人民幣千元 |
|---|------------------------------------|--|--|---------------------------------|
| Other segment information   | 其他分部資料                             |  |  |                                 |
| Amounts included in the<br>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<br>amortisation  | 未分配折舊及攤銷                           |  |  | 3,421                           |
| Loss on disposal of property,<br>plant and equipment, net   | 出售物業、廠房及設備<br>的虧損淨額                | 823  | 95   | 918                             |
| Addition to non-current<br>assets (note)  | 非流動資產增加(附註)                        | 173,187  | 4,278  | 177,465                         |
| Unallocated addition to<br>non-current assets   | 未分配非流動資產增加                         |  |  | 2,345                           |
| Amounts regularly provided to<br>the CODM but not included<br>in the measure of<br>segment results: | 定期向主要經營決策者<br>提供但計量分部業績<br>不計入的金額： |  |  |                                 |
| Income tax expense  | 所得稅開支                              | 24,742   | 1,873  | 26,615                          |

Note: Non-current assets consist of property, plant and equipment, land use right, other intangible assets and goodwill.

附註：非流動資產包括物業、廠房及設備、土地使用權、其他無形資產及商譽。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 6. SEGMENT INFORMATION (Continued)

Segment revenue reported above represents revenue generated from both external and inter-segment customers. During the years ended 31 December 2017 and 2016, 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 and reportable 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 central administration costs, directors' emoluments and share of loss of associates 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 results 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)

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2017年及2016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。

營運及可報告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與各分部間接有關的中央行政成本、董事酬金及應佔聯營公司虧損的除稅前利潤，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 2017  
截至2017年12月31日止年度

### 7. OTHER INCOME

### 7. 其他收入

|   |                  | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|---|------------------|--|--|
| Interest income from bank deposits                    | 銀行存款之利息收入        | 8,301  | 15,374   |
| Government grants                                     | 政府補助             | 1,602  | 723  |
| Interest income from loan receivables                 | 應收貸款利息收入         | 774  | —  |
| Interest income from amounts<br>due from an associate | 應收一間聯營公司<br>利息收入 | 539  | —  |
| Interest income from certificates of deposit          | 存款證之利息收入         | —  | 628  |
| Others  | 其他               | 1,847  | 1,614  |
|   |                  | 13,063   | 18,339   |

### 8. OTHER GAINS AND LOSSES

### 8. 其他收益及虧損

|  |                             | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|-----------------------------|--|--|
| Foreign exchange (losses) gains                                | 匯兌(虧損)收益                    | (20,336)   | 22,184   |
| Net gain arising on financial assets designated<br>as at FVTPL | 指定為按公平值計入損益之<br>金融資產產生之收益淨額 | 3,391  | 332  |
| Net gain arising on bank financial products                    | 銀行理財產品之收益淨額                 | 3,283  | 5,771  |
| Impairment recognised on trade and<br>other receivables        | 貿易及其他應收款項<br>確認之減值          | (2,476)  | (111)  |
| Loss on disposal of property, plant<br>and equipment, net      | 出售物業、廠房及設備的<br>虧損淨額         | (357)  | (918)  |
| Others   | 其他                          | (59)   | —  |
|  |                             | (16,554)   | 27,258   |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 9. OTHER EXPENSES

### 9. 其他開支

|                                |        | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--------------------------------|--------|--|--|
| Medical disputes expenditure   | 醫療糾紛開支 | 1,784  | 1,166  |
| Penalty expenditure            | 罰款開支   | 930  | 518  |
| Acquisition-related costs      | 收購相關開支 | 650  | —  |
| Provision for medical disputes | 醫療糾紛撥備 | 358  | 776  |
| Others                         | 其他     | 491  | 308  |
|                                |        | 4,213  | 2,768  |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 10. PROFIT BEFORE TAX

The Group's profit for the year has been arrived at after charging:

### 10. 除稅前利潤

本集團年內利潤已扣除下列各項：

|  |                      | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|----------------------|--|--|
| Cost of inventories recognised as expense                | 確認為開支的存貨成本           | 140,351  | 124,345  |
| Depreciation of property, plant and equipment            | 物業、廠房及設備折舊           | 51,200   | 39,471   |
| Amortisation of other intangible assets                  | 其他無形資產攤銷             | 7,454  | 4,201  |
| Amortisation of land use right                           | 土地使用權攤銷              | 1,019  | —  |
| Total depreciation and amortisation                      | 折舊及攤銷總額              | 59,673   | 43,672   |
| Operating lease rentals in respect of<br>rental premises | 租賃物業相關的經營租賃租金        | 78,461   | 68,319   |
| Directors' emoluments (note 12)                          | 董事薪酬(附註12)           | 348  | 2,384  |
| Other staff costs  | 其他僱員成本               |  |  |
| Salaries and other allowance                             | 薪金及其他津貼              | 312,772  | 276,516  |
| Retirement benefit contribution<br>(notes 12 and 37)     | 退休福利供款<br>(附註12及37)  | 31,762   | 28,443   |
| Expenses on the Share Option Scheme<br>(notes 12 and 33) | 購股權計劃開支<br>(附註12及33) | (3,165)  | (450)  |
| Total staff costs  | 僱員成本總額               | 341,717  | 306,893  |
| Auditor's remuneration                                   | 核數師酬金                | 2,610  | 2,900  |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### II. INCOME TAX EXPENSE

|   |                | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>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         | 26,924   | 31,457   |
| Under provision in prior years                | 過往年度撥備不足       | 242  | 457  |
| Deferred tax (note 21)                        | 遞延稅項(附註21)     | (22,657)   | (5,299)  |
| Total income tax recognised in profit or loss | 於損益確認的所得稅總額    | 4,509  | 26,615   |

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 current year (2016: Nil).

由於本集團於本年度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(2016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% (2016: 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%(2016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.[2018]327(渝北地稅納服稅通[2018]327號) (2016: Yubeidishui nafushuitong No.[2017]1171(渝北地稅納服稅通[2017]1171號)), Chongqing Liren Hospital was entitled to a preferential income tax rate of 15% for the year ended 31 December 2017 (2016: 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[2018]327號(2016年：渝北地稅納服稅通[2017]1171號)，重慶儷人醫院於截至2017年12月31日止年度有權享受15%的優惠所得稅率(2016年：15%)。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### II. INCOME TAX EXPENSE (Continued)

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.[2017]13818(南地稅南稅通[2017]13818號) (2016: Nandishuinanshuitong No.[2016]2892(南地稅南稅通[2016]2892號)), Chongqing Modern Hospital was entitled to a preferential income tax rate of 15% for the year ended 31 December 2017 (2016: 15%).

Under the EIT Law and Implementation Regulation of the EIT Law, the statutory EIT rate of Chongqing Wanzhou HarMoniCare Hospital is 25% (2016: 15%)  
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), Wanzhoushuigaoshuitong No.[2016]482(萬州地稅稅通[2016]482號), Chongqing Wanzhou HarMoniCare Hospital was entitled to a preferential income tax rate of 15% for the year ended 31 December 2016.

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.[2017]966 (涪地稅城稅通[2017]966號) (2016: Fudishuichengshuitong No.[2016]144 (涪地稅城稅通[2016]144號)), Chongqing Fuling HarMoniCare Hospital was entitled to a preferential income tax rate of 15% for the year ended 31 December 2017 (2016: 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), Filing Documents of Enterprise Income Tax Preferential Items (2017) (2016: Shuitong No.[005]01(稅通 [005]01號)), Guiyang HarMoniCare Hospital was entitled to a preferential income tax rate of 15% for the year ended 31 December 2017 (2016: 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.[2018] 5667(雲地稅稅通[2018] 5667號) (2016: Yundishuishuitong No.[2017] 5499(雲地稅稅通[2017]5499號)), Guiyang Modern Hospital was entitled to a preferential income tax rate of 15% for the year ended 31 December 2017 (2016: 15%).

#### II. 所得稅開支(續)

根據重慶市南岸區地方稅務局發出的批文南地稅南稅通[2017]13818號(2016年：南地稅南稅通[2016]2892號)，重慶現代醫院於截至2017年12月31日止年度有權享受15%的優惠所得稅率(2016年：15%)。

根據企業所得稅及企業所得稅實施細則，重慶萬州和美醫院的法定企業所得稅稅率為25%(2016年：15%)。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，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。

根據重慶市涪陵區地方稅務局發出的批文涪地稅城稅通[2017]966號(2016年：涪地稅城稅通[2016]144號)，重慶涪陵和美醫院於截至2017年12月31日止年度有權享受15%的優惠所得稅率(2016年：15%)。

根據貴州市南明區地方稅務局企業所得稅優惠項目備案文件(2017)(2016年：稅通[005]01號)，貴陽和美醫院於截至2017年12月31日止年度有權享受15%的優惠所得稅率(2016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[2018]5667號(2016年：雲地稅通[2017]5499號)，貴陽現代醫院於截至2017年12月31日止年度有權享受15%的優惠所得稅率(2016年：15%)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### II. 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:

### II. 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：

|  |                        | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|------------------------|--|--|
| Profit before tax  | 除稅前利潤                  | 33,947   | 123,886  |
| Tax at applicable EIT rate at 25%  | 按25%的適用企業<br>所得稅率計算的稅項 | 8,487  | 30,972   |
| Tax effect of expenses not deductible for<br>tax purposes                    | 不可扣稅開支的稅務影響            | 8,020  | 3,773  |
| Tax effect of tax losses not recognised                                      | 未確認稅項虧損的稅務影響           | 7,353  | 2,503  |
| Utilisation of tax loss previously<br>not recognised                         | 動用先前未確認稅項虧損            | (3,076)  | (1,686)  |
| Tax effect of the preferential income tax rate                               | 優惠所得稅率的稅務影響            | (2,822)  | (2,998)  |
| Tax effect of deductible temporary differences<br>not recognised             | 未確認可扣減暫時差額的<br>稅務影響    | 2,060  | 427  |
| Utilisation of deductible temporary differences<br>previously not recognised | 動用先前未確認之<br>可扣減暫時差額    | (587)  | (136)  |
| Under provision in respect of prior years                                    | 過往年度撥備不足               | 242  | 457  |
| Tax effect of income not taxable for<br>tax purpose                          | 毋須課稅收入的<br>稅務影響        | —  | (7,136)  |
| Others (note ii)   | 其他(附註ii)               | (15,168)   | 439  |
| Income tax expense   | 所得稅開支                  | 4,509  | 26,615   |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### II. INCOME TAX EXPENSE (Continued)

##### Notes

- (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 the PRC subsidiaries from 1 January 2008 onwards. Deferred tax has not been provided for in the consolidated financial statements in respect of temporary differences attributable to retained profits of the PRC subsidiaries amounting to RMB211,497,000 as at 31 December 2017 (2016: RMB156,124,000), 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) Others is an amount of RMB15,168,000 tax effect in relation to unused tax losses and deductible temporary differences from Heilongjiang HarMoniCare Hospital. In 2017, Heilongjiang HarMoniCare Hospital generated taxable profits and the management reassessed whether sufficient future taxable profits and taxable temporary differences will be available. As a result, the Group recognised deferred tax assets in this year (2016: Others is an amount of RMB439,000 deferred tax recognised previously in relation to unused tax losses that were expired in 2016).

#### II. 所得稅開支(續)

##### 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，故並無於綜合財務報表中就2017年12月31日中國附屬公司保留利潤應佔的暫時差額人民幣211,497,000元（2016年：人民幣156,124,000元）計提遞延稅項。
- (ii) 其他為有關黑龍江和美醫院的未動用稅務虧損及可扣減暫時差額的稅務影響人民幣15,168,000元。於2017年，黑龍江和美醫院繼續獲得利潤，管理層重新評估未來是否有足夠的應課稅利潤及應課稅暫時差額可供動用。因此，本集團於本年度確認遞延稅項資產（2016年：其他為以前年度確認的於2016年到期的遞延稅項人民幣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 2017  
截至2017年12月31日止年度

### 12. EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID EMPLOYEES

Executive directors, non-executive directors and five highest employees

The emoluments paid or payable to directors were as follows:

### 12. 董事及五位最高薪人士薪酬

執行董事、非執行董事及五位最高薪人士

已付或應付予董事的薪酬如下：

For the year ended 31/12/2017

截至2017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                                   | 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 (林玉明)                           | 林玉明先生(附註iii)   | 512                     | 7                                      | —                   | 519     |
| (note iii)                                     |                |                         |  |                     |         |
| Mr. Zhao Xingli (趙興力)                          | 趙興力先生          | 387                     | 12                                     | (682)               | (283)   |
| Mr. Fang Zhifeng (方志鋒)                         | 方志鋒先生          | 362                     | 11                                     | (861)               | (488)   |
| Non-executive directors:                       | 非執行董事：         |                         |  |                     |         |
| Mr. Lin Yuguo (林玉國)                            | 林玉國先生          | —                       | —                                      | —                   | —       |
| Mr. Qiu Jianwei (邱建偉)                          | 邱建偉先生          | —                       | —                                      | —                   | —       |
| Mr. Xu Jun (徐軍)                                | 徐軍先生           | —                       | —                                      | —                   | —       |
| Independent non-executive directors (note ii): | 獨立非執行董事(附註ii)： |                         |  |                     |         |
| Mr. Kong Aiguo (孔愛國)                           | 孔愛國先生          | 200                     | —                                      | —                   | 200     |
| Ms. Fang Lan (方嵐)                              | 方嵐女士           | 200                     | —                                      | —                   | 200     |
| Mr. Cai Jiangnan (蔡江南)                         | 蔡江南先生          | 200                     | —                                      | —                   | 200     |
| Total  | 總計             | 1,861                   | 30                                     | (1,543)             | 348     |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 12. EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID EMPLOYEES (Continued)

Executive directors, non-executive directors and five highest employees  
(Continued)

### 12. 董事及五位最高薪人士薪酬(續)

執行董事、非執行董事及五位最高薪人士(續)

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

|   |                     | Salaries and<br>allowances | Retirement<br>benefit scheme<br>contribution<br>退休福利<br>計劃供款 | Share-based<br>payment<br>股份支付 | Total<br>總計      |
|---|---------------------|----------------------------|--|--------------------------------|------------------|
|   |                     | RMB'000<br>人民幣千元           | RMB'000<br>人民幣千元   | RMB'000<br>人民幣千元               | RMB'000<br>人民幣千元 |
| Executive directors (note i):                     | 執行董事(附註i) :         |                            |  |                                |                  |
| Mr. Lin Yuming (林玉明)                              |                     |                            |  |                                |                  |
| (note iii)  | 林玉明先生(附註iii)        | 511                        | 7  | —                              | 518              |
| Mr. Zhao Xingli (趙興力)                             | 趙興力先生               | 399                        | 12   | 210                            | 621              |
| Mr. Fang Zhifeng (方志鋒)                            | 方志鋒先生               | 373                        | 7  | 265                            | 645              |
| Non-executive directors:                          | 非執行董事 :             |                            |  |                                |                  |
| Mr. Lin Yuguo (林玉國)                               | 林玉國先生               | —                          | —  | —                              | —                |
| Mr. Wang Lin (王霖) (note iv)                       | 王霖先生(附註iv)          | —                          | —  | —                              | —                |
| Mr. Qiu Jianwei (邱建偉)                             | 邱建偉先生               |                            |  |                                |                  |
| (note iv)   | (附註iv)              | —                          | —  | —                              | —                |
| Mr. Xu Jun (徐軍) (note iv)                         | 徐軍先生(附註iv)          | —                          | —  | —                              | —                |
| Independent non-executive<br>directors (note ii): | 獨立非執行董事<br>(附註ii) : |                            |  |                                |                  |
| Mr. Kong Aiguo (孔愛國)                              | 孔愛國先生               | 200                        | —  | —                              | 200              |
| Ms. Fang Lan (方嵐)                                 | 方嵐女士                | 200                        | —  | —                              | 200              |
| Mr. Cai Jiangnan (蔡江南)                            | 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 2017  
截至2017年12月31日止年度

#### 12. EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID EMPLOYEES (Continued)

##### Executive directors, non-executive directors and five highest employees (Continued)

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 from 26 August 2014 and his emoluments disclosed above include those for services rendered by him as the chief executive.
- (iv) Mr. Qiu Jianwei and Mr. Xu Jun were appointed as non-executive directors after Mr. Wang Lin resigned on 21 December 2016.

