Town Health International Medical Group Limited
康健國際醫療集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 3886)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

FINANCIAL HIGHLIGHTS

For the year ended 31 December 2015:

– The Group recorded revenue of approximately HK$1,122,933,000 (2014: approximately HK$494,579,000).

– The Group recorded a profit for the year of approximately HK$260,866,000 (2014: profit of approximately HK$80,889,000).

As at 31 December 2015:

– The Group held bank balances and cash of approximately HK$1,826,679,000 (2014: approximately HK$1,078,558,000).

– The Group had a current ratio (defined as total current assets divided by total current liabilities) of 4.23 (2014: 4.54) and a gearing ratio (defined as total bank borrowings divided by equity attributable to owners of the Company) of 0.48% (2014: 2.97%).

The Board recommended to declare a final dividend of HK0.98 cent per ordinary share for the year ended 31 December 2015 (2014: HK0.33 cent per ordinary share).

FINAL RESULTS

The Board (the "**Board**") of Directors (the "**Directors**") of Town Health International Medical Group Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2015, together with the comparative figures for the previous year, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		2015	2014
	NOTES	***HK$'000***	*HK$'000*
Revenue	*3*	**1,122,933**	494,579
Cost of sales		**(643,118)**	(334,005)
Gross profit		**479,815**	160,574
Other income	*5*	**101,883**	37,768
Administrative expenses		**(520,413)**	(235,987)
Other gains and losses	*6*	**186,392**	20,032
Finance costs	*7*	**(10,555)**	(7,586)
Share of results of associates		**20,683**	44,259
Share of result of a joint venture		**16,462**	–
Profit before tax		**274,267**	19,060
Income tax (expenses) credit	*8*	**(13,401)**	61,829
Profit for the year	*9*	**260,866**	80,889

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

	NOTE	2015 HK$'000	2014 HK$'000
Other comprehensive expense for the year			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on the translation of foreign operations		**(6,703)**	(823)
Share of other comprehensive expenses of associates and a joint venture		**(4,570)**	(882)
Reclassification of translation reserve and investment revaluation reserve to profit or loss upon dilution of interest(s) in an associate/associates		**(1,636)**	(741)
		(12,909)	(2,446)
Total comprehensive income for the year		**247,957**	78,443
Profit for the year attributable to:			
Owners of the Company		**254,803**	84,612
Non-controlling interests		**6,063**	(3,723)
		260,866	80,889
Total comprehensive income attributable to:			
Owners of the Company		**243,094**	82,318
Non-controlling interests		**4,863**	(3,875)
		247,957	78,443
Earnings per share (HK cents)	*11*		
– Basic		**3.81**	1.84
– Diluted		**3.63**	1.83

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTE	2015 HK$'000	2014 HK$'000
NON-CURRENT ASSETS			
Investment properties		**457,760**	285,085
Property, plant and equipment		**233,317**	193,533
Loans receivable		**9,902**	11,924
Loan to a related party		**138,000**	–
Goodwill		**375,891**	200,202
Intangible assets		**492,428**	236,099
Interests in associates		**140,487**	251,580
Interest in a joint venture		**257,110**	–
Available-for-sale investments		**318,861**	43,596
Deposits made on acquisition of investment properties, and property, plant and equipment		**68,820**	6,555
Deposit made on acquisition of a subsidiary		**59,666**	–
Deferred tax assets		**724**	–
		2,552,966	1,228,574
CURRENT ASSETS			
Inventories		**20,600**	16,298
Trade and other receivables	*12*	**210,642**	147,608
Available-for-sale investments		**30,000**	–
Held for trading investments		**522,459**	278,027
Loans receivable		**7,989**	39,853
Amounts due from associates		**38,060**	8,904
Amount due from a related party		**20**	–
Amount(s) due from an investee/investees		**13,300**	1,348
Amounts due from non-controlling interests		**1,107**	–
Tax recoverable		**6,216**	873
Restricted bank deposit		**13,460**	–
Bank balances and cash		**1,826,679**	1,078,558
		2,690,532	1,571,469
Assets classified as held for sale		**–**	24,368
		2,690,532	1,595,837

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	NOTES	**2015** **HK$'000**	2014 *HK$'000*
CURRENT LIABILITIES			
Trade and other payables	*13*	**437,444**	125,224
Amount due to a related party		**–**	6
Amounts due to associates		**28**	73
Amount due to an investee		**313**	–
Amounts due to non-controlling interests		**30,514**	22,361
Bank borrowings	*14*	**21,887**	62,913
Loan notes	*15*	**121,919**	116,533
Tax payable		**24,211**	17,082
		636,316	344,192
Liabilities directly associated with assets classified as held for sale		**–**	7,559
		636,316	351,751
NET CURRENT ASSETS		**2,054,216**	1,244,086
TOTAL ASSETS LESS CURRENT LIABILITIES		**4,607,182**	2,472,660
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**14,300**	12,542
		4,592,882	2,460,118
CAPITAL AND RESERVES			
Share capital – ordinary shares	*16*	**74,696**	51,104
Share capital – convertible preference shares	*17*	**2,917**	3,750
Reserves		**4,453,179**	2,060,612
Equity attributable to owners of the Company		**4,530,792**	2,115,466
Non-controlling interests		**62,090**	344,652
Total equity		**4,592,882**	2,460,118

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company was formerly an exempted company with limited liability incorporated in the Cayman Islands. On 5 May 2009, the Company de-registered from the Cayman Islands and registered in Bermuda as an exempted company under the laws of Bermuda.

The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The address of the registered office of the Company is Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda. The address of the principal place of business of the Company is 6th Floor, Town Health Technology Centre, 10-12 Yuen Shun Circuit, Siu Lek Yuen, Shatin, New Territories, Hong Kong.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Application of new and revised HKFRSs

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time in the current year.

Amendments to HKAS 19	Defined benefit plans: Employee contributions
Amendments to HKFRSs	Annual improvements to HKFRSs 2010 – 2012 cycle
Amendments to HKFRSs	Annual improvements to HKFRSs 2011 – 2013 cycle

Except as described below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and on the disclosures set out in these consolidated financial statements.

Annual improvements to HKFRSs 2010 – 2012 cycle

The "Annual improvements to HKFRSs 2010 – 2012 cycle" include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 2 (i) change the definitions of 'vesting condition' and 'market condition'; and (ii) add definitions for 'performance condition' and 'service condition' which were previously included within the definition of 'vesting condition'. The amendments to HKFRS 2 are effective for share-based payment transactions for which the grant date is on or after 1 July 2014.

The amendments to HKFRS 3 clarify that contingent consideration that is classified as an asset or a liability should be measured at fair value at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of HKFRS 9 or HKAS 39 or a non-financial asset or liability. Changes in fair value (other than measurement period adjustments) should be recognised in profit or loss. The amendments to HKFRS 3 are effective for business combinations for which the acquisition date is on or after 1 July 2014.

The amendments to HKFRS 8 (i) require an entity to disclose the judgments made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have 'similar economic characteristics'; and (ii) clarify that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if the segment assets are regularly provided to the chief operating decision-maker.

The amendments to the basis for conclusions of HKFRS 13 clarify that the issue of HKFRS 13 and consequential amendments to HKAS 39 and HKFRS 9 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of discounting is immaterial. As the amendments do not contain any effective date, they are considered to be immediately effective.

The amendments to HKAS 16 and HKAS 38 remove perceived inconsistencies in the accounting for accumulated depreciation/amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amended standards clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The amendments to HKAS 24 clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

The directors of the Company do not anticipate that the application of these amendments will have a material effect on the Group's consolidated financial statements.

Annual improvements to HKFRSs 2011 – 2013 cycle

The "Annual improvements to HKFRSs 2011 – 2013 cycle" include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 3 clarify that the standard does not apply to the accounting for the formation of all types of joint arrangement in the financial statements of the joint arrangement itself.

The amendments to HKFRS 13 clarify that the scope of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis includes all contracts that are within the scope of, and accounted for in accordance with, HKAS 39 or HKFRS 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within HKAS 32.

The amendments to HKAS 40 clarify that HKAS 40 and HKFRS 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether:

(a) the property meets the definition of investment property in terms of HKAS 40; and

(b) the transaction meets the definition of a business combination under HKFRS 3.

The directors of the Company do not anticipate that the application of these amendments will have a material effect on the Group's consolidated financial statements.

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

HKFRS 9	Financial instruments[1]
HKFRS 15	Revenue from contracts with customers[1]
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations[2]
Amendments to HKAS 1	Disclosure initiative[2]
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation[2]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants[2]
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture[2]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception[2]
Amendments to HKFRSs	Annual improvements to HKFRSs 2012-2014 cycle[2]

1 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

2 Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.

HKFRS 9 Financial instruments

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of HKFRS 9:

- all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement 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 FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 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.

- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 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 effects 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 HKAS 39, 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, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 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.

- the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in HKAS 39. Under HKFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the retrospective quantitative effectiveness test has been removed. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company do not anticipate that the application of HKFRS 9 in the future will have a material impact on amounts reported in respect of the Group's financial assets and financial liabilities.

HKFRS 15 Revenue from contracts with customers

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

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

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

Under HKFRS 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 HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

Amendments to HKAS 16 and HKAS 38 Clarification of acceptable methods of depreciation and amortisation

The amendments to HKAS 16 "Property, plant and equipment" prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 Intangible Assets introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. This presumption can only be rebutted in the following two limited circumstances:

(a) when the intangible asset is expressed as a measure of revenue; or

(b) when it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated.

The amendments apply prospectively for annual periods beginning on or after 1 January 2016. Currently, the Group uses the straight-line method for depreciation and amortisation for its property, plant and equipment, and intangible assets respectively. The directors of the Company believe that the straight-line method is the most appropriate method to reflect the consumption of economic benefits inherent in the respective assets and accordingly, the directors of the Company do not anticipate that the application of these amendments to HKAS 16 and HKAS 38 will have a material impact on the Group's consolidated financial statements.

Amendments to HKFRS 10 and HKAS 28 Sale or contribution of assets between an investor and its associate or joint venture

The amendments to HKFRS 10 "Consolidated financial statements" and HKAS 28 "Investments in associates and joint ventures" deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The amendments should be applied prospectively to transactions occurring in annual periods beginning on or after 1 January 2016. The directors of the Company do not anticipate that the application of these amendments to HKFRS 10 and HKAS 28 will have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

Annual improvements to HKFRSs 2012-2014 cycle

The Annual improvements to HKFRSs 2012-2014 cycle include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 5 introduce specific guidance in HKFRS 5 for when an entity reclassifies an asset (or a disposal group) from held for sale to held for distribution to owners (or vice versa). The amendments clarify that such a change should be considered as a continuation of the original plan of disposal and hence requirements set out in HKFRS 5 regarding the change of sale plan do not apply. The amendments also clarify the guidance for when held-for-distribution accounting is discontinued.

The amendments to HKFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purpose of the disclosures required in relation to transferred assets.

The amendments to HKAS 19 clarify that the rate used to discount post-employment benefit obligations should be determined by reference to market yields at the end of the reporting period on high quality corporate bonds. The assessment of the depth of a market for high qualify corporate bonds should be at the currency level (i.e. the same currency as the benefits are to be paid). For currencies for which there is no deep market in such high quality corporate bonds, the market yields at the end of the reporting period on government bonds denominated in that currency should be used instead.

The directors of the Company do not anticipate that the application of these amendments will have a material effect on the amounts recognised in the Group's consolidated financial statements.

3. REVENUE

Revenue represents the aggregate of the net amounts received and receivable from third parties for the year. An analysis of the Group's revenue for the year is as follows:

	2015	2014
	HK$'000	*HK$'000*
Provision of healthcare and dental services	**447,868**	387,522
Managed care business	**363,702**	87,874
Beauty and cosmetic medicine business	**294,024**	–
Property rental income	**17,339**	19,183
	1,122,933	494,579

4. SEGMENT INFORMATION

Information reported to the chief operating decision maker, the Chief Executive Officer ("**CEO**"), for the purposes of resources allocation and assessment of segment performance focuses on different types of major businesses. This is also the basis upon which the Group is organised and managed. No operating segments identified by the CEO have been aggregated in arriving at the reportable segments of the Group. Specifically, the Group's operating and reportable segments under HKFRS 8 are as follows:

- Provision of healthcare and dental services – Operations of the medical and dental practices and medical centres, and trading of healthcare products
- Managed care business – Operations of managed care centres and networks
- Beauty and cosmetic medicine business – Operations of beauty and cosmetic medicine centres
- Investments in securities and properties and treasury management – Trading of listed securities and leasing of properties

No segment information of assets and liabilities is provided to the CEO for the assessment of performance of different segments. Accordingly, no segment information of assets and liabilities is presented. Prior year corresponding segment information that is presented for comparative purposes has been re-presented to conform to the changes adopted in the current year.

Segment revenues and results

For the year ended 31 December 2015

	Provision of healthcare and dental services *HK$'000*	Managed care business *HK$'000*	Beauty and cosmetic medicine business *HK$'000*	Investments in securities and properties and treasury management *HK$'000*	Elimination *HK$'000*	Total *HK$'000*
Revenue						
External sales	**447,868**	**363,702**	**294,024**	**17,339**	**–**	**1,122,933**
Inter-segment sales	**12,318**	**–**	**–**	**5,659**	**(17,977)**	**–**
	460,186	**363,702**	**294,024**	**22,998**	**(17,977)**	**1,122,933**
Segment results	**39,465**	**33,290**	**15,378**	**327,765**	**–**	**415,898**
Other income						**18,595**
Finance costs						**(10,555)**
Share of results of associates						**10,609**
Other gains and losses						**(75,809)**
Unallocated corporate expenses						**(84,471)**
Profit before tax						**274,267**

For the year ended 31 December 2014

	Provision of healthcare and dental services *HK$'000*	Managed care business *HK$'000*	Investments in securities and properties and treasury management *HK$'000*	Elimination *HK$'000*	Total *HK$'000*
Revenue					
External sales	387,522	87,874	19,183	–	494,579
Inter-segment sales	1,446	–	6,028	(7,474)	–
	388,968	87,874	25,211	(7,474)	494,579
Segment results	44,059	9,920	51,077	–	105,056
Other income					10,308
Finance costs					(7,586)
Share of results of associates					39,257
Other gains and losses					(36,917)
Unallocated corporate expenses					(91,058)
Profit before tax					19,060

Segment profit represents the profit earned or generated by each segment without allocation of central administration costs, directors' salaries, share of results of associates, other income, other gains and losses and finance costs. This is the measure reported to the CEO for the purposes of resources allocation and performance assessment.

Other segment information

For the year ended 31 December 2015

	Provision of healthcare and dental services *HK$'000*	Managed care business *HK$'000*	Beauty and cosmetic medicine business *HK$'000*	Investments in securities and properties and treasury management *HK$'000*	Total for segments *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Amounts included in the measure of segment profit:							
Depreciation of property, plant and equipment	21,176	1,427	10,451	10,685	43,739	1,760	45,499
Amortisation of intangible assets	–	7,251	1,071	–	8,322	–	8,322
Impairment loss recognised on loans receivable	–	–	–	–	–	27,000	27,000
Impairment loss recognised on trade receivables	3,137	37	–	–	3,174	–	3,174
Impairment loss recognised on other receivables	–	–	–	–	–	5,109	5,109
Increase in fair value of investment properties	–	–	–	4,669	4,669	–	4,669
Loss on disposal of property, plant and equipment	7	5	–	–	12	171	183
Amounts included in the information regularly provided to the CEO:							
Additions to property, plant and equipment	30,294	2,717	30,715	530	64,256	10,449	74,705

For the year ended 31 December 2014

	Provision of healthcare and dental services *HK$'000*	Managed care business *HK$'000*	Investments in securities and properties and treasury management *HK$'000*	Total for segments *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Amounts included in the measure of segment profit:						
Depreciation of property, plant and equipment	22,201	296	24,418	46,915	545	47,460
Amortisation of intangible assets	–	3,500	–	3,500	–	3,500
Reversal of impairment loss recognised on loans receivable	–	–	–	–	27,000	27,000
Impairment loss recognised on trade receivables	2,674	25	–	2,699	–	2,699
Reversal of impairment loss recognised on other receivables	22,835	–	–	22,835	–	22,835
Increase in fair value of investment properties	–	–	4,605	4,605	–	4,605
Loss (gain) on disposal of property, plant and equipment	–	–	59	59	(20)	39
Amounts included in the information regularly provided to the CEO:						
Additions to property, plant and equipment	18,496	2,482	62,801	83,779	1,117	84,896

Geographical information

Majority of the Group's operations are located in Hong Kong. All provision of healthcare and dental services and managed care operations are carried out in Hong Kong. The Group's revenue from external customers based on locations of customers are mainly derived from Hong Kong. The Group's non-current assets, excluding financial instruments, one of the Group's associates and the Group's joint venture, are all located in Hong Kong. The location of operations of an associate and a joint venture with carrying amount of HK$82,451,000 (2014: HK$78,830,000) and HK$257,110,000 (2014: HK$nil) respectively as at the end of the reporting period is in the People's Republic of China ("**PRC**") whilst that of the remaining associates is in Hong Kong.