#### 12. 董事及五位最高薪人士薪酬(續)

##### 執行董事、非執行董事及五位最高薪人士(續)

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) 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 2017  
截至2017年12月31日止年度

### 12. EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID EMPLOYEES (Continued)

#### Employees' emoluments

Of the five individuals with the highest emoluments in the Group, one of them (2016: one) is director of the Company for the year ended 31 December 2017 whose emoluments are included in the disclosures above. The emoluments of the four (2016: four) individuals were as follows:

|  |          | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|----------|--|--|
| Salaries and allowance                       | 薪金及津貼    | 2,048  | 1,565  |
| Performance related bonuses                  | 表現掛鈎花紅   | 222  | 1,001  |
| Contributions to retirement benefits schemes | 退休福利計劃供款 | 42   | 92   |
| Expenses on the share-based payment          | 股份支付開支   | —  | 43   |
|  |          | 2,312  | 2,701  |

The number of these highest paid employees whose remuneration fell within the following band is as follows:

|                      |                 | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|----------------------|-----------------|--|--|
| Nil to HKD 1,000,000 | 零至 1,000,000 港元 | 4  | 4  |

During the years ended 31 December 2017 and 2016, 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. 董事及五位最高薪人士薪酬(續)

#### 僱員薪酬

截至2017年12月31日止年度，本集團五位最高薪人士中，其中一名(2016年：一名)為本公司董事，其薪酬詳情已於上文披露。四名人士(2016年：四名)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2017年及2016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 2017  
截至2017年12月31日止年度

### 13. DIVIDENDS

|  |  | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|--|--|--|
| Dividends recognised as distributions during the year 2016 Final - RMB5.0 cents (2015: RMB5.5 cents) per share | 年內確認為分派的股息<br>2016年末期股息－每股<br>人民幣5.0分<br>(2015年：人民幣5.5分) | 37,921   | 42,057   |

Subsequent to the end of the reporting period, the Board doesn't recommend any payment of a final dividend for the year ended 31 December 2017.

於報告期結束後，董事會不建議就截至2017年12月31日止年度派付末期股息。

### 14. EARNINGS PER SHARE

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:

### 14. 每股盈利

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：

|  |  | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|--|--|--|
| Earnings<br>Earnings for the purpose of basic and diluted earnings per share, representing profit for the year attributable to owners of the Company | 盈利<br>用作計算每股基本及攤薄盈利之盈利(即本公司擁有人應佔之年內利潤) | 27,394   | 95,708   |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 14. EARNINGS PER SHARE (Continued)

#### Number of shares

### 14. 每股盈利(續)

#### 股份數目

|  |                         | Year ended<br>31/12/2017<br>截至<br>2017年12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至<br>2016年12月31日止年度<br>RMB'000<br>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 | 758,402  | 763,844  |

The weighted average number of ordinary shares for the purpose of basic and diluted earnings per share has been adjusted without taking into account the shares purchased and held by the trustee of Company's Restricted Share Incentive Scheme for the year ended 31 December 2017.

There is no dilution factor in 2017. The computation of diluted earnings per share in 2017 is same with basic earnings per share.

The computation of diluted earnings per share in 2016 does not assume the exercise of the Company's share options granted under the share option scheme (note 33), because the exercise prices of those options were higher than the average market price for the Company's shares for 2016.

用作計算每股基本及攤薄盈利之加權平均普通股數目已在並無計及就截至2017年12月31日止年度由本公司限制性股份激勵計劃項下的信託人購買並持有的股份的情況下作出調整。

於2017年未發生攤薄事項，於2017年，每股攤薄盈利之計算與每股基本盈利相同。

於2016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33)，原因為該等購股權之行使價高於本公司股份2016年之平均市價。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

|  |                       | Leasehold<br>land and<br>buildings<br>租賃土地<br>及樓宇<br>RMB'000<br>人民幣千元 | Leasehold<br>improvement<br>租賃物業<br>裝修<br>RMB'000<br>人民幣千元 | Medical<br>equipment<br>醫療設施<br>RMB'000<br>人民幣千元 | Motor<br>vehicles<br>汽車<br>RMB'000<br>人民幣千元 | Furniture<br>and fixtures<br>傢俱及裝置<br>RMB'000<br>人民幣千元 | Construction<br>in progress<br>在建工程<br>RMB'000<br>人民幣千元 | Total<br>總計<br>RMB'000<br>人民幣千元 |
|--|-----------------------|---|--|--|---|--|---|---------------------------------|
| <b>COST</b>  | <b>成本</b>             |   |  |  |   |  |   |                                 |
| At 1 January 2016                                    | 2016年1月1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<br>a subsidiary           | 收購一家附屬公司時<br>購入       | —   | 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                         |
| Additions  | 添置                    | —   | 15,750   | 20,131   | 1,672                                       | 3,573  | 42,860  | 83,986                          |
| Transfer   | 轉讓                    | —   | 7,904  | —  | —   | —  | (7,904)   | —                               |
| Acquired on acquisition of<br>a subsidiary (note 34) | 收購一家附屬公司時<br>購入(附註34) | —   | 884  | 6,141  | 785   | 543  | 6,916   | 15,269                          |
| Disposals  | 出售                    | —   | —  | (2,049)  | (467)                                       | (3,501)  | —   | (6,017)                         |
| At 31 December 2017                                  | 2017年12月31日           | 37,234  | 250,926  | 195,036  | 13,156                                      | 52,151   | 45,055  | 593,558                         |
| <b>ACCUMULATED<br/>DEPRECIATION</b>                  | <b>累計折舊</b>           |   |  |  |   |  |   |                                 |
| At 1 January 2016                                    | 2016年1月1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                         |
| Charge for the year                                  | 年內支銷                  | 1,697   | 29,518   | 15,861   | 941   | 3,183  | —   | 51,200                          |
| Eliminated on disposals                              | 出售時抵銷                 | —   | —  | (1,990)  | (442)                                       | (3,052)  | —   | (5,484)                         |
| At 31 December 2017                                  | 2017年12月31日           | 11,010  | 130,974  | 99,967   | 10,026                                      | 40,797   | —   | 292,774                         |
| <b>CARRYING AMOUNTS</b>                              | <b>賬面值</b>            |   |  |  |   |  |   |                                 |
| At 31 December 2016                                  | 2016年12月31日           | 27,921  | 124,932  | 84,717   | 1,639                                       | 10,870   | 3,183   | 253,262                         |
| At 31 December 2017                                  | 2017年12月31日           | 26,224  | 119,952  | 95,069   | 3,130                                       | 11,354   | 45,055  | 300,784                         |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, except for 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<br>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 2017, the carrying amounts of property, plant and equipment without the property certificate were approximately RMB11,114,000 (2016: RMB11,762,000).

As at 31 December 2017, the costs of the property plant and equipment, which have been fully depreciated but still in use were approximately RMB4,654,000 (2016: RMB1,292,000).

#### 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<br>10年的估計可用<br>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2017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11,114,000元(2016年：人民幣11,762,000元)。

於2017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4,654,000元(2016年：人民幣1,292,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 16. LAND USE RIGHT

### 16. 土地使用權

|  |                   | Land use right<br>土地使用權<br>RMB'000<br>人民幣千元 |
|--|-------------------|---|
| COST   | 成本                |   |
| As at 1 January and 31 December 2016             | 於2016年1月1日及12月31日 | —   |
| Acquired on acquisition of a subsidiary(note 34) | 於收購附屬公司時購入(附註34)  | 120,175                                     |
| As at 31 December 2017                           | 於2017年12月31日      | 120,175                                     |
| ACCUMULATED AMORTISATION                         | 累計攤銷              |   |
| As at 1 January and 31 December 2016             | 於2016年1月1日及12月31日 | —   |
| Charge for the year                              | 年內支銷              | 1,019                                       |
| As at 31 December 2017                           | 於2017年12月31日      | 1,019                                       |
| CARRYING AMOUNTS                                 | 賬面值               |   |
| At 31 December 2016                              | 於2016年12月31日      | —   |
| At 31 December 2017                              | 於2017年12月31日      | 119,156                                     |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 17. GOODWILL

### 17. 商譽

#### Goodwill 商譽

|  |                    |         |
|--|--------------------|---------|
| COST   | 成本                 |         |
| As at 1 January 2016                             | 於2016年1月1日         | —       |
| Arising on acquisition of a subsidiary           | 於收購一間附屬公司時產生       | 49,302  |
| As at 1 January 2017                             | 於2017年1月1日         | 49,302  |
| Arising on acquisition of a subsidiary (note 34) | 於收購一間附屬公司時產生(附註34) | 72,981  |
| As at 31 December 2017                           | 於2017年12月31日       | 122,283 |
| IMPAIRMENT                                       | 減值                 |         |
| As at 1 January and 31 December 2016             | 於2016年1月1日及12月31日  | —       |
| As at 31 December 2017                           | 於2017年12月31日       | —       |
| CARRYING AMOUNTS                                 | 賬面值                |         |
| At 31 December 2016                              | 於2016年12月31日       | 49,302  |
| At 31 December 2017                              | 於2017年12月31日       | 122,283 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 18. OTHER INTANGIBLE ASSETS

### 18. 其他無形資產

|   |                    | Software<br>軟件<br>RMB'000<br>人民幣千元 | Trademark<br>商標<br>RMB'000<br>人民幣千元 | Medical licenses<br>醫療執照<br>RMB'000<br>人民幣千元<br>(note)<br>(附註) | Total<br>總計<br>RMB'000<br>人民幣千元 |
|---|--------------------|------------------------------------|-------------------------------------|--|---------------------------------|
| <b>COST</b>                                       |                    |                                    |                                     |  |                                 |
|   | <b>成本</b>          |                                    |                                     |  |                                 |
| As at 1 January 2016                              | 於2016年1月1日         | 7,044                              | 33,200                              | —  | 40,244                          |
| Addition  | 添置                 | 4,234                              | —                                   | —  | 4,234                           |
| Acquired on acquisition of a subsidiary           | 於收購一家附屬公司時購入       | —                                  | —                                   | 61,900   | 61,900                          |
| As at 1 January 2017                              | 於2017年1月1日         | 11,278                             | 33,200                              | 61,900   | 106,378                         |
| Addition  | 添置                 | 974                                | —                                   | —  | 974                             |
| Acquired on acquisition of a subsidiary (note 34) | 於收購一家附屬公司時購入(附註34) | 267                                | —                                   | 46,600   | 46,867                          |
| As at 31 December 2017                            | 於2017年12月31日       | 12,519                             | 33,200                              | 108,500  | 154,219                         |
| <b>ACCUMULATED AMORTISATION</b>                   |                    |                                    |                                     |  |                                 |
|   | <b>累計攤銷</b>        |                                    |                                     |  |                                 |
| As at 1 January 2016                              | 於2016年1月1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                            | 於2016年12月31日       | 4,499                              | 6,086                               | —  | 10,585                          |
| Charge for the year                               | 年內支銷               | 882                                | 3,320                               | 3,252  | 7,454                           |
| As at 31 December 2017                            | 於2017年12月31日       | 5,381                              | 9,406                               | 3,252  | 18,039                          |
| <b>CARRYING AMOUNTS</b>                           |                    |                                    |                                     |  |                                 |
|   | <b>賬面值</b>         |                                    |                                     |  |                                 |
| At 31 December 2016                               | 於2016年12月31日       | 6,779                              | 27,114                              | 61,900   | 95,793                          |
| At 31 December 2017                               | 於2017年12月31日       | 7,138                              | 23,794                              | 105,248  | 136,180                         |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 18. OTHER INTANGIBLE ASSETS (Continued)

Note:

In 2017, the amount of medical license identified and derived from the acquisition of Nantong Hemeijia Hospital was RMB46,600,000 (In 2016, the amount of medical license identified and derived from the acquisition of Heilongjiang HarMoniCare Hospital was RMB61,900,000).

Management considered that the above other intangible assets have finite useful lives. Such other intangible assets are accordingly amortised on a straight-line basis over the following periods:

Software  
軟件  
Trademark  
商標  
Medical licenses  
醫療執照

### 18. 其他無形資產(續)

附註：

於2017年，來源於收購南通和美家醫院而取得的醫療牌照金額為人民幣46,600,000元（於2016年，來源於收購黑龍江和美醫院而取得的醫療牌照金額為人民幣61,900,000元）。

管理層認為上述其他無形資產具有有限可使用年期。該等其他無形資產因此於下列期間按直線基準攤銷：

5-10 years  
5-10年  
10 years  
10年  
25 years  
25年

### 19. IMPAIRMENT TESTING ON GOODWILL

For the purposes of impairment testing, goodwill set out in note 17 have been allocated to two individual cash generating units ("CGUs"). The carrying amounts of goodwill as at 31 December 2017 allocated to these units are as follows:

Goodwill

### 19. 商譽減值測試

就減值測試而言，附註17所載商譽已分配至兩個個別現金產生單位（「現金產生單位」）。商譽於2017年12月31日的賬面值分配至如下該等單位：

商譽

|                                   |         | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|-----------------------------------|---------|---|---|
| Heilongjiang HarMoniCare Hospital | 黑龍江和美醫院 | 49,302  | 49,302  |
| Nantong Hemeijia Hospital         | 南通和美家醫院 | 72,981  | —   |
|                                   |         | 122,283                                       | 49,302  |

During the year ended 31 December 2017, management of the Group determines that there is no impairment of any of its CGUs containing goodwill.

截至2017年12月31日止年度，本集團管理層釐定其包含商譽的任何現金產生單位並無減值。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 19. IMPAIRMENT TESTING ON GOODWILL (Continued)

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are summarised below:

##### Unit A- Heilongjiang HarMoniCare Hospital

The recoverable amount of this unit has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period, and discount rate of 13.5%. Unit A's cash flows beyond the 5-year period are extrapolated using a steady 3% growth rate. This growth rate is based on the forecast inflation rate of China, considering that the growth rate will not exceed the forecast inflation rate of the country. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of Unit A to exceed the aggregate recoverable amount of Unit A.

##### Unit B- Nantong Hemeijia Hospital

The recoverable amount of this unit has been determined based on fair value less cost of disposal calculations determined using the income approach. The level of the fair value hierarchy into which the fair value measurement is categorised in its entirety is level 3. These calculations use cash flow projections based on financial budgets approved by the management covering a 8-year period, such estimation is based on the group of CGUs' past performance and the management's expectations for the market development. Cash flows beyond the 8-year period are extrapolated using an estimated weighted average growth rate of 3%. The cash flows are discounted using a post-tax discount rate of 13.5%. The discount rate reflects specific risks relating to the business. The management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the group of CGUs to exceed the aggregate recoverable amount of the group of CGUs.

#### 19. 商譽減值測試(續)

上述現金產生單位可收回金額的基準及其主要相關假設概述如下：

##### 單位A－黑龍江和美醫院

該單位的可收回金額乃根據使用價值計算釐定。該計算使用根據管理層批准涵蓋5年期的財政預算的現金流預測及貼現率13.5%作出。單位A的超逾該5年期的現金流已運用穩定增長率3%推算。該增長率乃基於中國的預測通脹率且認為該增長率不會超過中國的預測通脹率。計算使用價值的其他主要假設涉及現金流入／流出估計(包括預算銷售及毛利)，有關估計乃基於該單位的過往表現及管理層對市場發展的預期作出。管理層認為任何該等假設的任何合理可能變動均不會致使單位A的合共賬面值超過單位A的合共可收回金額。

##### 單位B－南通和美家醫院

該單位的其可收回金額乃根據公允價值減處置成本計算採用收入法釐定。公允價值計量整體所應歸入的公允價值層級為第三級。有關計算採用現金流量預測，以管理層在8年期內批准之財務預算為基準。有關估計以現金產生單位之過往表現及管理層對市場發展之預期為基準。超出8年期之現金流量乃採用估計加權平均增長率3%推算。現金流量以13.5%之稅後貼現率進行貼現。該折讓率反映出與該業務有關之特定風險。管理層相信，任何該等假設之任何合理可能變動將不會導致現金產生單位的賬面總值超出其可收回總額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 20. INTERESTS IN ASSOCIATES

### 20. 於聯營公司之權益

|   |                | 31/12/2017  | 31/12/2016  |
|---|----------------|-------------|-------------|
|   |                | 2017年12月31日 | 2016年12月31日 |
|   |                | RMB'000     | RMB'000     |
|   |                | 人民幣千元       | 人民幣千元       |
| Cost of investments in associates                               | 投資聯營公司之成本      | 32,460      | 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 | (5,118)     | (595)       |
|   |                | 27,342      | 7,628       |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 20. INTERESTS IN ASSOCIATES (Continued)

Details of each of the Group's associates at the end of the reporting period are as follow:

| Name of entity  | Country of incorporation/<br>registration<br>註冊成立/<br>註冊國家 | Principal place<br>of business<br>主要營業地點 | Proportion of ownership interest<br>held by the Group<br>本集團所持有<br>之所有權權益比例 |               | Proportion of Voting<br>rights held<br>by the Group<br>本集團所持有<br>之投票權比例 |               | Principal activity  |
|---|--|--|---|---------------|---|---------------|---|
| 實體名稱  |  |  | 2017<br>2017年   | 2016<br>2016年 | 2017<br>2017年   | 2016<br>2016年 | 主要業務  |
| Hibaby (note)<br>凱貝姆(附註)  | Mainland China<br>中國內地                                     | Mainland China<br>中國內地                   | 49.47%  | 51%           | 49.47%  | 51%           | Assisted maternity consultant<br>management consulting<br>助產顧問管理諮詢  |
| Harmonicare International<br>Medical Group Limited<br>美泰國際醫療集團有限公司                  | Hong Kong<br>香港  | Hong Kong<br>香港                          | 30%   | 30%           | 30%   | 30%           | IVF International referral<br>platform<br>試管嬰兒國際轉診平台  |
| Selford<br>賽爾福  | Mainland China<br>中國內地                                     | Mainland China<br>中國內地                   | 20%   | 0%            | 20%   | 0%            | Technical extension service<br>provision of enterprise<br>IT products and services<br>技術服務；基礎軟件<br>服務；計算機技術培訓；<br>銷售計算機、軟件及<br>輔助設備 |
| Beijing DeepHealthcare<br>Management and<br>Consultation Co., Ltd<br>北京德璞醫療管理諮詢有限公司 | Mainland China<br>中國內地                                     | Mainland China<br>中國內地                   | 30%   | 0%            | 30%   | 0%            | IVF International referral<br>platform<br>試管嬰兒國際轉診平台  |
| Shenzhen DeepHealthcare<br>Overseas Medical<br>Service Co., Ltd<br>深圳德璞海外醫療服務有限公司   | Mainland China<br>中國內地                                     | Mainland China<br>中國內地                   | 40%   | 0%            | 40%   | 0%            | IVF International referral<br>platform<br>試管嬰兒國際轉診平台  |

### 20. 於聯營公司之權益(續)

本集團各聯營公司於報告期末之詳情如下：



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 20. INTERESTS IN ASSOCIATES (Continued)

Note: The Group holds 51% of the issued share capital of Hibaby. However, under the Articles of Association of Hibaby, the Company has no control over it. The directors of the Company consider that the Group does have significant influence over Hibaby and it is therefore classified as an associate of the Group.

The Group transferred 1.53% of the issued share capital of Hibaby to a natural person in 2017, and RMB60,000 of disposal gain is recognised.

##### Summarised financial information of material associates

Summarised financial information in respect of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRSs.

All the associates are accounted for using the equity method in the consolidated financial statements.

#### 20. 於聯營公司之權益(續)

附註：本集團持有凱貝姆51%已發行股本。然而，根據凱貝姆之組織章程細則，本公司對其並無控制權。本公司董事考慮到本集團對凱貝姆並無重大影響力，故將其分類為本集團之聯營公司。

於2017年，本集團將凱貝姆1.53%已發行股本轉讓予一名自然人，並確認出售收益人民幣60,000元。

##### 重大聯營公司之財務資料概要

有關本集團重大聯營公司之財務資料概要載於下文。下文財務資料概要呈列聯營公司根據國際財務報告準則編製之財務報表所列之金額。

所有聯營公司均採用權益法於綜合財務報表入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 20. INTERESTS IN ASSOCIATES (Continued)

#### Summarised financial information of material associates (Continued)

##### Hibaby

|                         |       | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|-------------------------|-------|---|---|
| Current assets          | 流動資產  | 37,316  | 12,547  |
| Non-current assets      | 非流動資產 | 36,012  | 453   |
| Current liabilities     | 流動負債  | (30,864)                                      | (4,373)                                       |
| Non-current liabilities | 非流動負債 | —   | —   |

|  |             | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|-------------|--|--|
| Revenue  | 收益          | 9  | —  |
| Loss from continuing operations                          | 持續經營業務虧損    | (6,163)  | (1,374)  |
| Post-tax loss from discontinued operations               | 已終止業務除稅後虧損  | —  | —  |
| Loss for the year  | 年內虧損        | (6,163)  | (1,374)  |
| Other comprehensive income for the year                  | 年內其他全面收入    | —  | —  |
| Total comprehensive expense for the year                 | 年內全面收入總額    | (6,163)  | (1,374)  |
| Dividends received from the associate<br>during the year | 年內自聯營公司收取股息 | —  | —  |

### 20. 於聯營公司之權益(續)

#### 重大聯營公司之財務資料概要(續)

##### 凱貝姆

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 20. INTERESTS IN ASSOCIATES (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

### 20. 於聯營公司之權益(續)

上述財務資料概要與於綜合財務報表已  
確認之聯營公司權益之賬面值之對賬：

|   |                     | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|---|---------------------|---|---|
| Net assets of Hibaby                                      | 凱貝姆之資產淨額            | 42,464  | 8,627   |
| Proportion of the Group's ownership<br>interest in Hibaby | 本集團於凱貝姆之所有權<br>權益比例 | 49.47%  | 51%   |
| The Group's share of net assets of Hibaby                 | 本集團分佔凱貝姆資產淨額        | 21,007  | 4,400   |
| Carrying amount of the Group's<br>interest in Hibaby      | 本集團於凱貝姆之權益<br>之賬面值  | 21,007  | 4,400   |

### Aggregate information of associates that are not individually material

### 個別非重大聯營公司之滙總資料

|   |                         | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|---|-------------------------|--|--|
| The Group's share of loss from<br>continuing operations                   | 本集團分佔持續經營業務虧損           | (1,537)  | (122)  |
| The Group's share of other<br>comprehensive income                        | 本集團分佔其他全面收入             | 42   | 228  |
| The Group's share of total<br>comprehensive (expense) income              | 本集團分佔全面(開支)<br>收入總額     | (1,495)  | 106  |
| Aggregate carrying amount of<br>the Group's interests in these associates | 本集團於該等聯營公司之<br>權益之合計賬面值 | 6,335  | 3,228  |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 21. DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

#### 21. 遞延稅項資產／負債

就於綜合財務狀況表的呈列而言，若干遞延稅項資產及負債已抵銷。就財務報告目的對遞延稅項結餘所作之分析如下：

|                          |        | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|--------------------------|--------|---|---|
| Deferred tax assets      | 遞延稅項資產 | 54,277  | 33,080  |
| Deferred tax liabilities | 遞延稅項負債 | (47,925)                                      | (15,511)                                      |
|                          |        | 6,352   | 17,569  |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 21. DEFERRED TAX ASSETS/LIABILITIES (Continued)

The following are the major deferred tax assets and liabilities recognised and movements thereon during the current and prior years:

### 21. 遞延稅項資產／負債(續)

於本年度及過往年度所確認主要遞延稅項資產及負債及其變動如下：

|                                   |                 | Accrued staff costs | Fair value Adjustment on property, plant and equipment, land use right and other intangible assets from acquisitions of subsidiaries<br>收購附屬公司所得的物業、廠房及設備、土地使用權及其他無形資產的公平值調整 | Tax losses       | Accrued rental expenses | Advertisement expenditure (note) | Unrealised profit from intra-group transaction | Provision        | Allowance for doubtful debts | Others           | Total            |
|-----------------------------------|-----------------|---------------------|--|------------------|-------------------------|----------------------------------|--|------------------|------------------------------|------------------|------------------|
|                                   |                 | RMB'000<br>人民幣千元    | RMB'000<br>人民幣千元   | RMB'000<br>人民幣千元 | RMB'000<br>人民幣千元        | RMB'000<br>人民幣千元                 | RMB'000<br>人民幣千元                               | RMB'000<br>人民幣千元 | RMB'000<br>人民幣千元             | RMB'000<br>人民幣千元 | RMB'000<br>人民幣千元 |
| At 1 January 2016                 | 於2016年1月1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<br>(自損益扣除) | —                   | —  | (439)            | 24                      | 5,385                            | 228  | 35               | 5                            | 61               | 5,299            |
| Acquisition of subsidiaries       | 收購附屬公司          | —                   | (15,511)   | —                | —                       | —                                | —  | —                | —                            | —                | (15,511)         |
| At 1 January 2017                 | 於2017年1月1日      | 1,176               | (15,511)   | —                | 3,370                   | 26,004                           | 1,658  | 238              | 211                          | 423              | 17,569           |
| Credit (charge) to profit or loss | 計入損益<br>(自損益扣除) | (36)                | 1,460  | 4,488            | (116)                   | 16,513                           | (105)  | (13)             | 403                          | 63               | 22,657           |
| Acquisition of subsidiaries       | 收購附屬公司          | —                   | (33,874)   | —                | —                       | —                                | —  | —                | —                            | —                | (33,874)         |
| At 31 December 2017               | 於2017年12月31日    | 1,140               | (47,925)   | 4,488            | 3,254                   | 42,517                           | 1,553  | 225              | 614                          | 486              | 6,352            |

Note: The balance represents the non-deductible advertisement expense that exceeds 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 2017  
截至2017年12月31日止年度

### 21. DEFERRED TAX ASSETS/LIABILITIES (Continued)

Deferred tax assets have not been recognised in respect of the following items:

|                                  |         | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|----------------------------------|---------|---|---|
| Tax losses                       | 稅項虧損    | 71,817  | 54,710  |
| Deductible temporary differences | 可扣減暫時差額 | 42,203  | 35,371  |
|                                  |         | 114,020                                       | 90,081  |

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.

The tax losses will be expired as follows:

### 21. 遞延稅項資產／負債(續)

遞延稅項資產並無確認下列各項：

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。

稅項虧損到期情況如下：

|      |       | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|------|-------|---|---|
| 2017 | 2017年 | —   | 12,305  |
| 2018 | 2018年 | 11,904  | 11,904  |
| 2019 | 2019年 | 9,343   | 9,343   |
| 2020 | 2020年 | 10,850  | 10,850  |
| 2021 | 2021年 | 10,308  | 10,308  |
| 2022 | 2022年 | 29,412  | —   |
|      |       | 71,817  | 54,710  |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 22. FINANCIAL ASSETS DESIGNATED AS AT FVTPL

### 22. 指定為按公平值計入損益之金融資產

|                                   |             | 31/12/2017  | 31/12/2016  |
|-----------------------------------|-------------|-------------|-------------|
|                                   |             | 2017年12月31日 | 2016年12月31日 |
|                                   |             | RMB'000     | RMB'000     |
|                                   |             | 人民幣千元       | 人民幣千元       |
| Loan to Wuxi HarMoniCare Hospital | 授予無錫和美醫院之貸款 | 99,723      | 48,000      |
|                                   |             | 99,723      | 48,000      |

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 based on the actual capital fully paid up by the equity owners.

In October 2016, pursuant to the Agreements, the Group entered into a loan agreement ("the Loan Agreements I") 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.

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(「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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
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#### 22. FINANCIAL ASSETS DESIGNATED AS AT FVTPL (Continued)

In April 2017, the Group entered into a supplementary agreement ("the Supplementary Agreement I") modified the payment clause of the Loan Agreement I, which stipulates that the Group would pay the remaining amount of RMB16,000,000 to Wuxi HarMoniCare Hospital ten days after the supplementary agreement was signed.

According to the Agreements signed in October 2016, the Group will provide a loan to Wuxi HarMoniCare Hospital at 80% of investment amount that exceeds RMB80,000,000. In June 2017, pursuant to the Agreements, the Group entered into a new loan agreement ("the Loan Agreement II") with an aggregate amount RMB32,000,000 to Wuxi HarMoniCare Hospital.

As at 31 December 2017, Wuxi HarMoniCare had not obtained the medical license and had not commenced operation. The loan granted under the two loan agreements and two supplementary agreements contain embedded derivatives and is designated as a financial asset at FVTPL upon initial recognition.

#### 22. 指定為按公平值計入損益之金融資產 (續)

於2017年4月，本集團訂立補充協議(「補充協議I」)，對貸款協議I的條款進行修訂，當中規定本集團須於簽署補充協議後十天支付向無錫和美醫院提供的貸款人民幣16,000,000元。

根據於2016年10月簽署的該等協議，本集團將向無錫和美醫院提供佔投資額(超過人民幣80,000,000元的部分)80%的貸款。於2017年6月，根據該等協議，本集團訂立新貸款協議(「貸款協議II」)，向無錫和美醫院提供總額人民幣32,000,000元。

於2017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。根據兩份貸款協議及兩份補充協議授出的貸款包含嵌入式衍生工具，並在初步確認時被指定為按公平值計入損益之金融資產。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
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### 23. OTHER LONG-TERM ASSETS

### 23. 其他長期資產

|  | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2017年12月31日<br>RMB'000<br>人民幣千元 |
|--|---|---|
| Deposit for acquisitions of businesses (note) 業務收購按金(附註)     | 44,643  | —   |
| Advance purchase of property, plant and equipment 預購物業、廠房及設備 | 37,346  | —   |
|  | 81,989  | —   |

Note: At 26 May 2017, the Company entered into an agreement with S.H.T Healthcare Group to acquire 36% equity interest of Shangrao S.H.T Healthcare Industry Investment Co., Ltd. with a contribution of RMB37,600,000. By the end of 2017, the Company has paid RMB32,600,000 to S.H.T Healthcare Group and this transaction has not been completed as changes in the registration are not accomplished and a key medical license has not been acquired.

附註：於2017年5月26日，本公司與S.H.T Healthcare集團訂立協議，以出資人民幣37,600,000元收購Shangrao S.H.T Healthcare Industry Investment Co., Ltd.的36%股權。於2017年底，本公司已向S.H.T Healthcare集團支付人民幣32,600,000元，由於尚未完成變更登記手續，也未取得主要醫療執照，故是項交易並未完成。

At 16 November 2017, the Company entered into an acquisition agreement with Mr. Zhuo Guohua, the controlling shareholder of Beijing Huaifu Hospital. According to the agreement, the Company would acquire the 51% equity interest of Beijing Huaifu Hospital from Mr. Zhuo with a total consideration of RMB12,043,000. By the end of 2017, this business transaction has not been completed as certain transferring condition in the acquisition agreement has not been achieved.

於2017年11月16日，本公司與北京華府醫院的控股股東卓國華先生訂立收購協議。根據該協議，本公司將以總代價人民幣12,043,000元向卓先生收購北京華府醫院的51%股權。於2017年底，由於收購協議的若干轉讓條件尚未達成，故是項業務交易尚未完成。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 24. INVENTORIES

|                                 |           | 31/12/2017  | 31/12/2016  |
|---------------------------------|-----------|-------------|-------------|
|                                 |           | 2017年12月31日 | 2017年12月31日 |
|                                 |           | RMB'000     | RMB'000     |
|                                 |           | 人民幣千元       | 人民幣千元       |
| Pharmaceuticals                 | 藥品        | 14,748      | 15,940      |
| Medical devices and consumables | 醫療設施及醫療耗材 | 7,552       | 8,643       |
|                                 |           | 22,300      | 24,583      |

#### 25. LOAN RECEIVABLES

|                                |        | 31/12/2017  | 31/12/2016  |
|--------------------------------|--------|-------------|-------------|
|                                |        | 2017年12月31日 | 2017年12月31日 |
|                                |        | RMB'000     | RMB'000     |
|                                |        | 人民幣千元       | 人民幣千元       |
| Interest-free loan receivables | 免息應收貸款 | 120,957     | —           |
| Fixed-rate loan receivables    | 定息應收貸款 | 10,000      | —           |
| Variable-rate loan receivables | 浮息應收貸款 | —           | 5,000       |
|                                |        | 130,957     | 5,000       |
| Analysed as                    | 分析     |             |             |
| Current                        | 即期     | 130,957     | 5,000       |
| Non-current                    | 非即期    | —           | —           |

Individual loan receivable is significant and terms and conditions of each loan receivable are disclosed separately. All of the loan receivables are unsecured credit borrowings.