There is no single customer contributing over 10% of the total sales of the Group during both years.

5. OTHER INCOME

	2015	2014
	HK$'000	*HK$'000*
Interest income	**70,764**	19,143
Dividend income from listed investments classified as held for trading investments	**4,825**	5,985
Dividend income from unlisted investments classified as available-for-sale investments	**7,699**	2,332
Rental income	**3,265**	2,003
Sundry income	**15,330**	8,305
	101,883	37,768

6. OTHER GAINS AND LOSSES

	2015	2014
	HK$'000	*HK$'000*
Gain on fair value changes on held for trading investments and disposal of associates	**273,792**	19,893
(Loss) gain an disposal of a subsidiary/subsidiaries	**(5,588)**	230
Gain on dilution of interest(s) in an associate/associates	**51**	2,363
Gain on disposal of available-for-sale investments	**1,741**	14,826
Fair value changes on investment properties	**4,669**	4,605
Fair value changes on loan notes	**(3,723)**	1,220
Translation reserve reclassified to profit or loss upon dilution of interest(s) in an associate/associates	**1,636**	741
(Impairment loss) reversal of impairment loss recognised in respect of:		
– goodwill	**(40,000)**	(2,511)
– trade receivables	**(3,174)**	(2,699)
– other receivables	**(5,109)**	22,835
– loans receivable	**(27,000)**	27,000
– available-for-sale investments	**(9,239)**	(4,782)
– amounts due from associates	**–**	768
– amounts due from investees	**(1,664)**	1,341
– interests in associates	**–**	(65,798)
	186,392	20,032

7. FINANCE COSTS

	2015	2014
	HK$'000	*HK$'000*
Interest on bank borrowings		
– wholly repayable within five years	**286**	4,738
– not wholly repayable within five years	**556**	94
Effective interest expense on loan notes	**9,713**	2,754
	10,555	7,586

8. INCOME TAX EXPENSES (CREDIT)

	2015	2014
	HK$'000	*HK$'000*
Tax charge comprises:		
Current tax		
– Hong Kong Profits Tax	**17,357**	8,967
– Overprovision in prior years *(Note)*	**(2,792)**	(69,104)
	14,565	(60,137)
Deferred tax		
– Current year	**(1,164)**	(1,692)
	13,401	(61,829)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Note: During the year ended 31 December 2014, pursuant to a judgment in the Hong Kong Court of Final Appeal, the year-ended unrealised revaluation gain from listed securities held for sale were not chargeable to tax in Hong Kong and overprovision of Hong Kong Profits Tax in prior years amounting to HK$69,079,000 (2015: HK$nil) were reversed accordingly.

9. PROFIT FOR THE YEAR

	2015	2014
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging:		
Staff costs		
– Directors' remuneration	**28,132**	23,810
– Other staff's salaries, bonus and other benefits	**611,146**	260,678
– Other staff's retirement benefits scheme contributions	**10,899**	3,511
	650,177	287,999
Auditor's remuneration	**3,413**	2,592
Cost of inventories recognised as expenses	**131,916**	97,761
Depreciation of property, plant and equipment	**45,499**	47,460
Loss on disposal of property, plant and equipment	**183**	39
Amortisation of intangible assets (included in administrative expenses)	**8,322**	3,500
Share of tax of associates (included in share of results of associates)	**3,445**	19,783
and after crediting:		
Gross rental income from investment properties	**17,339**	19,183
Less: Direct operating expenses that generated rental income	**(2,092)**	(2,279)
Net rental income from investment properties	**15,247**	16,904

10. DIVIDENDS

	2015	2014
	HK$'000	*HK$'000*
Dividend recognised as distribution during the year		
– Final dividend of HK0.33 cent per ordinary share in respect of year ended 31 December 2014 (2014: 2013 Final dividend – HK5.5 cents)	**24,650**	50,432
– Preference shares dividend of HK0.72 cent per preference share in respect of year ended 31 December 2015	**23,540**	–
	48,190	50,432

On 23 March 2016, the directors of the Company recommended to declare a final dividend of HK0.98 cent per ordinary share for the year ended 31 December 2015.

11. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2015	2014
	HK$'000	*HK$'000*
Earnings for the purposes of basic and diluted earnings per share:		
Profit for the year attributable to owners of the Company	**254,803**	84,612

Number of shares

	2015	2014
Weighted average number of ordinary shares for the purpose of basic earnings per share	**6,684,669,870**	4,637,091,290
Effect of dilutive potential ordinary shares:		
Share options	**5,853,883**	22,472,045
Convertible preference shares	**323,858,447**	2,054,795
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**7,014,382,200**	4,661,618,130

12. TRADE AND OTHER RECEIVABLES

	2015	2014
	HK$'000	*HK$'000*
Trade receivables	**136,573**	68,109
Less: Allowance for doubtful debts	**(2,708)**	(2,197)
Total trade receivables, net of allowance	**133,865**	65,912
Deposits	**54,952**	31,915
Other receivables	**18,382**	46,454
Prepayments	**3,443**	3,327
	210,642	147,608

Most of the patients of the medical and dental practices settle in cash. Payments by patients using medical cards will normally be settled within 180 to 240 days whilst settlement by corporate customers for the Group's managed care operation is from 60 to 180 days. Most of the customers from beauty and cosmetic medicine business settle via credit cards. Trade receivables under credit card sales are due within 150 days from the date of billings. The Group allows an average credit period of 60 to 240 days to its trade customers under other business activities.

The following is an aged analysis of trade receivables, net of allowance, presented based on the invoice dates at the end of the reporting period, which approximated the respective revenue recognition dates:

	2015	2014
	HK$'000	*HK$'000*
0 – 60 days	**116,877**	56,312
61 – 120 days	**6,330**	6,114
121 – 180 days	**10,612**	3,444
181 – 240 days	**46**	42
	133,865	65,912

These receivables relate to a number of independent customers that have good repayment history with the Group. The Group does not hold any collateral over these balances.

The Group has provided fully for all receivables over 365 days because historical experience is such that receivables that are past due beyond 365 days are generally not recoverable.

Movement in the allowance for doubtful debts:

	2015	2014
	HK$'000	*HK$'000*
Balance at the beginning of the year	**2,197**	2,071
Impairment losses recognised	**3,174**	2,699
Amounts written off as uncollectible	**(2,663)**	(2,573)
Balance at the end of the year	**2,708**	2,197

The impairment recognised represents the difference between the carrying amount of the specific trade receivables and the present value of the expected recoverable amount. The trade receivables are impaired because of significant financial difficulty of the counterparties.

The amounts included in other receivables are unsecured, interest-free and repayable on demand.

13. TRADE AND OTHER PAYABLES

	2015	2014
	HK$'000	*HK$'000*
Trade payables	**47,712**	29,044
Other payables	**53,403**	31,554
Deposits received	**6,827**	3,910
Deferred income	**250,969**	4,306
Accruals	**78,533**	56,410
	437,444	125,224

The following is an aged analysis of trade payables at the end of the reporting period:

	2015	2014
	HK$'000	*HK$'000*
0 – 60 days	**41,290**	28,975
61 – 120 days	**2,784**	69
Over 120 days	**3,638**	–
	47,712	29,044

The average credit period on purchase of goods is 60 to 120 days.