單項重大應收貸款及各項應收貸款之條款及條件單獨披露。所有應收貸款均為無抵押信用借款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 25. LOAN RECEIVABLES (Continued)

Loan receivables comprise:

|   | Term of<br>borrowing<br>借款年期  | Effective<br>interest rate<br>實際利率  | Carrying amount<br>賬面值 |                  |
|---|---|---|------------------------|------------------|
|   |   |   | 31/12/2017             | 31/12/2016       |
|   |   |   | 2017年12月31日            | 2016年12月31日      |
|   |   |   | RMB'000<br>人民幣千元       | RMB'000<br>人民幣千元 |
| fixed-rate<br>loan receivable (i)<br>定息應收貸款(i)        | From 23 January<br>2017 to 31 December 2018<br>2017年1月23日至2018年12月31日 | 8%  | 10,000                 | —                |
| variable-rate<br>loan receivable (i)<br>浮息應收貸款(i)     | From 4 July 2016 to<br>30 June 2017<br>2016年7月4日至2017年6月30日           | Prevailing bank borrowing<br>interest rate stipulated by the<br>People's Bank of China<br>中國人民銀行規定之現行銀<br>行貸款利率 | —                      | 5,000            |
| interest-free loan receivable (ii)<br>免息應收貸款(ii)      | Non-fixed term<br>無固定年期   | —   | 110,957                | —                |
| interest-free<br>loan receivable (iii)<br>免息應收貸款(iii) | From 24 April 2017 to<br>23 April 2018<br>2017年4月24日至2018年4月23日       | —   | 10,000                 | —                |

Notes:

- (i) The loan is made to a company controlled by an employee.
- (ii) On 16 November 2017, the Group entered into an Acquisition Agreement with the controlling shareholder of Beijing Huafu Hospital and Beijing Huafu Hospital, pursuant to which the Group agreed to acquire the 51% equity interest of Beijing Huafu Hospital. The Group has agreed to make a loan to Beijing Huafu Hospital which will be used towards the repayment of the borrowing from Mr. Zhuo Guohua, the controlling shareholder of Beijing Huafu Hospital. The Group expects to discuss the repayment arrangement of the loan with Beijing Huafu Hospital after it becomes profitable.

附註：

- (i) 該筆貸款乃提供予一名僱員所控制之一間公司。
- (ii) 於2017年11月16日，本集團與北京華府醫院之控股股東及北京華府醫院訂立收購協議，據此，本集團同意收購北京華府醫院51%股權。本集團已同意向北京華府醫院提供一筆貸款，而該筆貸款將用於償還來自北京華府醫院之控股股東卓國華先生之借款。本集團預期於北京華府醫院盈利後與其討論該筆貸款之還款安排。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 25. LOAN RECEIVABLES (Continued)

Notes: (Continued)

(ii) (Continued)

The Group paid the loan to Beijing Huaifu Hospital in three batches with no fixed repayment deadline and details are as follows:

| Time of payment  | 付款時間        | Amount<br>金額<br>RMB'000<br>人民幣千元 |
|------------------|-------------|----------------------------------|
| 13 July 2017     | 2017年7月13日  | 37,957                           |
| 30 November 2017 | 2017年11月30日 | 15,000                           |
| 20 December 2017 | 2017年12月20日 | 58,000                           |
|                  |             | 110,957                          |

(iii) The loan is made to a third party company.

#### 25. 應收貸款(續)

附註：(續)

(ii) (續)

本集團分三批向北京華府醫院支付該筆無固定還款期限之貸款，詳情如下：

(iii) 該筆貸款乃提供予一間第三方公司。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
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### 26. TRADE RECEIVABLES

The Group allows a credit period of approximately 60 days to 180 days for the specialised 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.

The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date:

|                    |         | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|--------------------|---------|---|---|
| Less than 90 days  | 少於90天   | 42,255  | 21,480  |
| 91 to 180 days     | 91至180天 | 635   | 5,287   |
| 181 days to 1 year | 181天至1年 | 2,726   | 629   |
| Over 1 year        | 超過1年    | 679   | 1,690   |
|                    |         | 46,295  | 29,086  |

For trade receivables disclosed below which are past due but not impaired, the directors of the Company access 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 is as follows:

|                    |         | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|--------------------|---------|---|---|
| 181 days to 1 year | 181天至1年 | 2,726   | 629   |
| Over 1 year        | 超過1年    | 679   | 1,043   |
|                    |         | 3,405   | 1,672   |

### 26. 貿易應收款項

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。

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：

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如下：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
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#### 26. TRADE RECEIVABLES (Continued)

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 the credit quality of the trade receivables from the date that the credit was initially granted up to the end of each reporting period.

Movements in the allowance for doubtful debts:

#### 26. 貿易應收款項(續)

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起至各報告期末貿易應收款項的信貨質量並無重大變動，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：

RMB'000  
人民幣千元

|                                      |             |       |
|--------------------------------------|-------------|-------|
| As at 1 January 2016                 | 2016年1月1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   |
| Addition                             | 增加          | 1,224 |
| Amounts written off as uncollectible | 註銷不可收回款項    | (42)  |
| As at 31 December 2017               | 2017年12月31日 | 1,965 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
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### 27. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 27. 預付款、按金及其他應收款項

|   |                    | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|---|--------------------|---|---|
| Deposit paid for the proposed acquisitions of businesses (note) | 提議收購業務已付按金<br>(附註) | 44,000  | 9,000   |
| Prepaid rental  | 預交租金               | 41,571  | 22,381  |
| Prepayments to suppliers  | 預付供應商的款項           | 35,678  | 17,195  |
| Deposits to suppliers   | 付予供應商之按金           | 8,177   | 1,849   |
| Consideration receivable for interests of an associate          | 聯營公司權益的應收代價        | 2,031   | 1,266   |
| Interest receivable   | 應收利息               | 1,313   | 1,173   |
| Other receivables   | 其他應收款項             | 1,392   | 3,463   |
|   |                    | 134,162                                       | 56,327  |

Note: Deposit paid for the proposed acquisitions of businesses represents a due diligence deposit to the counterparty for proposed acquisitions of businesses in relation to hospital services as at 31 December 2017. The deposit will be refunded if the Group choose not to acquire the equity interest of the target after the due diligence.

附註：建議收購業務之已付按金乃於2017年12月31日就建議收購有關醫院服務之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。

### Movement in the allowance for doubtful debts

### 呆賬撥備變動

|                                      |             | RMB'000<br>人民幣千元 |
|--------------------------------------|-------------|------------------|
| As at 1 January 2016                 | 2016年1月1日   | 100              |
| Addition                             | 增加          | —                |
| Amounts written off as uncollectible | 註銷不可收回款項    | —                |
| As at 31 December 2016               | 2016年12月31日 | 100              |
| Addition                             | 增加          | 1,252            |
| Amounts written off as uncollectible | 註銷不可收回款項    | (98)             |
| As at 31 December 2017               | 2017年12月31日 | 1,254            |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

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### 28. TIME DEPOSITS AND CASH AND CASH EQUIVALENTS

|   |                       | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|---|-----------------------|---|---|
| Cash and cash equivalents denominated in: | 按以下貨幣計值的現金<br>及現金等價物： |   |   |
| – RMB                                     | – 人民幣                 | 169,931                                       | 578,453                                       |
| – USD                                     | – 美元                  | 266,046                                       | 282,652                                       |
| – HKD                                     | – 港元                  | 31,018  | 90,891  |
|   |                       | 466,995                                       | 951,996                                       |

Bank balances carried interest at prevailing market rates which range from 0.01% to 1.30% per annum as at 31 December 2017 (2016: 0.30% to 3.80%).

於2017年12月31日，銀行結餘以現行市場年利率介乎0.01%至1.30%(2016年：0.30%至3.80%)計息。

Most of the bank balances denominated in RMB were deposited with banks in the PRC.

大部分以人民幣計值的銀行結餘存於中國各銀行。

|                               |              | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>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        | 45,000  | 115,000                                       |

As at 31 December 2017, the bank deposits of RMB45,000,000 carried interest at variable rates which range from 1.00% to 3.90% per annum (2016: 1.80% or 1.95%), with original maturity of more than three months.

於2017年12月31日，銀行存款人民幣45,000,000元以浮動年利率介乎1.00%至3.90%(2016年：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)

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### 29. TRADE PAYABLES

### 29. 貿易應付款項

|                |        | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|----------------|--------|---|---|
| Trade payables | 貿易應付款項 | 16,020  | 16,552  |

Trade payables are non-interest bearing and are normally granted on 0 to 90 days credit term. An aging 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：

|                    |         | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|--------------------|---------|---|---|
| Within 90 days     | 90天內    | 13,342  | 13,790  |
| 91 to 180 days     | 91至180天 | 924   | 251   |
| 181 days to 1 year | 181天至1年 | 811   | 2,511   |
| Over 1 year        | 1年以上    | 943   | —   |
|                    |         | 16,020  | 16,552  |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

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### 30. OTHER PAYABLES AND ACCRUALS

### 30. 其他應付款項及應計費用

|  |              | 31/12/2017  | 31/12/2016  |
|--|--------------|-------------|-------------|
|  |              | 2017年12月31日 | 2016年12月31日 |
|  |              | RMB'000     | RMB'000     |
|  |              | 人民幣千元       | 人民幣千元       |
| Advances from patients   | 病人墊款         | 75,173      | 95,441      |
| Staff cost payables  | 應付僱員成本       | 31,522      | 29,110      |
| Construction fee payables  | 應付建築費用       | 4,078       | 2,682       |
| Accrued rental expenses  | 應計租金開支       | 3,043       | 1,970       |
| Accrued operating expenses   | 應計營運開支       | 2,133       | 1,672       |
| Other PRC tax payables   | 其他應付中國稅項     | 1,471       | 324         |
| Deposit from suppliers   | 供應商按金        | 1,073       | 185         |
| Consideration payable for acquisition<br>of non-controlling interest | 收購非控股權益應付代價  | 850         | —           |
| Loan payable   | 應付貸款         | 500         | 4,500       |
| Consideration payable for acquisition<br>of a subsidiary             | 收購一間附屬公司應付代價 | —           | 598         |
| Others   | 其他           | 8,700       | 4,818       |
|  |              | 128,543     | 141,300     |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 31. PROVISION

### 31. 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 2016   | 於2016年1月1日   | 822   |
| Provision              | 撥備           | 776   |
| Payments               | 付款           | (545) |
| As at 31 December 2016 | 於2016年12月31日 | 1,053 |
| Provision              | 撥備           | 358   |
| Payments               | 付款           | (511) |
| As at 31 December 2017 | 於2017年12月31日 | 900   |

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 2017  
截至2017年12月31日止年度

### 32. SHARE CAPITAL

#### The Company and the Group

|  |                        | Number of shares<br>股份數目 | Nominal value<br>per share<br>每股面值<br>HKD<br>港元 | Share capital<br>股本<br>HKD<br>港元 |
|--|------------------------|--------------------------|---|----------------------------------|
| <b>Authorised</b>                              | <b>法定</b>              |                          |   |                                  |
| At 1 January 2016 (note i)                     | 於2016年1月1日(附註i)        | 1,140,000,000            |   | 1,140,000                        |
| Increase in authorised<br>share capital        | 法定股本增加                 | —                        |   | —                                |
| At 31 December 2016 and 2017                   | 於2016年及2017年<br>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 ii)                     | 註冊成立時(附註ii)            | 1                        | 0.001   | —                                |
| New issuance (note ii)                         | 新發行(附註ii)              | 99,359,492               | 0.001   | 99,359                           |
| Transfer to issued and<br>fully paid (note ii) | 轉撥至已發行及繳足(附註ii)        | (99,359,493)             |   | (99,359)                         |
| At 1 January 2016                              | 於2016年1月1日             | —                        |   | —                                |
| At 31 December 2016 and 2017                   | 於2016年及2017年<br>12月31日 | —                        |   | —                                |
| <b>Issued and fully paid</b>                   | <b>已發行及繳足</b>          |                          |   |                                  |
| At 1 January 2016                              | 於2016年1月1日             | 770,324,085              | 0.001   | 770,324                          |
| Shares repurchased and<br>cancelled (note iii) | 購回及注銷股份(附註iii)         | (11,906,000)             | 0.001   | (11,906)                         |
| At 31 December 2016                            | 於2016年12月31日           | 758,418,085              |   | 758,418                          |
| At 31 December 2017                            | 於2017年12月31日           | 758,418,085              |   | 758,418                          |

### 32. 股本

#### 本公司及本集團

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 32. SHARE CAPITAL (Continued)

#### The Company and the Group (Continued)

### 32. 股本(續)

#### 本公司及本集團(續)

|              |     | 2017<br>2017年<br>RMB'000<br>人民幣千元 | 2016<br>2016年<br>RMB'000<br>人民幣千元 |
|--------------|-----|-----------------------------------|-----------------------------------|
| Presented as | 呈列為 | 598                               | 598                               |

The Board announced that on 21 December 2017, it resolved to adopt the Restricted Share Incentive Scheme as a means to recognise the contribution of and provide incentives for the key management of the Group and persons who made special contribution to the Group. As at 31 December 2017, no award has been made under the Restricted Share Incentive Scheme. During the year, the trustee of the Restricted Share Incentive Scheme purchased shares of the Company pursuant to the Restricted Share Incentive Scheme.

董事會於2017年12月21日宣佈議決採納計劃，該計劃的目的為認可並激勵本集團主要管理人員及對本集團作出特別貢獻的人士。截至2017年12月31日，概無獎勵已經根據計劃授出。年內，限制性股份激勵計劃項下的信託人根據限制性股份激勵計劃購入本公司股份。

| Month of purchase<br>購入月份 | Number of ordinary<br>shares<br>普通股數目 | Price per share<br>每股價格     |                            | Aggregate<br>consideration paid<br>已付總代價 |
|---------------------------|---------------------------------------|-----------------------------|----------------------------|--|
|                           |                                       | Highest<br>最高<br>HK\$<br>港元 | Lowest<br>最低<br>HK\$<br>港元 |  |
| December<br>12月           | 5,404,000                             | 3.15                        | 2.86                       | 16,081                                   |
| Presented as<br>呈列為       |                                       |                             |                            | RMB'000<br>人民幣千元<br>13,650               |

During the year, apart from the above transaction, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

年內，除上述交易以外，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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 32. SHARE CAPITAL (Continued)

##### The Company and the Group (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. 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.
- (ii) 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 Investment Limited ("Mighty Sky"), at a total consideration of RMB240,304,000, which was fully paid on 16 March 2015.

Mighty Sky is owned by CCBI Investments Limited ("CCBI Investments"). The ultimate beneficial owner of CCBI Investments is China Construction Bank Corporation, which is also the ultimate controlling shareholder of CCB International Capital Limited ("CCBI"). CCBI was the underwriter and the joint sponsor when the Company was listed. Immediately before the completion of the Global Offering, Mighty Sky held 8.00% equity interest in our Company.

- (iii) In May and July 2016, a total of 11,906,000 ordinary shares had been repurchased on market and subsequently cancelled by the Company.

#### 32. 股本(續)

##### 本公司及本集團(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。2015年6月9日，本公司將其法定股本增至1,140,000,000港元，分為1,140,000,000股每股面值0.001港元的股份。
- (ii) 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 Investment Limited（「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。

Mighty Sky由CCBI Investments Limited（「CCBI Investments」）全資擁有。中國建設銀行股份有限公司為CCBI Investments的最終實益擁有人，亦是建銀國際金融有限公司（「建銀國際」）的最終控股股東。建銀國際為本公司上市時的包銷商及聯席保薦人。緊接全球發售完成前，Mighty Sky持有本公司8.00%股權。

- (iii) 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 2017  
截至2017年12月31日止年度

#### 33. 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 six 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 two directors of the Company, four 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 three years. The share options will be vested when the certain performance conditions stated below are met.

At 31 December 2017, the number of share options expected to vest was nil.