14. BANK BORROWINGS

	2015	2014
	HK$'000	*HK$'000*
Secured:		
Revolving loans	–	40,000
Mortgage loan	**21,887**	22,913
	21,887	62,913
The bank borrowings are repayable as follows:		
On demand and within one year	**1,056**	41,030
In more than one year but not more than two years	**1,082**	1,057
In more than two years but not more than three years	**1,109**	1,082
In more than three years but not more than four years	**1,137**	1,109
In more than four years but not more than five years	**1,165**	1,137
Over five years	**16,338**	17,498
	21,887	62,913
Less: Amounts due within one year shown under current liabilities	**(1,056)**	(41,030)
Carrying amount of bank borrowings that are not repayable within one year from the end of reporting period but contain a repayment on demand clause (shown under current liabilities)	**(20,831)**	(21,883)
	–	–

As at 31 December 2015, the bank borrowings of the Group carry variable interest rate from HIBOR+2% to HIBOR+2.25% per annum (2014: variable interest rate from HIBOR+2.1% to HIBOR+2.25% per annum).

The Group's mortgage loan is secured by the Group's leasehold land and building and supported by personal guarantee which will be released upon repayment of the mortgage.

15. LOAN NOTES

During the year ended 31 December 2014, the Company issued loan notes carrying effective interest rate of 10% with aggregate face value amounted to HK$115,000,000. On initial recognition, the aggregate principal amount of the loan notes amounted to HK$99,800,000 and the fair value of the redemption option amounted to HK$15,200,000. The loan notes are unsecured.

The redemption option entitled the Company, at its sole discretion, to redeem any amount of the outstanding loan notes before their maturity by giving a fourteen-business-day prior notice to the holders at their principal amount with interest accrued. The redemption option also entitled the holders to redeem any amount of the loan notes held before maturity date by giving a six-month prior notice to the Company between 1 June 2016 and 1 June 2020 at certain percentage of their principal amount with interest accrued. The effective interest rate of the loan notes is 10%.

The movement of the loan notes for both years ended 31 December 2014 and 2015 are set out as below:

	HK$'000
Proceeds of issue	115,000
Interest charged	2,753
Changes in fair value	(1,220)
At 31 December 2014	116,533
Interest charged	9,713
Interest payment	(8,050)
Changes in fair value	3,723
At 31 December 2015	121,919

The valuations were performed by independent valuer, Ascent Partners Valuation Service Limited, using the Hull-White One-Factor Model.

16. SHARE CAPITAL – ORDINARY SHARES

	Number of shares	Amount
		HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 January 2014, 31 December 2014 and 2015	30,000,000,000	300,000
Issued and fully paid:		
At 1 January 2014	916,937,710	9,169
Issue of bonus shares *(Note i)*	3,667,750,840	36,678
Exercise of share options *(Note ii)*	66,500,000	665
Issue of shares upon share subscription *(Note iii)*	459,183,673	4,592
At 31 December 2014	5,110,372,223	51,104
Issue of consideration shares *(Note iv)*	365,327,586	3,653
Issue of shares upon share subscription *(Note v)*	1,785,098,644	17,851
Exercise of share options *(Note vi)*	125,500,000	1,255
Conversion of convertible preference shares	83,333,333	833
At 31 December 2015	7,469,631,786	74,696

Notes:

i. On 18 June 2014, the Company issued 4 bonus shares for every 1 existing shares held on 4 June 2014.

ii. During the year ended 31 December 2014, 21,500,000 and 45,000,000 share options were exercised at a subscription price of HK$0.2128 and HK$0.612 per share, respectively, resulting in the issue of 66,500,000 ordinary shares of HK$0.01 each in the Company and receipt of a total cash consideration of approximately HK$32,115,000.

iii. Pursuant to the share subscription agreement dated 31 October 2014, an aggregate of 459,183,673 ordinary shares were allotted and issued at HK$0.98 per share to Fubon Life Insurance Co., Ltd., Fubon Insurance Co., Ltd. and Broad Idea International Limited on 29 December 2014. The gross proceeds from the share subscription were approximately HK$450,000,000 which are intended to be used for expending business in the PRC and Hong Kong. For details of the share subscription, please refer to the Company's announcement dated 31 October 2014 and the Company's ciruclar dated 28 November 2014.

iv. On 1 January 2015, the Company issued 365,327,586 ordinary shares to Bonjour Group Limited for acquisition of 100% equity interest in Bonjour Beauty International Limited. Details of the transaction are disclosed in the announcements of the Company dated 20 August 2014 and 1 January 2015 and the circular of the Company dated 19 November 2014.

v. Pursuant to the investment agreement dated 5 January 2015, 1,785,098,644 ordinary shares were allotted and issued at HK$0.98 per share to China Life Insurance (Group) Company on 29 May 2015. The gross proceeds from the investment were approximately HK$1,749,397,000 which are intended to be used for expanding business in the PRC. Details of the transaction are disclosed in the announcement of the Company dated 5 January 2015 and the circular of the Company dated 3 February 2015.

vi. During the year ended 31 December 2015, 120,500,000 and 5,000,000 share options were exercised at a subscription price of HK$0.2128 and HK$0.206 per share respectively, resulting in the issue of 125,500,000 ordinary shares of HK$0.01 each in the Company and receipt of a total cash consideration of approximately HK$26,672,000.

17. SHARE CAPITAL – CONVERTIBLE PREFERENCE SHARES ("PREFERENCE SHARES")

	Numbers of shares	Amount *HK$'000*
Preference Shares of HK$0.01 each		
Authorised:		
Approved by shareholders of the Company during the year ended 31 December 2014, at 31 December 2014 and 31 December 2015	375,000,000	3,750
Issued and fully paid:		
Issue of shares upon share subscription during the year ended 31 December 2014 and at 31 December 2014	374,999,999	3,750
Converted during the year *(Note)*	(83,333,333)	(833)
At 31 December 2015	291,666,666	2,917

The Preference Shares are redeemable, carry no voting right and each of the Preference Shares is convertible into one ordinary share any time after issue.

Pursuant to the convertible preference shares subscription ("**CPS Subscription**") agreement dated 31 October 2014, 374,999,999 Preference Shares were allotted and issued at HK$1.2 per share to Fubon Life Insurance Co., Ltd., Fubon Insurance Co., Ltd. and Broad Idea International Limited on 29 December 2014. The proceeds from the CPS Subscription are intended to be used for expanding business in the PRC and Hong Kong. For details of the CPS subscription, please refer to the Company's announcement dated 31 October 2014 and the Company's circular dated 28 November 2014.

Note: On 22 May 2015, 83,333,333 Preference Shares were converted into ordinary shares.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

The Company is pleased to report the results of the Group for the year ended 31 December 2015.

During the year under review, revenue increased by 127.05% to approximately HK$1,122,933,000 (2014: approximately HK$494,579,000), and the Group recorded a profit of approximately HK$260,866,000 (2014: approximately HK$80,889,000).

The increase in profit was mainly attributable to (i) profit generated following the Group's acquisition of Dr. Vio & Partners Limited ("**Dr. Vio**") and Bonjour Beauty International Limited ("**Bonjour Beauty**"); (ii) share of profit of Huayao Medical Group Limited (together with its subsidiaries, "**Renji Group**") which has become a joint venture of the Company since March 2015; (iii) the increase in gain from the Group's strategic investment and disposal of associates; and (iv) the increase in interest income generated from the effective treasury management of the Group. The profit was then slightly offset by the increase in administrative expenses.

Additional profit contributions from acquisitions

The Group has been actively diversifying and expanding its medical businesses in Hong Kong and the PRC. It has commenced the managed care business and the beauty and cosmetic medicine business following its mergers with, and acquisitions of, Dr. Vio and Bonjour Beauty in September 2014 and January 2015 respectively, thereby broadening its revenue sources and increasing its profit. As to provision of healthcare services, following the Group's acquisition of 49% interest in Renji Group in March 2015, the Group shared profit of Renji Group during the year under review.

Increase in gain from the Group's strategic investment and disposal of associates and effective treasury management

Results from the Group's investments in securities and properties and treasury management for the year ended 31 December 2015 amounted to approximately HK$327,765,000 (2014: approximately HK$51,077,000), including gain on fair value changes on held for trading investments and disposal of associates and interest income of approxiamtely HK$344,556,000.

BUSINESS REVIEW

The Group is a healthcare service operator offering comprehensive healthcare services through its healthcare platform across Hong Kong and the PRC. With 26 years of healthcare operation experience and solid development of Dr. Vio in the past 68 years, the Group has established a leading position in the market and offers extensive healthcare services covering primary and specialty medical care, dental and auxiliary services to Hong Kong citizens with a strong healthcare network comprising self-operated healthcare centres and affiliated healthcare service providers.

Healthcare service network of the Group

The Group has around 500 points of healthcare services, including 120 self-operated medical centres, in Hong Kong. Among the Group's medical centres, the Group has 484 service points providing healthcare services covering multiple disciplines, which include 311 general practices service points, 60 specialties service points and 41 dental service points. As at 31 December 2015, a total of 719 medical doctors, dentists and auxiliary service providers, comprising 491 general practitioners, 169 specialists and 59 dentists, offer healthcare services through the network of self-operated and affiliated centres under the Group.

A breakdown of the healthcare services network of the Group is as follows:

	As at 31 December 2015
Medical services	**371**
General medical services	311
Specialist medical services	60
Dental services	**41**
Auxiliary services	**72**
Physiotherapy services	28
Medical imaging and laboratory services	25
Hearing health services	1
Occupational therapy – Child and youth mental health services	1
Chinese medicine services	17
Total:	**484**

A breakdown of the Group's self-operated healthcare services centres is as follows:

	As at 31 December 2015
Medical services	**89**
General medical services	52
Specialist medical services	37
Dental services	**10**
Auxiliary services	**21**
Physiotherapy services	5
Medical imaging and laboratory services	14
Hearing health services	1
Occupational therapy – Child and youth mental health services	1
Total:	**120**

The Group recorded a significant business growth during the year under review. For the year ended 31 December 2015, the Group's revenue amounted to approximately HK$1,122,933,000, representing an increase of approximately 127.05% over its revenue for the corresponding period last year.

Introduction of important strategic investor – China Life Group

During the year under review, China Life Insurance (Group) Company ("**China Life Group**") completed its investment in the Group in May 2015 and became the largest shareholder holding approximately 23.0% of the Company's entire issued share capital as at the date hereof.

The equity investment of China Life Group was of strategic significance to the Group's long-term development and core competitiveness. First of all, leveraging on China Life Group's market strength, the Group would be well-positioned to capture opportunities constantly arising in the PRC healthcare market. The Group will further develop the healthcare platform in the PRC by expanding healthcare network, community healthcare services and hospital management businesses. The Group explores possibility to apply managed care operational system in the PRC market by leveraging on Dr. Vio's professional operating system and the Group's experience, with a focus on China Life Group's healthcare development strategy, which would enhance the value and sustainability of medical insurance business in the PRC in the future.

In addition, China Life Group and the Group have commenced a medical tourism project between the PRC and Hong Kong which principally offers medical services in Hong Kong to the clientele and staff of China Life Group. Such medical tourisms may encompass high-end dental services, specialty medical services, advanced health check, professional cosmetic medicine services, which will reinforce the Group's leading position and become the growth momentum for its healthcare platform in Hong Kong.

Joining of the Board by management members of China Life Group and Fubon Financial

During the year under review, the Group appointed several senior staff of China Life Group and Fubon Financial Holding Co., Ltd. ("**Fubon Financial**") as members of the Board.

In respect of China Life Group, Ms. Fang Haiyan, the general manager of the Business Department of China Life Group, was appointed as the Deputy Chairperson of the Board and a non-executive Director, while Mr. Chen Jinhao, an associate director of China Life Group, was appointed as a non-executive Director. Furthermore, to facilitate the co-operation and the PRC medical business development between the Group and China Life Group and its associated company, the Group appointed Ms. Wang Qin, a senior officer of China Life Insurance Company Limited, as the head of PRC business development so as to closely coordinate the co-operation between the two parties and effectively implement all collaboration projects.

With respect to Fubon Financial, one of the largest listed financial groups in Taiwan, the Group appointed Mr. Tsai Ming-hsing ("**Mr. Tsai**") as a non-executive Director and a Deputy Chairman and Mr. Wang John Hong-chiun ("**Mr. Wang**") as an independent non-executive Director during the year under review. Mr. Tsai is the vice chairman of Fubon Financial and has managed a number of subsidiaries of the Fubon group. He is familiar with the Asia-Pacific financial market and has abundant experience in corporate development. Mr. Wang had been the senior management of several international financial institutions. Both of them possess a lot of experience and keen business acumen, which are conducive to the Group in its business expansion and presence in the healthcare market as well as its transformation into a leading healthcare enterprise in Hong Kong, the PRC and the Asia-Pacific region.

Mr. Yu Xuezhong, an assistant to the medical superintendent, a professor in emergency medicine and a supervisor of the emergency medicine division of Peking Union Medical College Hospital, and Ms. Li Mingqin, an executive director and the vice president of Sino Biopharmaceutical Limited (a company listed on the Main Board of the Stock Exchange (Stock Code: 1177)), were also appointed as independent non-executive Directors to further strengthen the Group's management, and enrich its expertise, in the PRC medical market.

It is expected that benefited from the diversified backgrounds, business exposures and strategic insights of its resourceful new board members, the Group will be able to further strengthen its corporate governance and competitiveness.

Active diversification of healthcare business in Hong Kong and the PRC

The Group is committed to a diversified healthcare business development strategy. During the year under review, the Group has completed two acquisitions: Bonjour Beauty, which is principally engaged in beauty and cosmetic medicine business, and Renji Group, which principally operates a rehabilitation hospital and two clinics in the PRC, to facilitate the Group's long-term strategic development.

Steady growth of self-operated healthcare and dental services business in Hong Kong

The Group is a healthcare service operator offering comprehensive medical services, including primary and specialty medical care, health check and dental services. During the year under review, the Group opened a total of 9 new medical centres. At present, the Group operates a total of 89 medical centres, 10 dental clinics, 14 medical check-up centres and laboratories and 7 other anxiliary services centres, across Hong Kong. The Group continues to look for prime locations to open new medical centres and keeps recruiting doctors and dentists with professional qualifications and experience to join its team in order to establish a comprehensive and high quality healthcare service network. Healthcare and dental service business of the Group contributed approximately HK$447,868,000 (2014: HK$387,522,000) to the Group's revenue for the year under review, which constituted approximately 39.88% (2014: 78.35%) of the total revenue of the Group for the year under review.

Continual expansion of specialty medical centres

The Group further enhanced its specialty medical services during the year. The Group currently has a diversified medical service platform comprising of 37 specialty medical centres offering orthopaedic, endocrinology, nephrology, plastic surgery, beauty and cosmetic medicine, cardiology, ophthalmology, reproductive medicine, otorhinolaryngology, general surgery and other specialty services. During the year under review, two cardiology centres, an orthopaedic centre, an urological centre and an ophthalmology centre were opened and had started operation in Hong Kong. To facilitate the development of its specialty medical business, the Group had recruited various seasoned specialists for its team during the year under review. At the same time, the Group fostered further integration and created synergies between these 37 specialty medical centres and Dr. Vio's healthcare network through effective resource integration and patient referral during the year under review in order to accelerate the development of the specialty medical services and enhance the value of Dr. Vio's services while providing convenient and diversified specialty medical services to the customers of Dr. Vio.

Managed care business

The Group extended its healthcare platform in Hong Kong to the managed care business after the acquisition of Dr. Vio in 2014. During the year under review, the Group proactively incorporated Dr. Vio's resources into its own network so as to create synergies, enlist more corporate clients and strengthen its business development. For instance, the Group integrated its points of healthcare services with Dr. Vio to enable Dr. Vio to provide more points of healthcare services. Dr. Vio's customers can also search for and make an appointment through the Group's One Pass O2O platform since October 2015. It will not only bring a better shopping experience to Dr. Vio's customers, but also enhance the market value of Dr. Vio. In addition, during the year under review, the Group solicited a number of new clients to appoint Dr. Vio as the administrator of their corporate medical services, thereby enlarging Dr. Vio's market share.