#### 33. 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限為自授出日期起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2017年12月31日，預期將歸屬的購股權數目為零。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 33. SHARE OPTION SCHEME (Continued)

The share options are exercisable according to the following arrangement:

|           | Grant date<br>授出日期 | Vesting condition<br>歸屬條件   | Locked-up Period<br>and Unlocking Date<br>禁售期及解禁日期 | Unlocking<br>portion<br>解禁部分                      |
|-----------|--------------------|---|--|---|
| Tranche I | July 2015          | (1) Revenue increase by 5% and net profit attributable to the owners 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 |
|           |                    | (2) Individual performance during the vesting period set by the Company   |  |   |
| 第一批       | 2015年7月            | (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%及本公司擁有人應佔利潤淨額(不包括購股權計劃定義之非經常性開支)增加20% ;   | 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%                          |
|           |                    | (2) 於本公司設定的歸屬期內的個人表現  |  |   |

#### 33. 購股權計劃(續)

購股權可根據下列安排行使：



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 33. SHARE OPTION SCHEME (Continued)

### 33. 購股權計劃(續)

|             | Grant date<br>授出日期 | Vesting condition<br>歸屬條件   | Locked-up Period<br>and Unlocking Date<br>禁售期及解禁日期 | Unlocking<br>portion<br>解禁部分                      |
|-------------|--------------------|---|--|---|
| Tranche II  | July 2015          | (1) Revenue increase by 10% and net profit attributable to the owners 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 |
|             |                    | (2) Individual performance during the vesting period set by the Company   |  |   |
| 第二批         | 2015年7月            | (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%及本公司擁有人應佔利潤淨額(不包括購股權計劃定義之非經常性開支)增加25% ;  | 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%                          |
|             |                    | (2) 於本公司設定的歸屬期內的個人表現  |  |   |
| Tranche III | July 2015          | (1) Revenue increase by 15% and net profit attributable to the owners 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%及本公司擁有人應佔利潤淨額(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 2017  
截至2017年12月31日止年度

### 33. SHARE OPTION SCHEME (Continued)

(1) The following table discloses the movement of share options held by the Eligible Grantees

|  |                 | Balance<br>at beginning<br>of the year<br>年初結餘 | Granted during<br>the year<br>年內授出 | Forfeited during<br>the year<br>年內沒收 | Lapsed during<br>the year<br>年內失效 | Balance at end<br>of the year<br>年末結餘 |
|--|-----------------|--|------------------------------------|--------------------------------------|-----------------------------------|---------------------------------------|
| Share options<br>購股權                     |                 |  |                                    |                                      |                                   |                                       |
| <i>Directors:</i>                        | <i>董事：</i>      |  |                                    |                                      |                                   |                                       |
| Mr. Fang Zhifeng (方志鋒)                   | 方志鋒先生           | 672,000  | —                                  | —                                    | (672,000)                         | —                                     |
| Mr. Zhao Xingli (趙興力)                    | 趙興力先生           | 532,000  | —                                  | —                                    | (532,000)                         | —                                     |
| Subtotal                                 | 小計              | 1,204,000                                      | —                                  | —                                    | (1,204,000)                       | —                                     |
| <i>Members of the senior management:</i> | <i>高級管理層成員：</i> |  |                                    |                                      |                                   |                                       |
| Mr. Li Wenfeng (李文鳳)                     | 李文鳳先生           | 529,760  | —                                  | —                                    | (529,760)                         | —                                     |
| Mr. Ren Jinhui (任金輝)                     | 任金輝先生           | 308,000  | —                                  | —                                    | (308,000)                         | —                                     |
| Subtotal                                 | 小計              | 837,760  | —                                  | —                                    | (837,760)                         | —                                     |
| Certain employees                        | 若干僱員            | 1,912,855                                      | —                                  | (139,860)                            | (1,772,995)                       | —                                     |
| Total                                    | 總計              | 3,954,615                                      | —                                  | (139,860)                            | (3,814,755)                       | —                                     |

### 33. 購股權計劃(續)

(1) 下表披露合資格承授人所持有的購股權的變動

Number of options for the year ended 31/12/2017  
截至2017年12月31日止年度的購股權數目

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 33. SHARE OPTION SCHEME (Continued)

(1) The following table discloses the movement of share options held by the Eligible Grantees (Continued)

|  |                 | Balance      |                |                  |               |                |
|--|-----------------|--------------|----------------|------------------|---------------|----------------|
|  |                 | at beginning | Granted during | Forfeited during | Lapsed during | Balance at end |
|  |                 | of the year  | the year       | the year         | the year      | of the year    |
| Share options                            |                 | 年初結餘         | 年內授出           | 年內沒收             | 年內失效          | 年末結餘           |
| 購股權                                      |                 |              |                |                  |               |                |
| <i>Directors:</i>                        | <i>董事：</i>      |              |                |                  |               |                |
| Mr. Fang Zhifeng (方志鋒)                   | 方志鋒先生           | 1,344,000    | —              | —                | (672,000)     | 672,000        |
| Mr. Zhao Xingli (趙興力)                    | 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 (蘇建清) (Note)             | 蘇建清先生(附註)       | 1,995,000    | —              | (1,995,000)      | —             | —              |
| Mr. Li Wenfeng (李文鳳)                     | 李文鳳先生           | 1,059,520    | —              | —                | (529,760)     | 529,760        |
| Mr. Ren Jinhui (任金輝)                     | 任金輝先生           | 616,000      | —              | —                | (308,000)     | 308,000        |
| Mr. Chen Longzhen (陳隆禎)                  | 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.

The exercise price is HKD7.1 per share option and is determined by the directors of the Company.

### 33. 購股權計劃(續)

(1) 下表披露合資格承授人所持有的購股權的變動

Number of options for the year ended 31/12/2016  
截至2016年12月31日止年度的購股權數目

附註：於2016年6月30日，蘇建清先生辭任本公司副總裁一職。

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 2017  
截至2017年12月31日止年度

### 33. SHARE OPTION SCHEME (Continued)

(2) The estimated fair value of the share options granted on the date of grant.

| Share options | 購股權 | Directors<br>董事<br>HKD<br>港元 | Chief executives<br>最高行政人員<br>HKD<br>港元 | Certain employees<br>若干僱員<br>HKD<br>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:

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:

|                            |         | Directors<br>董事 | Chief executives<br>最高行政人員 | Certain employees<br>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                       |

### 33. 購股權計劃(續)

(2) 於授出日期授出的購股權的估計公平值

(3) 釐定購股權公平值的方法如下

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：

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 33. SHARE OPTION SCHEME (Continued)

(3) The approach of determining the fair value of the share options is as follows: (Continued)

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.

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in the profit or loss over the remaining vesting period, with a corresponding adjustment to the share options reserve.

As the performance conditions of Tranche III was not satisfied, the corresponding share options were not vested in accordance with the Share Option Scheme. The number of share options expected to vest is nil at 31 December 2017. During the year, the Group reversed an expense of RMB4,708,000 (2016: RMB25,000 expense recognised) for the relevant tranche, the performance conditions of which were not expected to be met.

#### 33. 購股權計劃(續)

(3) 釐定購股權公平值的方法如下(續)

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。

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。

由於第三批表現條件尚未達成，有關購股權根據購股權計劃並未歸屬。預期於2017年12月31日歸屬的購股權數目為零份。年內，由於預期相關批次之表現條件無法達成，本集團就該等批次撥回開支人民幣4,708,000元(2016年：已確認開支人民幣25,000元)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 34. ACQUISITION OF SUBSIDIARIES

##### Provisional Amounts for Acquisition of Nantong Hemeijia Hospital

On 31 July 2017, the Group acquired 51% of equity interests of Nantong Hemeijia Hospital for a consideration of RMB32,000,000 and effecting a capital injection of RMB267,755,000 (an amount of RMB88,000,000 has been paid by the end of the year) into Nantong Hemeijia Hospital. This acquisition has been accounted for using the purchase method. The provisional amount of goodwill arising as a result of the acquisition was RMB72,981,000. Nantong Hemeijia Hospital is engaged in the provision of specialised hospital services. Nantong Hemeijia Hospital was acquired so as to continue the expansion of the Group's specialised hospital services.

According to the performance commitment of the acquisition agreement, the Group's management considered Nantong Hemeijia Hospital could achieve performance requirements in the next few years, so the acquisition-date fair value of contingent consideration was worthless.

##### Consideration transferred and capital injected

|                                  |          | RMB'000<br>人民幣千元 |
|----------------------------------|----------|------------------|
| Cash paid                        | 已支付現金    | 32,000           |
| Committed/paid capital injection | 已承諾／已付注資 | 267,755          |
|                                  |          | 299,755          |

Acquisition-related costs amounting to RMB650,000 have been excluded from the consideration transferred and have been recognised as an expense in the current year, within the other expense line item in the consolidated statement of profit or loss and other comprehensive income.

The estimated fair values of the identifiable assets acquired and liabilities assumed as of the acquisition date, are preliminary, pending final evaluation of certain assets, and therefore are subject to revisions that may result in adjustments to the values presented below.

#### 34. 收購附屬公司

##### 收購南通和美家醫院的暫定金額

2017年7月31日，本集團以代價人民幣32,000,000元收購南通和美家醫院51%股權，並向南通和美家醫院注資人民幣267,755,000元(年底前已支付人民幣88,000,000元)。此項收購採用收購法入賬。因收購產生的商譽為人民幣72,981,000元。南通和美家醫院從事專科醫院服務。本集團收購南通和美家醫院以繼續拓展其專科醫院服務。

根據收購協議內的履約承諾，本集團管理層認為南通和美家醫院未來數年可達致履約要求，故收購日期的或然代價公平值並無意義。

##### 已轉讓代價及已注入資金

已轉讓代價已扣除收購有關成本人民幣650,000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其他開支一項確認為開支。

於收購日期，若干資產暫未完成最終評估，所收購可識別資產及所承擔負債初步按估計公平值確認，由此可能導致以下項目價值的調整。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 34. ACQUISITION OF SUBSIDIARIES (Continued)

#### Provisional Amounts for Acquisition of Nantong Hemeijia Hospital (Continued)

Assets acquired and liabilities assumed at the date of acquisition are as follows:

### 34. 收購附屬公司(續)

#### 收購南通和美家醫院的暫定金額(續)

於收購日期的已收購資產及已承擔負債如下：

|  |                   | RMB'000<br>人民幣千元 |
|--|-------------------|------------------|
| Property, plant and equipment                      | 物業、廠房及設備          | 15,269           |
| Land use right                                     | 土地使用權             | 120,175          |
| Other intangible asset                             | 其他無形資產            | 46,867           |
| Inventories  | 存貨                | 1,356            |
| Trade receivables                                  | 貿易應收款項            | 1,534            |
| Prepayments, deposits and other receivables (note) | 預付款、按金及其他應收款項(附註) | 194,315          |
| Cash and cash equivalents (note)                   | 現金及現金等價物(附註)      | 95,514           |
| Loan receivables                                   | 應收貸款              | 10,000           |
| Rental deposits                                    | 租金按金              | 19               |
| Trade payables                                     | 貿易應付款項            | (3,864)          |
| Other payables and accruals                        | 其他應付款項及應計費用       | (2,062)          |
| Tax payables                                       | 應付稅項              | (594)            |
| Deferred tax liabilities                           | 遞延稅項負債            | (33,874)         |
|  |                   | 444,655          |

Note: The Group made RMB267,755,000 capital injection including RMB88,000,000 which has been paid and disclosed in cash and cash equivalents. The remaining amounts RMB179,755,000 is contained in prepayments, deposits and other receivables.

The provisional aggregate fair value of property, plant and equipment, land use right and other intangible assets at the date of acquisition amounted to RMB182,311,000. These fair values are estimated by independent external valuers. The carrying amounts of these property, plant and equipment, land use right and other intangible assets acquired amounted to RMB46,815,000 at the date of acquisition.

附註：本集團注入的人民幣267,755,000元資金包括已支付且已於現金及現金等價物披露的人民幣88,000,000元。剩餘款項人民幣179,755,000元計入預付款、按金及其他應收款項。

於收購日期，物業、廠房及設備、土地使用權以及其他無形資產的合共公平值暫定為人民幣182,311,000元。該等公平值由外部獨立估值師估計確定。於收購日期，該等物業、廠房及設備、土地使用權以及已收購其他無形資產的賬面值為人民幣46,815,000元。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 34. ACQUISITION OF SUBSIDIARIES (Continued)

#### Provisional Amounts for Acquisition of Nantong Hemeijia Hospital (Continued)

##### Goodwill arising on acquisition:

|   |                          | RMB'000<br>人民幣千元 |
|---|--------------------------|------------------|
| Consideration   | 代價                       | 299,755          |
| Plus: non-controlling interests<br>(49% in Nantong Hemeijia Hospital) | 加：非控股權益<br>(南通和美家醫院的49%) | 217,881          |
| Less: net assets acquired   | 減：已收購資產淨值                | 444,655          |
| Goodwill  | 商譽                       | 72,981           |

Goodwill arose in the acquisition of Nantong Hemeijia 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 Nantong Hemeijia Hospital. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable other intangible assets.

None of the goodwill arising on this acquisition is expected to be deductible for tax purposes.

##### Net cash outflow on acquisition:

|                                    |             | RMB'000<br>人民幣千元 |
|------------------------------------|-------------|------------------|
| Cash and cash equivalents acquired | 已收購現金及現金等價物 | 7,514            |
| Cash consideration paid            | 已支付現金代價     | (32,000)         |
|                                    |             | (24,486)         |

### 34. 收購附屬公司(續)

#### 收購南通和美家醫院的暫定金額(續)

##### 收購產生的商譽：

|   |                          | RMB'000<br>人民幣千元 |
|---|--------------------------|------------------|
| Consideration   | 代價                       | 299,755          |
| Plus: non-controlling interests<br>(49% in Nantong Hemeijia Hospital) | 加：非控股權益<br>(南通和美家醫院的49%) | 217,881          |
| Less: net assets acquired   | 減：已收購資產淨值                | 444,655          |
| Goodwill  | 商譽                       | 72,981           |

收購南通和美家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南通和美家醫院的人力資源的金額。上述收益由於不滿足可識別其他無形資產的確認條件，因而未從商譽中單獨分離計算。

本次收購產生的商譽預期概不會進行稅務扣減。

##### 收購之現金淨流出：

|                                    |             | RMB'000<br>人民幣千元 |
|------------------------------------|-------------|------------------|
| Cash and cash equivalents acquired | 已收購現金及現金等價物 | 7,514            |
| Cash consideration paid            | 已支付現金代價     | (32,000)         |
|                                    |             | (24,486)         |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 34. ACQUISITION OF SUBSIDIARIES (Continued)

##### Provisional Amounts for Acquisition of Nantong Hemeijia Hospital (Continued)

##### Impact of acquisitions on the results of the Group

Included in the profit for the year is RMB6,974,000 attributable to the additional business generated by Nantong Hemeijia Hospital. Revenue for the year included RMB37,748,000 generated from Nantong Hemeijia Hospital.

Had the acquisition been completed on 1 January 2017, total group revenue for the year would have been RMB969 million, and profit for the year would have been RMB37 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 2017, 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 2017, the directors of the Company have calculated depreciation of plant and equipment acquired and amortisation of land use right and other intangible assets 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.

#### 34. 收購附屬公司(續)

##### 收購南通和美家醫院的暫定金額(續)

##### 收購對本集團業績之影響

南通和美家醫院產生之利潤人民幣6,974,000元計入年內利潤。年內收益包括南通和美家醫院產生之收益人民幣37,748,000元。

倘收購於2017年1月1日完成，年內整體總收益將為人民幣969,000,000元，及年內利潤將為人民幣37,000,000元。該備考資料僅供說明，未必反映倘收購已於2017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2017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土地使用權和其他無形資產之攤銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 35. 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:

|  |             | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>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         | 89,433  | 77,855  |
| In the second to fifth year                    | 第二至五年       | 297,644                                       | 265,490                                       |
| After five years                               | 五年後         | 225,023                                       | 107,206                                       |
|  |             | 612,100                                       | 450,551                                       |

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.