Meanwhile, China Life Insurance (Overseas) Company Limited ("**China Life Overseas**") has appointed Dr. Vio as its corporate medical service administrator to design and manage the employee medical benefit scheme offering comprehensive medical services. In addition, the Group and China Life Group have also been exploring the possibility of replicating Dr. Vio's operation model based on the PRC healthcare system, market structure and social environment to enhance the cost control and improve the operation efficiency of the PRC healthcare market.

Beauty and cosmetic medicine business

During the year under review, the Group acquired Bonjour Beauty for developing cosmetic medicine business. In the meantime, the Group's Novus Plastic and Aesthetic Centre in Causeway Bay, which is equipped with state-of-the-art devices and technologies, has started operation, offering safe and effective plastic surgical services to customers.

Development of comprehensive One Pass O2O platform

During the year under review, the Group launched "One Pass", an online to offline (O2O) health and lifestyle platform in October 2015, with an aim to enlarge the customer base and offer a wider range of comprehensive healthcare-related services to its customers. One Pass links all the business units of the Group and enables the customers to make appointments with all the Group's primary and specialty medical care, dental, health check, beauty and cosmetic medicine services through this mobile application. One Pass features a distinguished health management function, which allows users to record their own health figures, monitor their physical condition and receive health alert according to their health data. It is also connected with a hotline center to check on customers' health and provide users with a personalised health advices and referral services. The Group will effectively integrate customer resources, enhance operational efficiency and provide cross-selling opportunities through One Pass. The Group will proactively explore more business partners to join One Pass so as to provide better services to the customers.

The Group continues to improve its services on the One Pass O2O platform and introduce more quality products and services to fulfill the needs of different customers. During the year under review, One Pass collaborated with China Life Overseas such that customers may obtain the latest information and promotions of insurance products offered by China Life Overseas through One Pass O2O platform. China Life Overseas invented four different financial planning tools especially for One Pass such that customers may recognise their own financial needs with just a few simple steps and may make appointments with financial consultants for insurance products and relevant information.

Medical tourism between the PRC and Hong Kong

Benefited from the constant growth of the consumption power and demand for premium healthcare services in the PRC, the Group is proactively developing the PRC-HK medical tourism business. After becoming the largest shareholder of the Company, China Life Group started to discuss with the Company on the development of such medical tourism. The Group has established and developed marketing channels with focus on the medical tourism of China Life Group, organised two introductory campaigns called "魅力有約之港醫美麗行" and 10 beauty and cosmetic medicine and vaccine seminars for the Shenzhen branch of China Life Group. During these activities, the Group introduced its high-end healthcare services and equipment as well as information about Hong Kong's medical sector to the senior sales team of China Life Group in Shenzhen. The Group also organised seminars for China Life Group's customers in Shanghai and Zhejiang, respectively, to further promote medical services of the Group in Hong Kong. Furthermore, the Group continued to diversify its marketing channels targeting customers of China Life Group. This included the launch of a website, mobile application and hotline, which are linked to the WeChat account of China Life Group. In addition, the Group worked with the Shenzhen, Hangzhou and Zhejiang branches of China Life Group to explore opportunities for further cooperation, jointly develop insurance products related to medical tourism services, and co-organise medical tourism services.

During the year under review, the Group worked with China Parenting Network Holdings Limited ("**China Parenting Net**") on a medical tourism cooperation under which the Group would promote medical tourism by introducing its professional healthcare services and the strength of Hong Kong's medical sector to the users of China Parenting Net through their online platform and mobile application. Following the relaxation of the One-Child Policy in the PRC, the Group will work closely with China Parenting Net to explore more cooperation opportunities to expand its healthcare service coverage.

Hospital management services in the PRC

Investment in Nanyang Xiangrui and Nanshi Hospital of Nanyang

With the rapid development of the PRC healthcare market, the Group further expands its PRC healthcare platform. During the year under review, the Group entered into the investment and cooperation agreement with 南陽祥瑞管理諮詢有限公司 (Nanyang Xiangrui Hospital Management Advisory Co. Ltd.) ("**Nanyang Xiangrui**") to provide hospital management services to 南陽南石醫院 (Nanshi Hospital of Nanyang), 南陽南石醫院油田分院 (Nanshi Hospital Youtian Branch), 南陽二膠醫院 (Erjiao Branch of Nanshi Hospital) and 南陽市卧龍區武侯第二社區衛生服務中心 (Nanyang City Wulong District Wuhou Second Community Health Service Centre). Nanshi Hospital of Nanyang is a Class A Tertiary Hospital with 1,000 beds, while Nanshi Hospital Youtian Branch and Erjiao Branch of Nanshi Hospital are hospitals with 50 beds each, and the health service centre has 10 beds.

With a total floor areas of approximately 60,000 square metres and approximately 1,250 personnel, which include over 300 doctors, around 200 medical technicians (such as physiotherapists and anaesthetists) and around 500 nurses, as at 30 September 2015, these four medical institutions offer services to approximately 40,000 inpatients and 400,000 outpatients per annum. Nanshi Hospital of Nanyang has a number of specialist departments, namely burn and plastic surgery, neurosurgery and neurological medicine, cardiology, intensive care and emergency and general medicine and rehabilitation departments, among which the burn and plastic surgery department has been accredited as the key national hospital for specialised clinical burn and plastic surgery.

Nanyang Xiangrui has entered into an exclusive management agreement with (i) Nanshi Hospital of Nanyang, (ii) Nanshi Hospital Youtian Branch, (iii) Erjiao Branch of Nanshi Hospital and (iv) Nanyang City Wulong District Wuhou Second Community Health Service Centre for a term of 50 years, under which brand support, capital support, management support, medical resources sharing, integrated information technology support and supply chain service support will be provided to the four medical institutions and management fees will be charged by Nanyang Xiangrui. The Group proactively provided a number of support to create synergies and enhance service standard of Nanshi Hospital of Nanyang with its professional management system, operating experience and advanced equipment from Hong Kong, in the area of brand, capital, management, medical resources sharing, integrated information technology and supply chain management service. Such moves will bring positive effects to the PRC hospital business development of the Group in the future.

Acquisition of Renji Group

To optimise the healthcare business coverage in the PRC, the Group completed the acquisition of 49% interest in Renji Group during the year under review. Renji Group operates a rehabilitation hospital and two outpatient medical clinics in Hangzhou which provide traditional Chinese medical care, Western medicine healthcare and dental services to the locals. Making use of its healthcare management and operation expertise and experience, the Group optimised Renji Group's supply chain and corporate management in order to enhance its operational efficiency. In respect of the supply chain, the Group established a centralised procurement system during the year under review. This system assists every department to search for suitable supplies and suppliers, to get quotations, to conduct analysis, comparison and bargaining, to prepare procurement contracts, and to update the catalogue of medical products, their prices and the information of suppliers in order to minimise procurement costs. The Group has also developed a hospital information system during the year under review to standardise and regulate hospital operation while reinforcing human resources and financial management, which laid a solid foundation for long-term development in the future.

In addition, the Group expedited the development of outpatient business in the PRC during the year under review. Apart from the outpatient clinics of Renji Group, the Group has also completed the acquisition of one clinic in Hangzhou in order to accelerate the development of its outpatient business in the PRC.

Establishing dental clinic network in the PRC

The market demand for high-end dental services will be supported by the increasing income levels and consumption power of Chinese citizens as well as the accelerated urbanisation. Thus, the Group has been proactively developing dental business in the PRC since 2014. During the year under review, the Group established a dental training and service flagship centre in Hangzhou and also set up three entities engaging in dental materials procurement, provision of dental software service and high-end Invisalign dental training businesses over the whole dental service value chain so as to achieve the strategic coverage of the Group. The Group also acquired a dental clinic network in Shanghai during the year under review. This network currently has two dental clinics in Pudong and one in Changning, which would speed up the dental business development of the Group in the PRC.