### 35. 經營租賃

#### 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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 36. CAPITAL COMMITMENTS

### 36. 資本承擔

|   |                                 | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>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  | 271,886                                       | 1,638   |
| Capital expenditure in respect of acquisition of property, plant and equipment authorised but not contracted for in the consolidated financial statements | 於綜合財務報表中就收購物業、廠房及設備已授權但未訂約的資本開支 | 38  | —   |
|   |                                 | 271,924                                       | 1,638   |

### 37. 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 2017 amounted to RMB31,792,000 (2016: RMB28,469,000).

### 37. 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2017年12月31日止年度自損益支銷的退休福利成本為人民幣31,792,000元(2016年：人民幣28,469,000元)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 38. RELATED PARTY TRANSACTIONS

##### (a) Name and relationship

Name  
名稱

Relationship  
關係

From 1 January 2016 to 31 December 2017  
自2016年1月1日至2017年12月31日

Bosheng Medical  
博生醫療

Company controlled by Mr. Lin Yuming  
由林玉明先生控股之公司

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(林玉明先生之近親)控股之公司

Hibaby  
(凱貝姆)

Associate  
聯營公司

#### 38. 關聯方交易

##### (a) 名稱及關係



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 38. RELATED PARTY TRANSACTIONS (Continued)

##### (a) Name and relationship (Continued)

Selford  
(賽爾福)

Xiandai Maternity Hospital of Nanchong Co., Ltd  
(南充現代婦產醫院有限公司)  
("Xiandai Maternity Hospital of Nanchong")  
(「南充現代婦產醫院」)

Leshan Modern Women Hospital Co., Ltd  
(樂山現代婦產醫院有限公司) ("Leshan Modern Women Hospital")  
(「樂山現代婦產醫院」)

Gansu Taihetang medicine Co., Ltd  
(甘肅太和堂醫藥有限責任公司) ("Gansu Taihetang medicine")  
(「甘肅太和堂醫藥」)

#### 38. 關聯方交易(續)

##### (a) 名稱及關係(續)

Associate  
聯營公司

Company controlled by Mr. Su Dongqi, a close family member of  
Mr. Lin Yuming

由蘇冬其先生(林玉明先生之近親)控股之公司

Company controlled by Lin Yurong, a close family member of  
Mr. Lin Yuming  
由林玉榮(林玉明先生之近親)控股之公司

Company controlled by Lin Yurong, a close family member of  
Mr. Lin Yuming  
由林玉榮(林玉明先生之近親)控股之公司

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 38. RELATED PARTY TRANSACTIONS (Continued)

#### (b) Related party transactions

|  |                   | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|-------------------|--|--|
| Sales of pharmaceuticals                 | 向以下各方銷售藥品、        |  |  |
| medical devices and consumables to:      | 醫療設施及耗材：          |  |  |
| Xining Modern Hospital                   | 西寧現代醫院            | 4,766  | 223  |
| Leshan Modern Women Hospital             | 樂山現代婦產醫院          | 1,160  | —  |
| Xiandai Maternity Hospital of Nanchong   | 南充現代婦產醫院          | 271  | —  |
| Hebei Modern Woman Hospital              | 河北現代女子醫院          | 251  | 267  |
| Gansu Taihetang medicine Co., Ltd        | 甘肅太和堂醫藥<br>有限責任公司 | 255  | —  |
| Heilongjiang HarMoniCare Hospital (note) | 黑龍江和美醫院(附註)       | N/A 不適用  | 5,299  |
|  |                   | 6,703  | 5,789  |
| Rental expense to Bosheng Medical        | 應付博生醫療租賃費         | 269  | 655  |

Note: The Group acquired 95% equity interests of Heilongjiang HarMoniCare Hospital on 31 December 2016.

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.

### 38. 關聯方交易(續)

#### (b) 關聯方交易

附註：本集團於2016年12月31日收購黑龍江和美醫院的95%股權。

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 2017  
截至2017年12月31日止年度

### 38. RELATED PARTY TRANSACTIONS (Continued)

#### (c) Related party balances

Amounts due from related parties

|   |              | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|---|--------------|---|---|
| Trade in nature                         | 貿易性質         |   |   |
| Amounts due from Xining Modern Hospital | 應收西寧現代婦產醫院款項 | 360   | 15  |
| Gansu Taihetang medicine                | 甘肅太和堂醫藥      | 18  | —   |
| Total                                   | 總計           | 378   | 15  |

The following is an aged analysis of amounts due from related parties 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關聯方款項賬齡分析：

|              |     | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|--------------|-----|---|---|
| Not past due | 未逾期 | 378   | 15  |

The above receivable from the related company is unsecured, interest-free and within the credit period at 31 December 2017.

上述應收關連公司款項乃無抵押、免息且該款項於2017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 2017  
截至2017年12月31日止年度

### 38. RELATED PARTY TRANSACTIONS (Continued)

#### (c) Related party balances (Continued)

#### Amounts due from related parties (Continued)

#### Non-trade in nature

|                             |          | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|-----------------------------|----------|---|---|
| Amounts due from associates | 應收聯營公司款項 |   |   |
| Hibaby                      | 凱貝姆      | 19,000  | 4,000   |
| Selford                     | 賽爾福      | 10,000  | —   |
|                             |          | 29,000  | 4,000   |

As at 31 December 2017, the balance includes a loan to Hibaby amounting to RMB19,000,000 with fixed interest rate 8%, RMB10,000,000 of which is due on 30 June 2018, RMB9,000,000 of which is due on 31 December 2018. And the loan made to Selford amounting to RMB10,000,000, which is interest free and due on 16 May 2018.

於2017年12月31日，結餘包括向凱貝姆作出人民幣19,000,000元之貸款，按固定利率8%計息，其中人民幣10,000,000元於2018年6月30日到期，人民幣9,000,000元於2018年12月31日到期，並包括向賽爾福作出人民幣10,000,000元之貸款，為免息及於2018年5月16日到期。

#### Amounts due to a related party

|                                |          | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|--------------------------------|----------|---|---|
| Trade in nature                | 貿易性質     |   |   |
| Amounts due to Bosheng Medical | 應付博生醫療款項 | 924   | 655   |

The balance is unsecured, interest-free and has no fixed terms of repayment.

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 2017  
截至2017年12月31日止年度

### 38. RELATED PARTY TRANSACTIONS (Continued)

#### (c) Related party balances (Continued)

##### Amounts due to a related party (Continued)

##### Non-trade in nature

|                                |          | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|--------------------------------|----------|---|---|
| Amounts due to Bosheng Medical | 應付博生醫療款項 | —   | 69,598  |

Heilongjiang HarMoniCare Hospital repaid RMB69,598,000 to Bosheng Medical in 2017. As at 31 December 2017, the total balance of amounts due to Bosheng Medical is RMB924,000.

黑龍江和美醫院於2017年向博生醫療償還人民幣69,598,000元。於2017年12月31日，應付博生醫療餘額合共為人民幣924,000元。

#### (d) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

#### (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：

|  |          | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|--|----------|--|--|
| Salaries and allowance                       | 薪金及津貼    | 2,623  | 3,324  |
| Contributions to retirement benefits schemes | 退休福利計劃供款 | 52   | 41   |
| Share-based payment                          | 股份支付     | (2,617)  | 13   |
|  |          | 58   | 3,378  |

Further details of the director's emoluments are included in note 12.

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 2017  
截至2017年12月31日止年度

#### 39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

#### 39. 融資活動所產生負債的對賬

下表詳述本集團融資活動所產生負債的變動，包括現金及非現金變動。融資活動所產生負債乃現金流量已經或未來現金流量將於本集團綜合現金流量表分類為融資活動所得現金流量的負債。

|  |              | Amounts<br>due to<br>related parties | Other payables<br>arising from<br>financing activities | Total     |
|--|--------------|--------------------------------------|--|-----------|
|  |              | 應付關連方款項                              | 其他應付款項   | 總計        |
|  |              | RMB'000                              | RMB'000  | RMB'000   |
|  |              | 人民幣千元                                | 人民幣千元  | 人民幣千元     |
| At 1 January 2017  | 於2017年1月1日   | —                                    | —  | —         |
| Financing cash flows   | 融資現金流量       | (69,598)                             | (41,849)   | (111,447) |
| Consideration payable for acquisition<br>of non-controlling interest | 收購非控股權益應付代價  | —                                    | 850  | 850       |
| At 31 December 2017  | 於2017年12月31日 | (69,598)                             | (40,999)   | (110,597) |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 40. SUBSIDIARIES

(1) Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below.

### 40. 附屬公司

(1) 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<br>附屬公司名稱        | Place and date of<br>incorporation/<br>establishment<br>註冊成立/<br>成立地點及日期 | Issued and fully paid<br>ordinary share capital/<br>registered capital<br>已發行及繳足普通股<br>股本/註冊資本 | Equity interest<br>attributable to the Group<br>本集團應佔股權 |  | Principal activities<br>主要業務   |
|---------------------------------------|--|--|---|--|--|
|                                       |  |  | 31 December<br>2017<br>2017年<br>12月31日                  | 31 December<br>2016<br>2016年<br>12月31日 |  |
|                                       |  |  | %   | %                                      |  |
| Tai He Tang<br>(太和堂)                  | The PRC<br>中國  | RMB5,100,000<br>人民幣5,100,000元  | 100   | 100                                    | Supply of Pharmaceuticals<br>and medical devices business<br>供應藥品及醫療設施業務 |
| Wuhan Modern Hospital<br>(武漢現代醫院)     | The PRC<br>19 December 2005<br>中國<br>2005年12月19日                         | RMB10,000,000<br>人民幣10,000,000元  | 100   | 100                                    | Provision of Specialised<br>hospital services<br>提供專科醫院服務                |
| Chongqing Modern Hospital<br>(重慶現代醫院) | The PRC<br>31 March 2006<br>中國<br>2006年3月31日                             | RMB21,000,000<br>人民幣21,000,000元  | 100   | 100                                    | Provision of Specialised<br>hospital services<br>提供專科醫院服務                |
| Chongqing Liren Hospital.<br>(重慶僑人醫院) | The PRC<br>13 April 2006<br>中國<br>2006年4月13日                             | RMB4,210,000<br>人民幣4,210,000元  | 100   | 95.5                                   | Provision of Specialised<br>hospital services<br>提供專科醫院服務                |
| Guiyang Modern Hospital<br>(貴陽現代醫院)   | The PRC<br>5 April 2007<br>中國<br>2007年4月5日                               | RMB2,560,000<br>人民幣2,560,000元  | 100   | 96.5                                   | Provision of Specialised<br>hospital services<br>提供專科醫院服務                |
| Guangzhou Woman Hospital<br>(廣州女子醫院)  | The PRC<br>16 July 2008<br>中國<br>2008年7月16日                              | RMB10,000,000<br>人民幣10,000,000元  | 100   | 97                                     | Provision of Specialised<br>hospital services<br>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 2017  
截至2017年12月31日止年度

### 40. SUBSIDIARIES (Continued)

### 40. 附屬公司(續)

| Name of subsidiaries<br>附屬公司名稱  | Place and date of incorporation/<br>establishment<br>註冊成立／<br>成立地點及日期 | Issued and fully paid<br>ordinary share capital/<br>registered capital<br>已發行及繳足普通股<br>股本／註冊資本 | Equity interest<br>attributable to the Group<br>本集團應佔股權 |  | Principal activities<br>主要業務  |
|---|---|--|---|--|---|
|   |   |  | 31 December<br>2017<br>2017年<br>12月31日                  | 31 December<br>2016<br>2016年<br>12月31日 |   |
|   |   |  | %   | %                                      |   |
| Chongqing Bosheng Hospital Management Co., Ltd.<br>(重慶博生醫院管理有限公司)<br>("Chongqing Bosheng Management")<br>(「重慶博生管理」) | The PRC<br>中國<br>25 August 2008<br>2008年8月25日                         | RMB1,000,000<br>人民幣1,000,000元  | 100   | 100                                    | Holding company<br>控股公司   |
| Chongqing Wanzhou HarMoniCare Hospital<br>(重慶萬州和美醫院)  | The PRC<br>中國<br>27 March 2009<br>2009年3月27日                          | RMB6,000,000<br>人民幣6,000,000元  | 100   | 97                                     | Provision of Specialised<br>hospital services<br>提供專科醫院服務                                 |
| Guiyang HarMoniCare Hospital<br>(貴陽和美醫院)  | The PRC<br>中國<br>25 May 2009<br>2009年5月25日                            | RMB10,000,000<br>人民幣10,000,000元  | 100   | 100                                    | Holding company and<br>provision of Specialised<br>hospital services<br>控股公司及提供<br>專科醫院服務 |
| Chongqing Fuling HarMoniCare Hospital<br>(重慶涪陵和美醫院)   | The PRC<br>中國<br>26 June 2009<br>2009年6月26日                           | RMB10,000,000<br>人民幣10,000,000元  | 96.5  | 96.5                                   | Provision of Specialised<br>hospital service<br>提供專科醫院服務                                  |
| Shanxi Wo De Investment Co., Ltd.<br>(山西沃德投資有限公司)<br>("Shanxi Wo De Investment")<br>(「山西沃德投資」)                      | The PRC<br>中國<br>26 October 2009<br>2009年10月26日                       | RMB17,800,000<br>人民幣17,800,000元  | 100   | 100                                    | Holding company<br>控股公司   |
| Fuzhou Modern Hospital<br>(福州現代醫院)  | The PRC<br>中國<br>4 January 2010<br>2010年1月4日                          | RMB25,000,000<br>人民幣25,000,000元  | 99  | 99                                     | Provision of Specialised<br>hospital services<br>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 2017  
截至2017年12月31日止年度

### 40. SUBSIDIARIES (Continued)

### 40. 附屬公司(續)

| Name of subsidiaries<br>附屬公司名稱   | Place and date of<br>incorporation/<br>establishment<br>註冊成立/<br>成立地點及日期                              | Issued and fully paid<br>ordinary share capital/<br>registered capital<br>已發行及繳足普通股<br>股本/註冊資本 | Equity interest<br>attributable to the Group<br>本集團應佔股權 |  | Principal activities<br>主要業務                              |
|--|---|--|---|--|---|
|  |   |  | 31 December<br>2017<br>2017年<br>12月31日                  | 31 December<br>2016<br>2016年<br>12月31日 |   |
|  |   |  | %   | %                                      |   |
| Shenzhen HarMoniCare Hospital<br>(深圳和美醫院)  | The PRC<br>29 July 2010<br>中國<br>2010年7月29日   | RMB40,000,000<br>人民幣40,000,000元  | 92  | 92                                     | Provision of Specialised<br>hospital services<br>提供專科醫院服務 |
| Beijing HarMoniCare Hospital<br>(北京和美醫院)   | The PRC<br>14 June 2011<br>中國<br>2011年6月14日   | RMB40,000,000<br>人民幣40,000,000元  | 100   | 100                                    | Provision of Specialised<br>hospital services<br>提供專科醫院服務 |
| Harmonicare Medical Group Limited<br>("Harmonicare Medical")<br>和美醫療集團有限公司(「和美醫療」) | Hong Kong<br>15 July 2015<br>香港<br>2015年7月15日   | HKD10,000<br>10,000港元  | 100   | 100                                    | Holding company<br>控股公司                                   |
| HarMoniCare Management<br>(和美醫療管理)   | The PRC<br>31 July 2015<br>中國<br>2015年7月31日   | RMB882,000,000/<br>RMB1,250,000,000<br>人民幣882,000,000元/<br>人民幣1,250,000,000元                   | 100   | 100                                    | Holding company<br>控股公司                                   |
| Harmonicare Medical Investment Limited<br>("Harmonicare")                          | the British Virgin<br>Islands ("The BVI")<br>27 August 2015<br>英屬維京群島<br>(「英屬維京群<br>島」)<br>2015年8月27日 | USD0.001<br>0.001美元  | 100   | 100                                    | Holding company<br>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 2017  
截至2017年12月31日止年度

### 40. SUBSIDIARIES (Continued)

### 40. 附屬公司(續)

| Name of subsidiaries<br>附屬公司名稱  | Place and date of<br>incorporation/<br>establishment<br>註冊成立/<br>成立地點及日期 | Issued and fully paid<br>ordinary share capital/<br>registered capital<br>已發行及繳足普通股<br>股本/註冊資本 | Equity interest<br>attributable to the Group<br>本集團應佔股權 |                               | Principal activities<br>主要業務                               |
|---|--|--|---|-------------------------------|--|
|   |  |  | 31 December<br>2017<br>12月31日                           | 31 December<br>2016<br>12月31日 |  |
|   |  |  | %   | %                             |  |
| Galaxy Power Solution Limited   | The BVI<br>27 August 2015<br>英屬維京群島<br>2015年8月27日                        | USD200<br>200美元  | 100   | 100                           | Holding company<br>控股公司                                    |
| Sharp Charm Limited<br>("Sharp Charm")<br>Sharp Charm Limited<br>(「Sharp Charm」)                    | Hong Kong<br>5 September 2015<br>香港<br>2015年9月5日                         | HKD100<br>100港元  | 100   | 100                           | Holding company<br>控股公司                                    |
| Beijing He An Da Management Consulting Co., Ltd.<br>(北京合安達管理諮詢有限公司)<br>("Beijing HAD")<br>(「北京合安達」) | The PRC<br>13 November 2015<br>中國<br>2015年11月13日                         | RMB682,000,000/<br>RMB1,050,000,000<br>人民幣682,000,000元/<br>人民幣1,050,000,000元                   | 100   | 100                           | Holding company<br>控股公司                                    |
| Heilongjiang HarMoniCare Hospital<br>(黑龍江和美醫院)  | The PRC<br>20 May 2010<br>中國<br>2010年5月20日                               | RMB10,000,000<br>人民幣10,000,000元  | 95  | 95                            | Provision of specialised<br>hospital services<br>無提供專科醫院服務 |
| Xiamen HarMoniCare Hospital<br>(廈門和美醫院)   | The PRC<br>26 September 2016<br>中國<br>2016年9月26日                         | RMB19,800,000/<br>RMB20,000,000<br>人民幣19,800,000元/<br>人民幣20,000,000元                           | 99  | 99                            | Inactive<br>暫無營業   |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 40. SUBSIDIARIES (Continued)

### 40. 附屬公司(續)

| Name of subsidiaries<br>附屬公司名稱                                   | Place and date of<br>incorporation/<br>establishment<br>註冊成立/<br>成立地點及日期 | Issued and fully paid<br>ordinary share capital/<br>registered capital<br>已發行及繳足普通股<br>股本/註冊資本 | Equity interest<br>attributable to the Group<br>本集團應佔股權 |  | Principal activities<br>主要業務         |
|--|--|--|---|--|--------------------------------------|
|  |  |  | 31 December<br>2017<br>2017年<br>12月31日                  | 31 December<br>2016<br>2016年<br>12月31日 |                                      |
|  |  |  | %   | %                                      |                                      |
| Zhengzhou HarMoniCare<br>Hospital (Note iii)<br>(鄭州和美醫院) (附註iii) | The PRC<br>1 March 2017<br>中國<br>2017年3月1日                               | RMB36,000,000/<br>RMB50,000,000<br>人民幣36,000,000元/<br>人民幣50,000,000元                           | 60  | N/A不適用                                 | Inactive<br>暫無營業                     |
| Nantong Hemeijia Hospital<br>(南通和美家醫院)                           | The PRC<br>29 September 2007<br>中國<br>2007年9月29日                         | RMB36,734,700<br>人民幣36,734,700元  | 51  | N/A不適用                                 | Provision of specialised<br>提供專科醫院服務 |

#### 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) Zhengzhou HarMoniCare Hospital was registered on 1 March 2017.

#### 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) 鄭州和美醫院成立於2017年3月1日。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 40. SUBSIDIARIES (Continued)

- (2) Details of non-wholly owned subsidiaries that have material non-controlling interests. The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

|   | Place of<br>incorporation and<br>principal place<br>of business<br>註冊成立地點及<br>主要營業地點 | Proportion of<br>ownership interests and<br>voting rights held<br>by non controlling interests<br>非控股權益所持所有權權益<br>及表決權比例 |                               | Profit allocated to<br>non controlling interests<br>分配予非控股權益的利潤 |                               | Accumulated<br>non controlling interests<br>累計非控股權益 |                               |
|---|--|--|-------------------------------|---|-------------------------------|---|-------------------------------|
|   |  | 31/12/2017<br>2017年<br>12月31日  | 31/12/2016<br>2016年<br>12月31日 | 31/12/2017<br>2017年<br>12月31日                                   | 31/12/2016<br>2016年<br>12月31日 | 31/12/2017<br>2017年<br>12月31日                       | 31/12/2016<br>2016年<br>12月31日 |
|   |  |  |                               | RMB'000<br>人民幣千元  | RMB'000<br>人民幣千元              | RMB'000<br>人民幣千元                                    | RMB'000<br>人民幣千元              |
| Nantong Hemeijia Hospital<br>南通和美家醫院  | Mainland China<br>中國內地   | 49%  | N/A                           | 3,417   | N/A                           | 221,298   | N/A                           |
| Zhengzhou HarMoniCare Hospital<br>鄭州和美醫院  | Mainland China<br>中國內地   | 40%  | N/A                           | (2,097)   | N/A                           | 12,303  | N/A                           |
|   |  | 40%  | 不適用                           | (2,097)   | 不適用                           | 12,303  | 不適用                           |
| Individually immaterial subsidiaries with<br>non-controlling interests<br>個別擁有非控股權益的非重大附屬公司 |  |  |                               |   |                               | 233,601   | N/A                           |
|   |  |  |                               |   |                               | 233,601   | 不適用                           |

### 40. 附屬公司(續)

- (2) 擁有重大非控股權益的非全資附屬公司詳情。下表列示本集團擁有重大非控股權益的非全資附屬公司詳情：



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 40. SUBSIDIARIES (Continued)

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Nantong Hemeijia Hospital

### 40. 附屬公司(續)

下文載列本集團擁有重大非控股權益的各附屬公司的財務資料概要。下列財務資料概要指集團內公司間對銷前的金額。

南通和美家醫院

31/12/2017

2017年12月31日

RMB'000

人民幣千元

|  |            |          |
|--|------------|----------|
| Current assets                               | 流動資產       | 268,193  |
| Non-current assets                           | 非流動資產      | 229,018  |
| Current liabilities                          | 流動負債       | (12,090) |
| Non-current liabilities                      | 非流動負債      | (33,492) |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 230,331  |
| Non-controlling interests                    | 非控股權益      | 221,298  |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 40. SUBSIDIARIES (Continued)

### 40. 附屬公司(續)

Year ended 31/12/2017  
截至2017年12月31日止年度  
RMB'000  
人民幣千元

|  |                          |          |
|--|--------------------------|----------|
| Revenue  | 收益                       | 37,748   |
| Expenses   | 開支                       | (30,774) |
| Profit for the year  | 年內利潤                     | 6,974    |
| Profit attributable to owners of the Company   | 本公司擁有人應佔利潤               | 3,557    |
| Profit attributable to the non-controlling interests of<br>Nantong Hemeijia Hospital                     | 南通和美家醫院非控股權益應佔利潤         | 3,417    |
| Profit for the year  | 年內利潤                     | 6,974    |
| Other comprehensive income for the year  | 年內其他全面收入                 | —        |
| Total comprehensive income attributable to owners<br>of the Company                                      | 本公司擁有人應佔全面收入總額           | 3,557    |
| Total comprehensive income attributable to the<br>non-controlling interests of Nantong Hemeijia Hospital | 南通和美家醫院非控股權益<br>應佔全面收入總額 | 3,417    |
| Total comprehensive income for the year  | 年內全面收入總額                 | 6,974    |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 40. SUBSIDIARIES (Continued)

Zhengzhou HarMoniCare Hospital

### 40. 附屬公司(續)

鄭州和美醫院

31/12/2017

2017年12月31日

RMB'000

人民幣千元

|  |            |        |
|--|------------|--------|
| Current assets                               | 流動資產       | 22,127 |
| Non-current assets                           | 非流動資產      | 9,012  |
| Current liabilities                          | 流動負債       | (227)  |
| Non-current liabilities                      | 非流動負債      | (154)  |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 18,455 |
| Non-controlling interests                    | 非控股權益      | 12,303 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 40. SUBSIDIARIES (Continued)

### 40. 附屬公司(續)

Year ended 31/12/2017

截至2017年12月31日止年度

RMB'000

人民幣千元

|   |                     |         |
|---|---------------------|---------|
| Revenue   | 收益                  | —       |
| Expenses  | 開支                  | (5,242) |
| Loss for the year   | 年內虧損                | (5,242) |
| Loss attributable to owners of the Company  | 本公司擁有人應佔虧損          | (3,145) |
| Loss attributable to the non-controlling interests of<br>Zhengzhou HarMoniCare Hospital                           | 鄭州和美醫院非控股權益應佔虧損     | (2,097) |
| Loss for the year   | 年內虧損                | (5,242) |
| Other comprehensive income for the year   | 年內其他全面收入            | —       |
| Total comprehensive expense attributable to<br>owners of the Company  | 本公司擁有人應佔全面開支總額      | (3,145) |
| Total comprehensive expense attributable to<br>the non-controlling interests of<br>Zhengzhou HarMoniCare Hospital | 鄭州和美醫院非控股權益應佔全面開支總額 | (2,097) |
| Total comprehensive expense for the year  | 年內全面開支總額            | (5,242) |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 41. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

#### Categories of the financial instruments

### 41. 金融工具及金融風險管理

#### 金融工具類別

|  |                               | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|--|-------------------------------|---|---|
| Financial assets:  | 金融資產：                         |   |   |
| Loans and receivables<br>(Including time deposits and cash and cash equivalents) | 貸款及應收款項<br>(包括定期存款以及現金及現金等價物) | 775,538                                       | 1,121,848                                     |
| Financial assets designated as at FVTPL  | 指定為按公平值計入損益之金融資產              | 99,723  | 48,000  |
| Financial liabilities:   | 金融負債：                         |   |   |
| Amortised cost   | 攤余成本                          | 32,144  | 99,588  |

#### 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, time deposits, cash and cash equivalents, trade payables, other payables and amounts 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、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 2017  
截至2017年12月31日止年度

#### 41. 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.

The carrying amounts of the Group's foreign currency denominated monetary assets as at the end of each reporting period are as follows:

#### 41. 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。

各報告期末，本集團以外幣計值的貨幣資產的賬面值如下：

|     |    | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | Assets<br>資產<br>31/12/2016<br>2016年12月31日<br>RMB'000<br>人民幣千元 |
|-----|----|---|---|
| USD | 美元 | 266,046                                       | 282,652   |
| HKD | 港元 | 31,018  | 90,891  |
|     |    | 297,064                                       | 373,543   |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 41. 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 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 profit for the year, and the amounts below would be negative.

### 41. 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%時利潤有所增加。人民幣兌相關貨幣升值5%時，年度利潤會受等值但相反的影響，而下列金額將變為負數。

|                     |      | Year ended<br>31/12/2017<br>截至2017年<br>12月31日止年度<br>RMB'000<br>人民幣千元 | Year ended<br>31/12/2016<br>截至2016年<br>12月31日止年度<br>RMB'000<br>人民幣千元 |
|---------------------|------|--|--|
| Profit for the year | 年度利潤 |  |  |
| USD                 | 美元   | 13,302   | 14,133   |
| HKD                 | 港元   | 1,551  | 4,545  |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 41. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

##### Financial risk management objectives and policies (Continued)

###### *Interest rate risk*

The Group is exposed to cash flow interest risk in relation to variable-rate bank balances (see note 22 and 28), 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.

###### *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 (2016: 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 (2016: 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 2017 would increase/decrease by RMB2,680,000 (2016: increase/decrease RMB5,380,000). This is mainly attributable to the Group's exposure to interest on its variable rate bank balances.

#### 41. 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22及28)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。

###### *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(2016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(2016年：50個基點)且所有其他變量保持不變，則本集團截至2017年12月31日止年度之稅後利潤將增加／減少人民幣2,680,000元(2016年：增加／減少人民幣5,380,000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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 41. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

##### Financial risk management objectives and policies (Continued)

###### *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 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 include time deposits in banks, financial designated as FVTPL and loan receivables (note 22 and 25). However, the credit risk on cash and these liquid assets is limited because the majority of the counterparties are banks with good reputation.

#### 41. 金融工具及金融風險管理(續)

##### 金融風險管理目標及政策(續)

###### *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。

本集團面對流動資金之信貸集中風險，包括存放於銀行的定期存款、指定為按公平值計入損益之金融資產以及應收貸款(附註22及25)。然而，由於大多數交易對手為信譽較好的銀行，故現金及該等流動資產之信貸風險有限。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 41. 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.

### 41. 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<br>or within<br>one month<br>按要求或<br>1個月內<br>RMB'000<br>人民幣千元 | Over 1 month<br>but within<br>3 months<br>1至3個月<br>RMB'000<br>人民幣千元 | Total<br>undiscounted<br>cash flows<br>未貼現現金<br>流量總額<br>RMB'000<br>人民幣千元 | Carrying<br>amount<br>賬面值<br>RMB'000<br>人民幣千元 |
|----------------------------------|--------------|---|---|--|---|
| As at 31 December 2017           | 於2017年12月31日 |   |   |  |   |
| <b>Financial liabilities</b>     | <b>金融負債</b>  |   |   |  |   |
| Trade payables                   | 貿易應付款項       | 13,697  | 2,323   | 16,020   | 16,020  |
| Other payables                   | 其他應付款項       | 8,754   | 6,446   | 15,200   | 15,200  |
| Amounts due to a related company | 結欠關連公司款項     | 924   | —   | 924  | 924   |
| <b>Total</b>                     | <b>總計</b>    | <b>23,375</b>   | <b>8,769</b>  | <b>32,144</b>  | <b>32,144</b>                                 |
| As at 31 December 2016           | 於2016年12月31日 |   |   |  |   |
| <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  |
| Amounts due to a related company | 結欠關連公司款項     | 70,253  | —   | 70,253   | 70,253  |
| <b>Total</b>                     | <b>總計</b>    | <b>91,838</b>   | <b>7,750</b>  | <b>99,588</b>  | <b>99,588</b>                                 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 41. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

#### 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 base on the degree to which the inputs to the fair value measurement is observable.

An analysis of the Group's financial asset measured at fair value as at 31 December 2017 and 2016 are as follows:

| Financial assets                  | Fair value as at<br>31/12/2017<br>於2017年12月31日 | Fair value as at<br>31/12/2016<br>於2017年12月31日 | Fair value<br>hierarchy<br>公平值層級 | Valuation technique(s)<br>and key input(s)<br>估值技術及主要輸入數據   |
|-----------------------------------|--|--|----------------------------------|---|
| 金融資產                              | 之公平值   | 之公平值   |                                  |   |
| Loan to Wuxi HarMoniCare Hospital | RMB99,723,000                                  | RMB48,000,000                                  | Level 2                          | The fair value is estimated by discounting future cash flows using the appropriate discounted rate. |
| 授予無錫和美醫院之貸款                       | 人民幣99,723,000元                                 | 人民幣48,000,000元                                 | 第二級                              | 公平值採用適當折現率依據現金流折現法確認。   |

The fair value was determined with reference to the recent transaction price at 31 December 2016. Valuation technique is changed as there is no recent transaction price which can be referred to at 31 December 2017.

(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.

### 41. 金融工具及金融風險管理(續)

#### 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。

本集團於2017年及2016年12月31日按公平值計量之金融資產分析如下：

2016年12月31日，公平值乃參照有關最近交易價格釐定。本年由於沒有可參考的近期交易價格，故估值方法於2017年12月31日發生變化。

(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。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

#### 42. 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 owners 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 owners 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.

#### 43. SUBSEQUENT EVENTS

In February 2018, the Group entered into a supplementary agreement ("the Supplementary Agreements II") with the equity owners of Wuxi HarMoniCare Hospital modified the total investment from RMB80,000,000 to RMB160,000,000. According to the Supplementary Agreements II, the Group agreed to extend a loan of RMB152,000,000 to Wuxi HarMoniCare Hospital. Up to 20 March 2018, the Group has provided loans with total amount of RMB119,500,000 and promised to lend RMB32,500,000 in future to Wuxi HarMoniCare Hospital.

#### 42. 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，為本公司擁有人爭取最大回報。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)及本公司擁有人應佔權益。

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。

#### 43. 結算日後事項

於2018年2月，本集團與無錫和美醫院股東訂立補充合作協議(「補充協議II」)，該補充協議將投資總金額從人民幣80,000,000元調整到人民幣160,000,000元。根據補充協議II，本集團同意向無錫和美醫院提供貸款人民幣152,000,000元。截至2018年3月20日，本集團已向無錫和美醫院授出總金額為人民幣119,500,000元之貸款，並承諾未來進一步向無錫和美醫院提供貸款人民幣32,500,000元。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 44. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

### 44. 本公司財務狀況表及儲備

|  |                   | 31/12/2017<br>2017年12月31日<br>RMB'000<br>人民幣千元 | 31/12/2016<br>2016年12月31日<br>RMB'000<br>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)     | 955,223                                       | 958,676                                       |
| Current assets                                 | 流動資產              |   |   |
| Cash and cash equivalents                      | 現金及現金等價物          | 305,138                                       | 381,773                                       |
| Prepayments, deposits and other<br>receivables | 預付款、按金及其他<br>應收款項 | 1,482   | 1,137   |
| Amounts due from subsidiaries                  | 應收附屬公司款項          | 339   | 339   |
|  |                   | 306,959                                       | 383,249                                       |
| Current liabilities                            | 流動負債              |   |   |
| Amounts due to subsidiaries                    | 應付附屬公司款項          | 17,621  | 17,323  |
| Other payables                                 | 其他應付款項            | 306   | 335   |
|  |                   | 17,927  | 17,658  |
| Net current assets                             | 流動資產淨值            | 289,032                                       | 365,591                                       |
| Total assets less current liabilities          | 總資產減流動負債          | 1,244,255                                     | 1,324,267                                     |
| Net assets                                     | 資產淨值              | 1,244,255                                     | 1,324,267                                     |
| Capital and reserves                           | 資本及儲備             |   |   |
| Share capital (note ii)                        | 股本 (附註ii)         | 598   | 598   |
| Share premium and reserves (note ii)           | 股份溢價及儲備 (附註ii)    | 1,243,657                                     | 1,323,669                                     |
| Total equity                                   | 總權益               | 1,244,255                                     | 1,324,267                                     |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 44. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

Notes:

- (i) As at 31 December 2017, the Company's balance of investments in subsidiaries represents its investment cost of USD6,195,000 (2016: USD6,195,000), the deemed investments arising from the waiver of amounts due from subsidiaries amounting to RMB917,224,000 (2016: RMB915,969,000) pursuant to the relevant written statements made by the Company and the deemed investments arising from the equity settled share based payments amounting to RMB nil (2016: RMB4,708,000).