Steadily growing pharmaceutical distribution business in the PRC

During the year under review, New Ray Medicine International Holding Limited ("**New Ray Medicine**") (a company listed on the Main Board of the Stock Exchange (Stock Code: 6108)), an associate of the Company, has successfully migrated its listing to the Main Board from the Growth Enterprise Market of the Stock Exchange. This migration represented further market recognition of New Ray Medicine's business growth. As at 31 December 2015, New Ray Medicine had 41 pharmaceutical products, of which 36 pharmaceutical products were included in the Medical Insurance Drugs Catalogs. In regard to the distribution network, as of 31 December 2015, New Ray Medicine procured pharmaceutical products throughout the PRC from 31 suppliers and the Group sold the pharmaceutical products through a network of 179 distributor customers, with 62 distributor customers covering Zhejiang Province, and the remaining 117 distributor customers spreading over 22 regions in the PRC, including Shanghai, Chongqing, Anhui Province, Sichuan Province, Hebei Province and Guangdong Province. New Ray Medicine successfully promoted its products to over 800 hospitals through the last tendering process in Zhejiang Province. In addition to pharmaceutical distribution, New Ray Medicine has also diversified its business by engaging in the business of distribution of medical devices using its well-established distribution network.

Strategic investments and treasury management

The Group prudently and carefully selects promising Hong Kong-listed healthcare related companies operating in the PRC and Hong Kong as its investment targets, which will be duly assessed and analysed by the professional medical team and financial teams of the Group. These strategic investments have paved the way for further expansion of the Group's healthcare business through in-depth collaborations with the Group's strategic partners during the year under review on the viability of joint development of healthcare-related business.

Following the capital injection by China Life Group and Fubon Financial, the Group's cash flow has been strengthened further. As at 31 December 2015, net cash held by the Group amounted to approximately HK$1,826,679,000 as compared with approximately HK$1,078,558,000 as at 31 December 2014. Adopting a prudent treasury management policy, the Group invested such cash in term deposits, bonds and loans receivable during the year under review. The Group also reviews its capital liquidity regularly in order to maintain a sound capital structure and sufficient cash flow to prepare for potential acquisitions arising from time to time.

During the year under review, results from the Group's investments in securities and properties and treasury management increased to approximately HK$327,765,000, as compared to approximately HK$51,077,000 for the year ended 31 December 2014.

OUTLOOK

In Hong Kong

For 2016, the Group aims to strengthen its leading position in the industry, enhance its strategic value and further diversify its healthcare business. For the healthcare and dental services business, the Group will continue to develop its medical network by identifying suitable locations for its new outpatient and dental clinics and enrich its healthcare services by recruiting experienced general, specialist and dental practitioners.

In terms of specialty medical services, the Group will strive to enhance its competitiveness in the market by acquiring specialty medical business with strong potential and expanding its specialist team. The Group plans to enrich specialty medical services including obstetrics and gynaecology, orthopaedics and ophthalmology and open an integrated specialty medical centre in Sheung Shui to meet the medical needs of the residents in the North District of Hong Kong. The Group's specialty centres are equipped with advanced instruments and surgical equipment which meet international standards, and are able to carry out day surgeries according to patients' conditions. On the other hand, the Group will push forward its medical tourism business to promote its quality specialist medical services to the PRC clients, so as to expand its customer base and strengthen its leading position in the Hong Kong healthcare market.

In relation to managed care business, the Group will continue to enlarge the operational scale of Dr. Vio. The Group will further expand Dr. Vio's team and improve its self-operated clinics to be more responsive to future development. The Group is currently identifying potential acquisition targets for its managed care business to effectively enlarge market share and expand the network coverage. In addition to cooperating with China Life Overseas, the Group will extend the managed care services to China Life Overseas' clients and proactively explore opportunities to develop medical insurance products. Furthermore, the Group will upgrade Dr. Vio's information technology system and optimise its management system by developing new platforms and systems to meet different needs, including (i) electronic identification for medical scheme members; (ii) electronic payment and claim system for service providers; and (iii) integrated payment and claim management system for clients. These new systems are expected to enhance Dr. Vio's core competitiveness and operational efficiency.

As for the beauty and cosmetic medicine business, the Group will continue to develop cosmetic medicine business steadily and provide every customer with the most effective and professional plastic surgery and cosmetic medicine services.

PRC-HK medical tourism is another focus of the Group's future development. In view of the rapid growth of the Chinese economy in recent years, mainland consumers, especially those from the emerging middle class, are increasingly looking for medical services outside the PRC, for example, cancer treatments in Europe and the United States, health check in Japan, cosmetic medicine in Korea and anti-aging treatments in Switzerland. With international accreditation, strong medical background and professional management team, the Group strives to take its business beyond geographical boundaries by providing specialty medical services, second opinion, advanced health check and cosmetic medicine to the PRC customers. Leveraging on the extensive network of China Life Group, the Group will introduce its PRC-HK medical tourism service to the domestic and overseas clients of China Life Group through conference, seminars and introductory campaigns, so as to further penetrate and increase awareness of the Group's brand in the PRC healthcare market. The Group will also further develop more marketing channels, work with more strategic partners and spend more efforts on promotion of Hong Kong quality medical services in the PRC high-end healthcare market.

In respect of its O2O platform, the Group strives to develop One Pass as one of the leading online healthcare platforms. The Group will further optimise One Pass and develop wearable health device and data collection systems to record the users' exercise, sleeping and other health data. The Group will also transform One Pass into a health "identity card" that stores health records such as health data, health check reports, medication records for access by the users and authorised doctors of the Group such that the doctors may diagnose more accurately with more comprehensive medical data. One Pass will also feature smart notifications, such as reminders of appointments, vaccinations and periodic health check. The Group will develop a communication platform for China Life Overseas which will facilitate its sales team to deliver the latest information on insurance products and proposals, to make appointment and enhance interactions with their customers. Furthermore, the Group will introduce selected products and services to enrich One Pass. Benefit from the "Internet Plus" trend in the PRC, the Group plans to extend its One Pass platform to the PRC healthcare market and to develop One Pass into one of the leading healthcare O2O platforms in the Greater China.

In the PRC

Due to the approval of the "Thirteenth Five-year Plan" by the Fifth Plenary Session of the Eighteenth Central Committee of the PRC government, the One-Child Policy, which had been implemented for over 30 years, has now been replaced by the Two-Child Policy. Coupled with the continuous execution and implementation of the healthcare services enhancement plan, such policies have demonstrated a high degree of importance placed by the PRC government and the people on the healthcare industry. As such, the Group expects that the domestic healthcare industry will enjoy enormous room for development and will actively diversify its healthcare services in the PRC.

Following the Fifth Plenary Session of the Eighteenth Central Committee of the PRC government, the market witnessed a large number of economic stimulations centering on healthcare reform. In addition, the PRC government is rigorously reforming public hospitals, allowing doctors to practice at multiple sites, advocating private healthcare enterprises and stimulating private investment in healthcare services, all of which will improve the operating environment of the healthcare industry. The Group will actively participate in and promote healthcare reform and the development of the private healthcare industry in the PRC as well as capturing the opportunities to strengthen the PRC healthcare platform through self-establishment, merger and acquisition so as to fully capitalise on the future growth of the industry.

The Group works with China Life Group and the Shenzhen municipal government in an integrated medical project based on its professional management model in Hong Kong to provide comprehensive specialty healthcare services in Futian District. The Group aims at offering primary and specialty medical care (including cardiology, orthopaedic, surgery, otorhinolaryngology and gastroenterology), advanced health check, high-end dental (including dental implantation and Invisalign services), cosmetic medicine (including plastic surgery and micro-plastic surgery) services with renowned specialists from Hong Kong and the PRC equipped with advanced medical diagnostic and health check devices. The Group will set up day care surgical centre and strive to implement Dr. Vio's operation model under which renowned doctors from the PRC and Hong Kong may sit in and provide high-end professional healthcare services to the residents of Shenzhen. In addition, the Group is also working with the Zhejiang branch of China Life Group to set up a healthcare service centre at its new headquarters to offer high-end healthcare, health check, distanced medical diagnosis and healthcare management services.

As for the dental business in the PRC, the Group's first dental training and service flagship centre will start operation in Hangzhou in the first half of 2016 and the Group has completed the acquisition of the chain dental clinic in Shanghai. The Group currently has four dental service centres in the PRC and expects to expand 13 dental clinics in Hangzhou and Shanghai in the next three years.

On the other hand, the Group is considering establishing flagship Invisalign dental training and service centres in the first-tier cities in the PRC, such as Beijing, Shanghai, Chengdu and Shenzhen based on the development strategy of the Group on Invisalign. The Group will expedite the development of high-end Invisalign services and further expand its coverage over the PRC Invisalign market in the future.

Given the current development of the Group's healthcare platform in the PRC, the Group will speed up the development of Nanyang Xiangrui. Firstly, the Group will optimise the management and operational efficiency of (i) Nanshi Hospital of Nanyang, (ii) Nanshi Hospital Youtian Branch, (iii) Erjiao Branch of Nanshi Hospital and (iv) Nanyang City Wulong District Wuhou Second Community Health Service Centre through provision of brand support, capital support, management support, medical resources sharing, integrated information technology support and supply chain service management support. In addition, the Group will introduce Hong Kong style medical practice to improve their service standards. Moreover, the Group will enlarge their service scope and the number of hospital beds, and introduce the Group's high-end cosmetic medicine, ophthalmology, obstetrics and gynaecology, reproductive medicine, high-end dental, and health check services. The Group plans to establish an integrated medical centre in Nanyang which will offer high-end health check, dental, specialty medical care, cosmetic medicine and other services. The Group also intends to develop an O2O platform for Nanshi Hospital of Nanyang to facilitate online and offline services and integrate the customer resources of Nanshi Hospital of Nanyang and the Nanyang branch of China Life Group. Furthermore, the Group is actively identifying potential target hospitals in Henan Province for acquisition so as to expand its hospital network through merger and acquisition. The Group will also further refine and optimise Renji Group's standardised management system and aims to apply such management system on other acquired hospitals in Henan Province.

The Group is looking for suitable locations to establish distanced diagnostic centres in order to offer second opinion and professional diagnosis services to patients in the PRC. Through distanced video communication, doctors from Hong Kong and other locations such as Beijing, Shanghai and Shenzhen may conduct distanced conjoint medical consultations and provide professional diagnosis and analysis to the patients.

As to treasury management, the Group will continue to closely monitor its cash position. It will manage and make good use of its cash flow as well as optimise its asset portfolio in a flexible and prudent manner. It will strive to maintain sound and sufficient capital to support a sustainable growth strategy and secure sufficient fund for business development or merger and acquisition.

The Group has completed the acquisition of several healthcare operations in recent years which fortified the Group's strong presence in the PRC healthcare market. The Group has reached an important milestone in its development in 2015. China Life Group becoming the Group's largest shareholder, the successful launch of One Pass and the completion of acquisition of a class A tertiary hospital in the PRC, all marked a big step forward of the Group into next stage of growth. The Group will continue to demonstrate the strengths of its professional healthcare services and efficient management systems to accelerate the development of healthcare platforms in the PRC and Hong Kong. The Group will also make efforts to integrate its clientele, online and offline platform, healthcare resources and management systems in order to further strengthen its leading position in the Hong Kong healthcare industry. The Group will continue to expand the healthcare service network, diversify its service and optimise the coverage in the PRC, to lay down the solid foundation for sustainable growth and facilitate the Group to become the most influential healthcare enterprise in the Greater China.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2015, the Group held bank balances and cash of approximately HK$1,826,679,000 (2014: HK$1,078,558,000). The Group had bank borrowings of approximately HK$21,887,000 (2014: HK$62,913,000) of which approximately HK$1,056,000 (2014: HK$41,030,000) are repayable within one year. As at 31 December 2015, the Group's net current assets amounted to approximately HK$2,054,216,000 (2014: HK$1,244,086,000) and the Group had a current ratio (defined as total current assets divided by total current liabilities) of 4.23 (2014: 4.54). As at 31 December 2015, gearing ratio (defined as total bank borrowings divided by equity attributable to owners of the Company) was 0.48% (2014: 2.97%). Major currencies used for the Group's transactions were Hong Kong Dollars, Renminbi and United States Dollars ("**US Dollars**"). As Hong Kong Dollars are pegged to the US Dollars and the fiscal policy of the Central Government of the PRC in relation to Renminbi is stable throughout the year ended 31 December 2015, the Group considers that the potential foreign exchange exposure of the Group is limited.

CAPITAL STRUCTURE

As at 31 December 2015, the Group had equity attributable to owners of the Company of approximately HK$4,530,792,000 (2014: HK$2,115,466,000).

HUMAN RESOURCES

As at 31 December 2015, the Group employed 1,402 staff (2014: 905 staff). Total employee costs for the year ended 31 December 2015, including directors' emoluments, amounted to approximately HK$650,177,000 (2014: HK$287,999,000). The salary and benefit levels of employees of the Group are competitive and individual performance is rewarded through the Group's salary, bonus system and share option schemes. Remuneration packages are reviewed annually.

CONTINGENT LIABILITIES

As at 31 December 2015, the Group had no significant contingent liabilities.

PLEDGE OF ASSETS

As at 31 December 2015, certain property, plant and equipment and investment properties of the Group with carrying values of approximately HK$114,093,000 and HK$146,000,000, respectively, were pledged to secure general banking facilities granted to the Group.

CAPITAL COMMITMENTS

As at 31 December 2015, the Group had capital expenditure contracted for but not provided in financial statements in respect of the acquisition of investment properties and property, plant and equipment of approximately HK$204,328,000 (2014: HK$nil) and the acquisition of a subsidiary at maximum consideration commitment of approximately HK$1,380,835,000 (2014: HK$nil).

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

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

DIVIDEND

Subsequent to the end of the reporting period, the Board recommended the payment of a final dividend ("**Final Dividend**") of HK0.98 cent per ordinary share for the year ended 31 December 2015 (2014: HK0.33 cent per ordinary share) to the shareholders of the Company which is subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held on Friday, 17 June 2016 ("**AGM**"). Subject to the approval of the shareholders of the Company at the AGM, it is expected that the Final Dividend will be paid on or around Thursday, 21 July 2016 to the shareholders whose names appear on the register of members of the Company on Thursday, 30 June 2016.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlement to the proposed Final Dividend for the year ended 31 December 2015, the register of members of the Company will be closed from Monday, 27 June 2016 to Thursday, 30 June 2016, both days inclusive, during which no transfer of shares of the Company will be effected. In order to qualify for entitlement to the proposed Final Dividend, all transfer of shares of the Company accompanied by the relevant shares certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on Friday, 24 June 2016.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted its own code of corporate governance based on the principles and code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**") ("**CG Code**").

During the year ended 31 December 2015, the Company has complied with the respective code provisions of the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") set out in Appendix 10 to the Listing Rules as the Company's code of conduct regarding Directors' securities transactions. All the Directors have confirmed that throughout the year ended 31 December 2015, they have complied with the provisions of the Model Code.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2015 have been reviewed by the audit committee of the Board.

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2015 as set out in this announcement have been agreed by the Group's auditors, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on this announcement.

ACKNOWLEDGEMENT

The Company would like to thank the Board, the management and all of its staff for their hard work and dedication, as well as the shareholders and customers for their support to the Group.

By order of the Board
Town Health International Medical Group Limited
Lee Chik Yuet
Executive Director

Hong Kong, 23 March 2016

As at the date of this announcement, the executive Directors are Miss Choi Ka Yee, Crystal (Chairperson), Dr. Cho Kwai Chee (Executive Deputy Chairman), Dr. Hui Ka Wah, Ronnie, JP (Chief Executive Officer), Dr. Ip Chun Heng, Wilson, Mr. Lee Chik Yuet and Mr. Wong Seung Ming (Chief Financial Officer); the non-executive Directors are Dr. Choi Chee Ming, GBS, JP (Deputy Chairman), Ms. Fang Haiyan (Deputy Chairperson), Mr. Chen Jinhao and Mr. Tsai Ming-hsing (Deputy Chairman); and the independent non-executive Directors are Mr. Ho Kwok Wah, George, MH, Mr. Wong Tat Tung, MH, JP, Mr. Yu Xuezhong, Ms. Li Mingqin and Mr. Wang John Hong-chiun.