(ii)

### 44. 本公司財務狀況表及儲備(續)

附註：

- (i) 於2017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（2016年：6,195,000美元）、根據本公司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917,224,000元（2016年：人民幣915,969,000元）及以權益結算之股份支付產生之視作投資人民幣0元（2016年：人民幣4,708,000元）。

(ii)

|   |                  | Attribute to owners of the Company<br>本公司擁有人應佔 |                       |                                 |                               |  | Total<br>總計      |
|---|------------------|--|-----------------------|---------------------------------|-------------------------------|--|------------------|
|   |                  | Share capital<br>股本                            | Share premium<br>股份溢價 | Treasury share reserve<br>庫存股儲備 | Share option reserve<br>購股權儲備 | Retained profits (Accumulated losses)<br>保留利潤 (累計虧損) |                  |
|   |                  | RMB'000<br>人民幣千元                               | RMB'000<br>人民幣千元      | RMB'000<br>人民幣千元                | RMB'000<br>人民幣千元              | RMB'000<br>人民幣千元                                     | RMB'000<br>人民幣千元 |
| Balance at 1 January 2016                                       | 於2016年1月1日的結餘    | 608  | 1,394,771             | —                               | 4,683                         | (8,153)  | 1,391,909        |
| Profit and total comprehensive income for the year              | 年內溢利及全面收入總額      | —  | —                     | —                               | —                             | 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準的付款 | —  | —                     | —                               | 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        |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

## 綜合財務報表附註(續)

For the year ended 31 December 2017  
截至2017年12月31日止年度

### 44. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Notes: (Continued)

(ii) (Continued)

### 44. 本公司財務狀況表及儲備(續)

附註：(續)

(ii) (續)

|   |                      | Attribute to owners of the Company<br>本公司擁有人應佔 |  |   |   |   | Total<br>總計 |
|---|----------------------|--|--|---|---|---|-------------|
|   |                      | Share<br>capital<br>股本<br>RMB'000<br>人民幣千元     | Share<br>premium<br>股份溢價<br>RMB'000<br>人民幣千元 | Treasury<br>share<br>reserve<br>庫存股儲備<br>RMB'000<br>人民幣千元 | Share<br>option<br>reserve<br>購股權儲備<br>RMB'000<br>人民幣千元 | Retained profits<br>(Accumulated<br>losses)<br>保留利潤<br>(累計虧損)<br>RMB'000<br>人民幣千元 |             |
| Balance at 1 January 2017                                     | 於2017年1月1日的結餘        | 598  | 1,302,087                                    | —   | 4,708   | 16,874  | 1,324,267   |
| Profit and total comprehensive<br>income for the year         | 年內利潤及<br>全面收入總額      | —  | —  | —   | —   | (23,733)  | (23,733)    |
| Dividends recognised as distribution                          | 確認為分派之股息             | —  | (37,921)                                     | —   | —   | —   | (37,921)    |
| Purchase of shares under<br>Restricted Share Incentive Scheme | 根據限制性股份激勵<br>計劃購買股份  | —  | —  | (13,650)  | —   | —   | (13,650)    |
| Recognition of equity-settled<br>share-based payments         | 確認以股權結算以<br>股份為基礎的付款 | —  | —  | —   | (4,708)   | —   | (4,708)     |
| Balance at 31 December 2017                                   | 於2017年12月31日的結餘      | 598  | 1,264,166                                    | (13,650)  | —   | (6,859)   | 1,244,255   |

## DEFINITIONS

### 釋義

|  |   |   |
|--|---|---|
| “AGM”<br>「股東周年大會」                          | 指 | annual general meeting of the Company<br>本公司股東周年大會  |
| “Articles of Association”<br>「章程細則」        | 指 | the articles of association of the Company adopted on 9 June 2015 which became effective on the Listing Date<br>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”<br>「審核委員會」               | 指 | the audit committee of the Board<br>董事會審核委員會  |
| “Beijing HarMoniCare Hospital”<br>「北京和美醫院」 | 指 | 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<br>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  |
| “Beijing HuaFu Hospital”<br>「北京華府醫院」       | 指 | Beijing HuaFu Women and Children Hospital Co., Ltd. (北京華府婦兒醫院有限公司), a limited liability company established in the PRC<br>北京華府婦兒醫院有限公司，在中國成立的有限公司   |
| “Board” or “Board of Directors”<br>「董事會」   | 指 | the board of Directors of the Company<br>本公司董事會   |
| “Bosheng Medical”<br>「博生醫療」                | 指 | 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 51.1% of the equity interest in Bosheng Medical<br>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51.1%的股權而為本公司之關連人士 |
| “CG Code”<br>「企業管治守則」                      | 指 | the Corporate Governance Code as set out in Appendix I4 to the Listing Rules<br>上市規則附錄I4所載的企業管治守則   |
| “China” or “PRC”<br>「中國」                   | 指 | 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 of the PRC and Hong Kong<br>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 Liren Hospital”<br>「重慶儷人醫院」     | 指 | 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 wholly-owned subsidiary of our Company<br>重慶都市儷人醫院有限公司，在中國成立的有限公司，為本公司之全資附屬公司  |

|   |   |  |
|---|---|--|
| “Chongqing Fuling HarMoniCare Hospital”     |   | 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 |
| 「重慶涪陵和美醫院」                                  | 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   |
| “Chongqing Modern Hospital”                 |   | 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                                       |
| 「重慶現代醫院」                                    | 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  |
| “Chongqing Wanzhou HarMoniCare Hospital”    |   | 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 wholly-owned subsidiary of our Company    |
| 「重慶萬州和美醫院」                                  | 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，為本公司之全資附屬公司  |
| “Company” or “our Company” or “Harmonicare” |   | Harmonicare Medical Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability on 26 August 2014  |
| 「公司」或「本公司」或「和美醫療」                           | 指 | 和美醫療控股有限公司，於2014年8月26日在開曼群島註冊成立的獲豁免有限責任公司  |
| “Controlling Shareholder(s)”                |   | has the meaning ascribed thereto under the Listing Rules   |
| 「控股股東」                                      | 指 | 具有上市規則所賦予的涵義   |
| “Corresponding Period”                      |   | the year ended 31 December 2016  |
| 「同期」  | 指 | 截至2016年12月31日止年度   |
| “Deepcare”                                  |   | Shenzhen DeepHealthcare Overseas Medical Service Co., Ltd. (深圳德璞海外醫療服務有限公司), a limited liability company established in the PRC, an associated company of our Company                        |
| 「德璞」  | 指 | 深圳德璞海外醫療服務有限公司，於中國成立的有限公司，為本公司之聯營公司  |
| “Directors”                                 |   | directors of the Company   |
| 「董事」  | 指 | 本公司董事  |
| “Fuzhou Modern Hospital”                    |   | 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                                      |
| 「福州現代醫院」                                    | 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   |

## DEFINITIONS (CONTINUED)

### 釋義 (續)

|                                     |   |   |
|-------------------------------------|---|---|
| “Global Offering”                   |   | initial public offering of the Shares and listing of the Group on the Stock Exchange on 7 July 2015   |
| 「全球發售」                              | 指 | 本集團於2015年7月7日於聯交所首次公開發售股份及上市  |
| “GMP Certificate”                   |   | The Good Manufacturing Practices for Pharmaceutical Products Certificate  |
| 「GMP 認證」                            | 指 | 《藥品生產質量管理認證證書》  |
| “Group”, “our Group”, “we” or “us”  |   | the Company and its subsidiaries  |
| 「集團」、「本集團」或「我們」                     | 指 | 本公司及其附屬公司   |
| “GSP Certificate”                   |   | The Good Supply Practices for Pharmaceutical Products Certificate   |
| 「GSP 認證」                            | 指 | 《藥品經營質量管理認證證書》  |
| “Guangzhou Woman Hospital”          |   | Guangzhou Woman Hospital Co., Ltd. (廣州女子醫院有限公司), a limited liability company established in the PRC, a wholly-owned subsidiary of our Company   |
| 「廣州女子醫院」                            | 指 | 廣州女子醫院有限公司，在中國成立的有限公司，為本公司之全資附屬公司   |
| “Guiyang HarMoniCare Hospital”      |   | 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           |
| 「貴陽和美醫院」                            | 指 | 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   |
| “Guiyang Modern Hospital”           |   | 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 wholly-owned subsidiary of our Company                                    |
| 「貴陽現代醫院」                            | 指 | 貴陽現代女子醫院有限公司，在中國成立的有限公司，為本公司之全資附屬公司   |
| “Harmony Care”                      |   | Harmony Care International Investment Limited   |
| 「Harmony Care」                      | 指 | Harmony Care International Investment Limited   |
| “HarMoniCare Management”            |   | 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                    |
| 「和美醫療管理」                            | 指 | 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   |
| “Heilongjiang HarMoniCare Hospital” |   | 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 |
| 「黑龍江和美醫院」                           | 指 | 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  |



|                                |   |  |
|--------------------------------|---|--|
| “Hibaby”                       |   | Hibaby Healthcare Co., Ltd. (凱貝姆健康管理有限公司), a limited liability company established in the PRC, an associated company of our Company  |
| 「凱貝姆」                          | 指 | 凱貝姆健康管理有限公司，於中國成立的有限公司，為本公司之聯營公司   |
| “Homecare”                     |   | Homecare International Investment Limited  |
| 「Homecare」                     | 指 | Homecare International Investment Limited  |
| “HKEx”                         |   | Hong Kong Exchanges and Clearing Limited   |
| 「香港交易所」                        | 指 | 香港交易及結算所有限公司   |
| “Hong Kong” or “HK”            |   | the Hong Kong Special Administrative Region of the PRC   |
| 「香港」                           | 指 | 中國香港特別行政區  |
| “IFRSs”                        |   | International Financial Reporting Standards  |
| 「國際財務報告準則」                     | 指 | 國際財務報告準則   |
| “Independent Third Party(ies)” |   | 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 |
| 「獨立第三方」                        | 指 | 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   |
| “IPO”                          |   | initial public offering of the Company’s shares  |
| 「首次公開發售」                       | 指 | 本公司股份首次公開發售  |
| “JCI”                          |   | 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   |
| 「JCI」                          | 指 | 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  |
| “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   |

## DEFINITIONS (CONTINUED)

### 釋義 (續)

|   |   |   |
|---|---|---|
| “Nantong Hemeijia Hospital”<br>「南通和美家醫院」                              | 指 | Nantong Hemeijia Obstetrics and Gynecology Hospital Co., Ltd. (南通和美家婦產科醫院有限公司), a limited liability company established in the PRC, a non-wholly-owned subsidiary of our Company<br>南通和美家婦產科醫院有限公司，在中國成立的有限公司，為本公司非全資附屬公司 |
| “Nomination Committee”<br>「提名委員會」                                     | 指 | the nomination committee of the Board<br>董事會提名委員會   |
| “ob-gyn”<br>「婦產」  | 指 | obstetrics and gynecology<br>婦科及產科  |
| “Prospectus”<br>「招股章程」  | 指 | the prospectus dated 25 June 2015 issued by the Company<br>本公司刊發的日期為2015年6月25日的招股章程   |
| “Remuneration Committee”<br>「薪酬委員會」                                   | 指 | the remuneration committee of the Board<br>董事會薪酬委員會   |
| “Restricted Share Incentive Scheme”<br>or “RSI Scheme”<br>「限制性股份激勵計劃」 | 指 | the restricted share incentive scheme of the Company approved and adopted by the Board on 21 December 2017<br>董事會於2017年12月21日批准及採納的本公司限制性股份激勵計劃   |
| “Review Period”<br>「回顧期間」   | 指 | the period from 1 January 2017 to 31 December 2017<br>2017年1月1日至2017年12月31日期間   |
| “RMB”<br>「人民幣」  | 指 | Renminbi, the lawful currency of the PRC<br>人民幣，中國法定貨幣  |
| “Selford”<br>「賽爾福」  | 指 | Selford Medical Technology (Beijing) Co., Ltd. (賽爾福醫療科技（北京）有限公司), a limited liability company established in the PRC, an associated company of our Company<br>賽爾福醫療科技（北京）有限公司，於中國成立的有限公司，為本公司之聯營公司                        |
| “SFO”<br>「證券及期貨條例」  | 指 | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time<br>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  |
| “Shanghai Taiyuan”<br>「上海泰源」  | 指 | Shanghai Taiyuan Jiange Equity Investment Fund (Limited Partnership)<br>上海泰源健良股權投資合夥企業（有限合夥）  |
| “Shanxi Modern Hospital”<br>「山西現代醫院」                                  | 指 | Shanxi Modern Obstetrics and Gynecology Hospital Co., Ltd.<br>山西現代婦產科醫院有限責任公司   |

|   |   |   |
|---|---|---|
| “Share(s)”<br>「股份」                          | 指 | share(s) with par value of HK\$0.001 each in the capital of the Company<br>本公司股本中每股面值0.001港元的股份   |
| “Shareholder(s)”<br>「股東」                    | 指 | holder(s) of the Share(s)<br>股份持有人  |
| “Share Option Scheme”<br>「購股權計劃」            | 指 | 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<br>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”<br>「深圳和美醫院」 | 指 | 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<br>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 |
| “Stock Exchange”<br>「聯交所」                   | 指 | The Stock Exchange of Hong Kong Limited<br>香港聯合交易所有限公司  |
| “Tai He Tang”<br>「太和堂」                      | 指 | 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<br>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   |
| “TK Harmony”<br>「TK Harmony」                | 指 | TK Harmony Limited<br>TK Harmony Limited  |
| “Written Guidelines”<br>「書面指引」              | 指 | written guidelines on securities transactions by employees<br>僱員進行證券交易的書面指引   |
| “Wuhan Modern Hospital”<br>「武漢現代醫院」         | 指 | 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<br>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   |

## DEFINITIONS (CONTINUED)

### 釋義 (續)

|                                  |   |   |
|----------------------------------|---|---|
| “Wuxi HarMoniCare Hospital”      |   | Wuxi HarMoniCare Obstetrics and Gynecology Hospital Co. Ltd. (無錫和美婦產醫院有限公司), a limited liability company established in the PRC, independent of the Company and its connected persons |
| 「無錫和美醫院」                         | 指 | 無錫和美婦產醫院有限公司，在中國成立的有限公司，獨立於本公司及其關連人士  |
| “Xiamen HarMoniCare Hospital”    |   | Xiamen HarMoniCare Gynecology and Paediatrics Hospital Co., Ltd. (廈門和美婦兒醫院有限公司), a limited liability company established in the PRC, a non-wholly-owned subsidiary of our Company     |
| 「廈門和美醫院」                         | 指 | 廈門和美婦兒醫院有限公司，在中國成立的有限公司，為本公司非全資附屬公司   |
| “YoY”                            |   | year-on-year  |
| 「按年」                             | 指 | 與去年同期相比   |
| “Zhengzhou HarMoniCare Hospital” |   | Zhengzhou HarMoniCare Gynecology and Paediatrics Hospital Co., Ltd. (鄭州市和美婦兒醫院有限公司), a limited liability company established in the PRC, a non-wholly-owned subsidiary of our Company |
| 「鄭州和美醫院」                         | 指 | 鄭州市和美婦兒醫院有限公司，在中國成立的有限公司，為本公司非全資附屬公司  |

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. The English names of the companies established in the PRC are for identification purposes only.

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。在中國成立的公司英文名稱僅供識別。



和美醫療控股有限公司

HARMONICARE MEDICAL HOLDINGS LIMITED